

# **Building Integrity and Reducing Corruption Risk in Defence Establishments**

Report to: NATO Euro Atlantic Partnership Council

## **Integrity Self-Assessment Process – Review of the 2008 pilot implementations**

Report prepared by the three nations participating in the pilots: Bosnia-Herzegovina, Norway, Ukraine

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## 1. Background

1.0.1. As part of the NATO Partnership for Peace, EAPC Ambassadors approved in November 2007 a programme on 'Building Integrity and Reducing Corruption Risk'. This Programme is being developed so as to contribute to defence institution building in NATO ally and Partner Nations. The programme is aimed at the development of three key elements:

- A Training Module
- An Integrity Self-Assessment Process
- A Compendium of Best Practice

1.0.2. The Integrity Self-Assessment Process provides nations with a template to assess the strength of their own integrity systems, based on responses to a questionnaire, followed by a NATO-led expert review team visit.

1.0.3. The process consists of two elements: a questionnaire to be completed by the nation, and a follow-up on-site visit by a NATO-led expert review team, who will meet with representatives of the nation to discuss the replies to the questionnaire. The questionnaire focuses on practical performance rather than legislation. The NATO-led expert view team will exchange views on best practice, and consider with the nation how it might strengthen the integrity of its defence establishment and reduce corruption risk. The expert team is led by NATO International staff, and comprises three or four people, including representatives of nations and of subject matter experts from Transparency International and other experienced organisations.

### 1.1. Development of the questionnaire

1.1.1. In early 2008, a Working Group led by Poland, working with Transparency International's defence team, developed the draft Integrity Self-Assessment Process. The development of the questionnaire was taken forward by a small ad hoc team led by Poland and Transparency International, with the participation of Bosnia-Herzegovina, Croatia, Georgia, Norway, Ukraine, Former Yugoslav Republic of Macedonia<sup>1</sup>, and the UK, as well as NATO International Staff and NATO School Oberammergau. The draft text has also been consulted with NC3, UNODC, OECD and DRMI (Monterey). The draft was released to nations in May 2008 to nations volunteering to take part in a trial project.

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<sup>1</sup> Turkey recognises the Republic of Macedonia under its constitutional name

## 2. Trials in nations

2.0.1. Three nations, Bosnia-Herzegovina, Ukraine, and Norway, volunteered to take part in a pilot of the Self-Assessment Process. These took place between June and November 2008. Each nation completed the questionnaire and received the NATO-led expert review team to review the answers in detail.

2.0.2. In November 2008 and in January 2009, representatives of the three pilot nations taking part in the Self-Assessment Process – Bosnia-Herzegovina, Ukraine, and Norway – together with representatives from the NATO-led expert review team (NATO International Staff, Poland, and Transparency International (UK)) met to review the results of the trial phase and to update the tool as required. The meeting was hosted by the Croatian Mission to NATO and attended by Ukraine, Norway, the UK and Bosnia-Herzegovina, as well as by NATO International Staff and experts from Transparency International (UK). This note is the report from that meeting and sets out the views of the three nations taking part in the Self-Assessment trials.

### 2.1. Bosnia-Herzegovina

2.1.1. The Bosnia-Herzegovina Ministry of Defence submitted its answers to the draft Self-Assessment questionnaire in June 2008, and received the NATO-led expert review team shortly afterwards.

2.1.2. The Bosnia-Herzegovina Ministry of Defence coordinating committee answered the questionnaire with reference to documents such as the United Nations Convention Against Corruption (UNCAC), the NATO Partnership for Peace Planning and Review Process (PARP), and the NATO Individual Partnership Action Plan (IPAP), with the intention of integrating recommendations from the Self-Assessment Programme into its PARP and IPAP processes.

2.1.3. The Bosnia-Herzegovina team reported that general awareness of corruption risks had been raised across defence and other government officials as a result of completing the questionnaire. In addition, the review highlighted the lack of internal procedures in Bosnia-Herzegovina Ministries to deal with such risks, particularly in the area of procurement.

2.1.4. The NATO-led expert review team reported that it was satisfied that the draft questionnaire had been completed fully, and national authorities had demonstrated broad awareness of the processes of building integrity and implementing anti-corruption reforms within the Ministry of Defence. Observations of potential areas of concern included the system of regulations within the Ministry of Defence, which was still in its infancy; the lack of sharing of expertise across departments; and the apparently weak nature of the oversight role of Parliamentarians.

2.1.5. The report welcomed by Bosnia-Herzegovina has been circulated internally and then disseminated to other Bosnia-Herzegovina government Ministries, who were invited to discuss the findings of the report with the Ministry of Defence. This ongoing process has received political support from the Prime Minister of Bosnia-Herzegovina, who expressed his expectation that all institutions and Ministries of the Bosnia-Herzegovina government will act on the basis of the report.

### 2.2. Ukraine

2.2.1. In October 2008, Ukraine submitted responses to the Self-Assessment questionnaire, from the Security Service of Ukraine, the Ministry of Emergency of Ukraine, the Ministry of the Interior of Ukraine, and the Ministry of Defence. The Ukraine representative highlighted the following specific achievements resulting from Ukraine's participation in the draft Self-Assessment Programme:

- a. Institutions have approached their work with constructive intentions and manner, with a strong desire for future engagement in the areas of integrity and anti-corruption reform.
- b. Inter-departmental cooperation has improved greatly, especially since the NATO-led expert review team visit to Ukraine. International expertise, both in the draft Self-Assessment process and in the Building Integrity Training Module, has been extremely helpful in the development of internal capacity. For 2009, Ukraine offers to host a Building Integrity Course to include a Module for high-level officials as part of its continuing engagement with the programme.
- c. There is much greater understanding on the part of Parliament, auditors, non-governmental organisations (NGOs), and the media on the need to improve oversight and control of the Ministry of Defence.

2.2.2. These achievements have laid the necessary bases for future efforts in Ukraine's engagement with the Building Integrity programme. The Self-Assessment Process has given Ukraine a framework for assessing the national system to combat corruption, as well as highlighting necessary components such as advanced anti-corruption laws in compliance with international standards, best practices for institutional protection, public controls, media oversight, and national audit based on the principles of peer-group review.

2.2.3. The NATO-led expert review team commended Ukraine on its ambitious implementation to include five Ministries/agencies. While this provided a comprehensive picture in some areas, the multiple replies also highlighted inconsistencies and areas for follow-on work. The opportunity for the NATO-

led expert review team to meet with more than 30 NGOs as apart of the review highlighted Ukraine's commitment to promoting transparency and should be included in the Self-Assessment Process.

### 2.3. Norway

2.3.1. The Self-Assessment Process, as well as the other tools being developed as part of this initiative, is intended to provide practical support to all nations. While initially unsure that Norway would have much to gain from undergoing the Self-Assessment, the Norwegian Ministry of National Defence was surprised and pleased at the overall outcome. The Self-Assessment Process allowed Norway to conduct a substantial review of its integrity-building and anti-corruption reforms and to assess these in relation to how they fitted together across the whole system. Norway's participation in this process demonstrates that the tools being developed will be of benefit to a wide range of nations.

2.3.2. Norway submitted its answers to the Self-Assessment questionnaire in November 2008 preceding the NATO-led expert review team's in-country visit. In addition to confirming Norway has a robust integrity system, several areas of best practice were identified including:

- The use of complaints boards
- A handbook on *Ethical guidelines regarding business contacts for the defence sector* produced by the Ministry of Defence
- The development of an E-procurement process

2.3.3. Observations of areas of concern included the apparent lack of coordination of combating corruption policies between the Ministries, flow of the elements of best practice, and the difficulties reported by the Office of the Auditor-General in their possibilities in detecting corruption. Overall, however, Norway was felt to be a leader in the field of integrity and anti-corruption in defence.

## 3. Conclusions from the trials

3.0.1. The Self-Assessment Process has been developed quickly and with much enthusiasm from the Working Group. The trial assessments with the three volunteer nations have proved successful, with each nation expressing benefits gained from the process and committing to further engagement on the Self-Assessment Process together with the other elements of Building Integrity and Reducing Corruption Risk. The Assessment was also successful in highlighting key strengths and weaknesses of the defence integrity systems of each nation, and in providing an overview of how the various anti-corruption and building integrity elements fitted together.

3.0.2. While Bosnia-Herzegovina, Ukraine, and Norway are very different nations with separate priorities and challenges, all three have defence establishments, which for varying reasons are providing leadership in the internal reform in their countries. Each confirmed that taking part in this process had resulted in practical benefits.

## 4. Recommendations

### 4.1 Self-Assessment as part of the biannual cycle

4.1.1. The three nations taking part recommend that the Self-Assessment Process be utilised as part of a broader cycle of assessment and reform. For PfP partners this could be part of the existing partnership instruments and review mechanisms such as MAP, IPAP, and PARP. Such an approach would allow reform and progress to be reviewed and measured over time and provide a framework for tailored support. This may include development of tailored partnership goals for those taking part in PARP.

4.1.2. The participation of national experts as part of the NATO-led expert review team proved an important contribution to the overall success. It is recommended that any process to be developed as part of the Self-Assessment build on this positive experience of peer-review. Such a peer-review should include the nations taking part in the Self-Assessment, and should also focus on exchange of best practice and lessons learned.

### 4.2 Updating of the questionnaire

4.2.1. The Working Group in January 2009 has agreed some changes to the Integrity Self Assessment process as a result of the pilots, notably in shortening the questionnaire and in refining the format and reporting of the expert visit. A formal testing with a further 2-3 nations is recommended for 2009.

### 4.3 Workshop of Best Practices

4.3.1. Following the identification of several elements of best practice during the Integrity Self-Assessment Process in the three trial nations, it was recommended that such practices should be disseminated to other NATO Allies and Partners. Norway volunteered to host a Workshop of Best Practices in Integrity-Building in late 2009, and the topic is to be developed for inclusion in the Building Integrity Training Course.

## 5. Further Information

5.0.1. For further information on the three nations who participated in the trials of the Integrity Self-Assessment Process, NATO International Staff, and Transparency International, please contact the following:

### **Bosnia-Herzegovina**

Major Asif Kahrman  
Ministry of Defence, Bosnia-Herzegovina  
Email: [asifkahrman@yahoo.com](mailto:asifkahrman@yahoo.com)

### **Ukraine**

Oleksandr Psyarenko  
National Security and Defence Council, Ukraine  
Email: [oop@rainbow.gov.ua](mailto:oop@rainbow.gov.ua)

### **Norway**

Svend Lilleby  
Ministry of Defence, Norway  
Email: [Svend.Lilleby@fd.dep.no](mailto:Svend.Lilleby@fd.dep.no)

### **NATO International Staff**

Susan Pond  
Partnership for Peace Programme, NATO  
Email: [s.pond@hq.nato.int](mailto:s.pond@hq.nato.int)

### **Transparency International**

Mark Pyman  
Defence Against Corruption programme, Transparency International  
Email: [mark.pyman@transparency.org.uk](mailto:mark.pyman@transparency.org.uk)