



**Government Defence  
Integrity Index**



**2020**

Country Brief:

**GREECE**



# GREECE

Greece's main security challenges are intimately linked to dynamics in the Eastern Mediterranean. Long-standing tensions and rivalry with neighbouring Turkey, including disagreements over maritime borders, the protracted issue of Cyprus' political crisis and antagonistic claims related to exclusive economic zones (EEZ), have long been key features of political and security dynamics in the region.<sup>1</sup> However, these traditional sources of friction now dovetail with broader and rapidly evolving geopolitical dynamics involving Turkey, Cyprus, Libya, Egypt, the UAE, Israel and Lebanon amongst others.<sup>2</sup> Recent energy discoveries in the region, the Libyan crisis and the intractable issue of migration are also contributing to a further escalation of national and regional tensions.

Member of Open Government Partnership	Yes
UN Convention Against Corruption	Ratified in 2008
Arms Trade Treaty	Ratified in 2016

In this context, Greece has increased its defence spending by 57% between 2020 and 2021<sup>3</sup> and significantly amplified its investment in military hardware, despite the deep recession caused by the COVID-19 pandemic and a rising budget deficit.<sup>4</sup> Military investment is part of a broader strategy that involves a more assertive regional presence, characterised by enhanced diplomatic advances and deepened military cooperation with Israel and the UAE.<sup>5</sup> Recent defence agreements signed with France<sup>6</sup> and the United States<sup>7</sup> also underline attempts to maintain close ties with traditional allies and with the EU and NATO. Nevertheless, for this strategy to be effective, it will require a significant strengthening of defence governance mechanisms, without which military readiness and efficiency could be undermined. As things stand, Greece's defence sector is opaque, with poor financial transparency, secretive procurement processes and weak external oversight. Access to information and whistleblowing rights are also not fully guaranteed and undermine anti-corruption efforts in the sector, while safeguards to corruption on operations are particularly weak.

## NATO Overview

In a global context marked by the fragmentation of global power, a loss of faith in multilateralism and the rise of non-conventional conflict, NATO faces an uncertain future. In the twilight of its long-standing operation in Afghanistan, there is a pressing need for it to retool and revamp itself to better address current and future challenges. Externally, these include an increasingly belligerent and assertive Russia, the continued rise of China and the increased global instability that the current decade heralds. Within the alliance, NATO's expansion in the Western Balkans has occurred during a period of democratic backsliding and rising defence spending amongst many member states. These trends prompt concerns about an increased risk of corruption that threatens both political and military

stability, at a time when NATO can ill afford governance failings undermining its capacity to respond to threats. Whilst the Building Integrity programme has proved generally effective at mitigating defence sector corruption and fostering good governance, maintaining the high standards of defence governance that are critical to NATO's ability to exercise its mandate will likely pose a significant challenge to the alliance in coming years.



<sup>1</sup> Vassilis Ntousas, 'Greece in the Eastern Mediterranean: Turning Engagement into Influence', *European Council on Foreign Relations*, 2 July 2021.

<sup>2</sup> Galip Dalay, 'Turkey, Europe and the Eastern Mediterranean: Charting a Way Out of the Current Deadlock', *Brookings Institute*, 28 January 2021.

<sup>3</sup> Magda Panoutsopoulou, 'Greece to Increase Defence Spending by 57%', *Anadolu Agency*, 16 December 2020.

<sup>4</sup> Nektaria Stamouli, 'Greece Goes Arms Shopping as Turkey Tension Rises', *Politico*, 11 September 2020.

<sup>5</sup> Ntousas, 'Greece in the Eastern Mediterranean'.

<sup>6</sup> Katerina Sokou, 'Greece and France Give European Strategic Autonomy a Shot', *Atlantic Council*, 7 October 2021.

<sup>7</sup> Euractiv, 'US, Greece Expand Defence Ties amid Mediterranean Tensions', 15 October 2021.



# GREECE

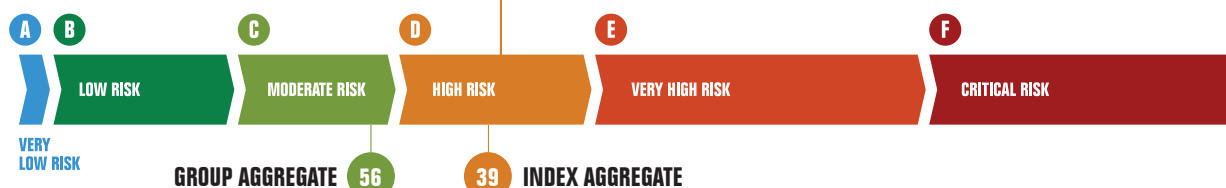
## Overall scores

The size of the colour band corresponds to number of countries that fall into that category.

**GREECE SCORE**  
**HIGH RISK**

**D**

**47**



A > 83-100 VERY LOW

B > 67-82 LOW

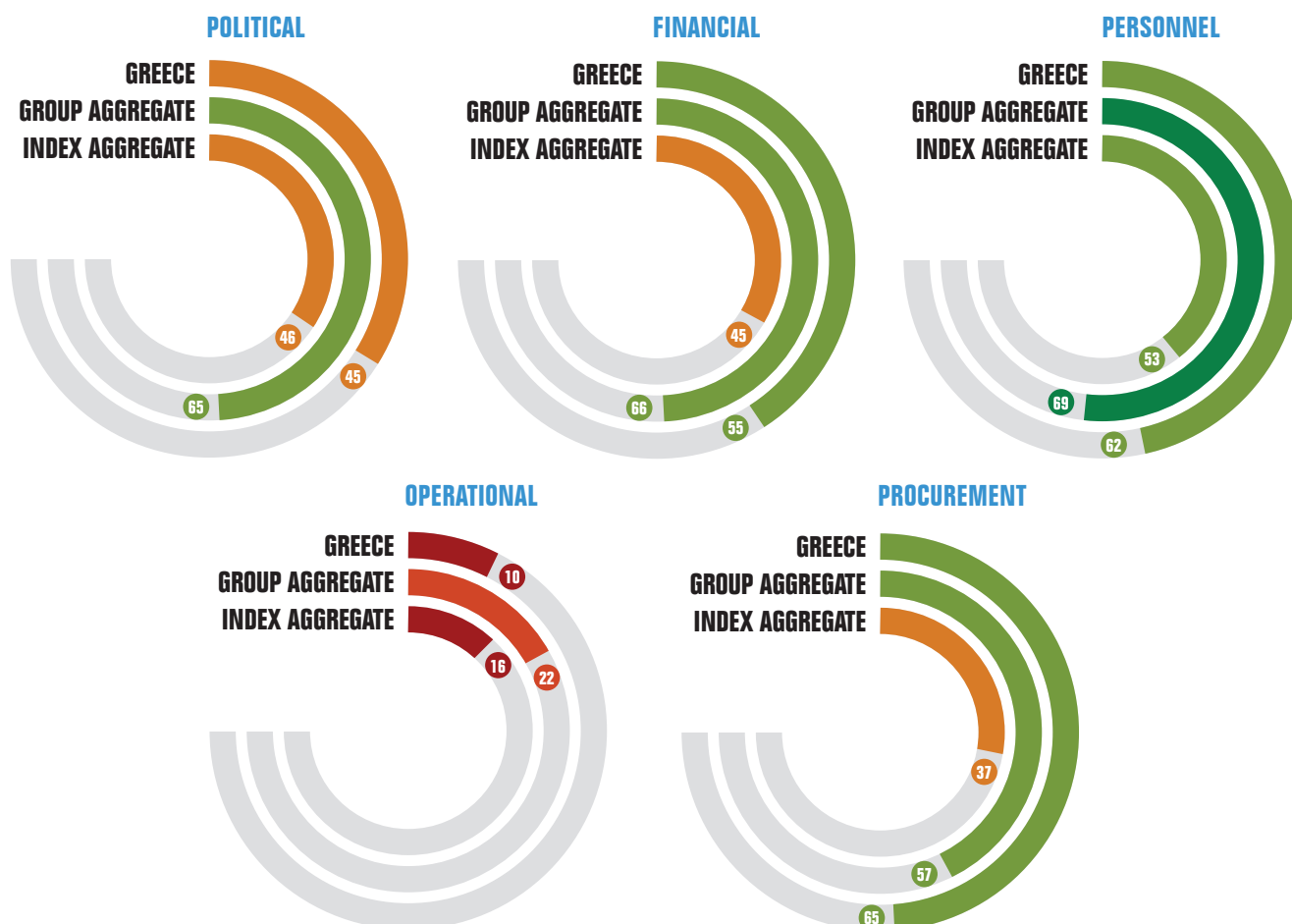
C > 50-66 MODERATE

D > 33-49 HIGH

E > 17-32 VERY HIGH

F > 0-16 CRITICAL

## Risk Comparison





# GREECE

## Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	<b>Not ranked</b>
Military expenditure as share of government spending (SIPRI, 2020)	<b>4.8%</b>
Committee members with defence expertise (%)	<b>Exact data is not publicly available</b>
# of meetings/year	<b>16 (2018); 29 (2019); 27 (2020)</b>
Last review of defence policy/strategy	<b>National Defence Policy is classified</b>

Owing to Greece's electoral system, election winners obtain a disproportionate share of parliamentary seats, including a 50-seat bonus for the party winning a majority, on top of seats allocated through proportional representation.<sup>8</sup> As a result, governments generally hold significant majorities when elected and checks and balances on executive power are weak. This is evident with regard to defence too, where parliamentary control and involvement is limited. Parliament has formal powers to scrutinise defence policy and legislation, as well as to review budgets and major arms procurement.<sup>9</sup> However, it cannot reject or veto defence policy under any circumstances and defence policy formulation remains the prerogative of the executive, with the legislature's role limited to merely rubber-stamping executive proposals.<sup>10</sup> Legislative scrutiny of defence is also frequently undermined by the executive's use of 'urgent procedure orders' for defence-related issues, which limits the time parliamentarians have for debate. This was recently used in relation to the acquisition of 18 Rafale fighter jets and ensured that parliamentarians did not have full access to information on all aspects of the contract.<sup>11</sup> In practice, two committees are responsible for defence oversight: the Permanent National Defence Committee (PNDFAC) and the Committee on Armament Programmes (CAPC), which focusses exclusively on reviewing major arms procurements.<sup>12</sup> The PNDFAC, however, functions more as a forum for debate on defence issues rather than an oversight body. Aside from the requirement that Defence and Foreign Affairs Ministers appear before the committee twice a year,<sup>13</sup> there is little evidence of the committee actively scrutinising defence policy, budgets or activities, nor of it conducting long-term investigations into specific aspects of defence. Moreover, while the committee can review budgets, it does not have the power to suggest amendments and does not submit recommendations to defence institutions.<sup>14</sup> Financial oversight is also carried out by the Court of Audit, which conducts financial and performance audits of defence institutions.<sup>15</sup> The Court is financially independent from the executive and does scrutinise defence spending.<sup>16</sup> However, defence is only covered in its annual budget fulfilment report and there do not appear to be any other audits of defence agencies carried out in the past four years.<sup>17</sup>

## Financial Transparency

Defence-related access to information response rates	(1) % granted full or partial access: Data is not publicly available. (2) # subject to backlog: Data is not publicly available
Defence-related complaints to ombudsman/commissioner #	<b>Data is not publicly available</b>
Does the commissioner have authority over the MoD?	<b>No such institution exists</b>
Audit reports on defence (2018-2020) #	<b>1 (2018); 1 (2019); 1 (2020)</b>
Open Budget Index (IBP, 2019)	<b>Not ranked</b>
World Press Freedom Index (RSF, 2021)	<b>70th out of 180</b>

Since 2019, efforts have been undertaken to enhance access to information and transparency in Greece, through the creation of a Ministry of Digital Governance and the establishment of a new Government Authority on Transparency.<sup>18</sup> However, when it comes to defence and security, financial transparency and access to data remain limited. The published defence budget, for instance, contains some comprehensive information on expenditure across functions, including salaries, procurement and construction, but other categories are not disaggregated, undermining transparency in key areas of defence expenditure.<sup>19</sup> Similarly, reports on actual spending during the budget year are not made publicly available due to national security considerations. The Ministry of Finance irregularly publishes figures on defence spending, but this only occurs every two or three years and the information is highly aggregated.<sup>20</sup> Equally, in terms of sources of revenue, the publication of such streams is selective, and no information is released on the amounts generated or on the allocation of this income in the yearly budget. As a result, there is little clarity as to how defence funding from sources outside of central government allocation operate in practice and to what ends those funds are used for. Budget reliability is further undermined by the lack of prohibition for off-budget military spending. Such expenditures are permitted for "urgent" items and have been used in the past for the acquisition of military goods.<sup>21</sup> As a result, these purchases are not subject to standard budgetary controls or parliamentary involvement and they are usually recorded in a highly aggregated fashion in spending reports, undermining transparency and increasing the risk of corruption in such processes. Transparency is also undercut by the weakness of freedom of information regulations in defence. As a result, the public has no clear mechanisms through which to access defence information and the culture of secrecy in defence restricts the disclosure of significant amounts of information.

<sup>8</sup> Bertelsmann Stiftung, 'Greece 2020 Country Report', *Sustainable Governance Indicators*, 2020, p. 5.

<sup>9</sup> Hellenic Parliament, 'The Hellenic Parliament's Standing Orders', p. 38.

<sup>10</sup> Hellenic Republic, *Constitution of Greece* (with 2019 amendments), 2019.

<sup>11</sup> Capital.gr, 'Parliament: With the Urgent Procedure the Discussion of the Acquisition of Rafale', 12 January 2021.

<sup>12</sup> Hellenic Parliament, 'The Hellenic Parliament's Standing Orders', p. 39.

<sup>13</sup> Hellenic Parliament, 'The Hellenic Parliament's Standing Orders', Article 36.5, p. 45.

<sup>14</sup> Hellenic Parliament, 'The Hellenic Parliament's Standing Orders', p. 38.

<sup>15</sup> Court of Audit, *Annual Report of the Hellenic Court of Audit for 2018*, Athens 2020.

<sup>16</sup> Hellenic Republic, *Law 4700/2020 on of the Court of Auditors Procedure, integrated legal framework for pre-contractual audit, amendments to the Code of Laws for the Court of Auditors, provisions for the effective administration of justice and other provisions*, 2020.

<sup>17</sup> Court of Audit, 'Publications'.

<sup>18</sup> Bertelsmann Stiftung, 'Greece', p. 59.

<sup>19</sup> Ministry of Finance, 'Distribution of Budget Appropriations of the Ministry of National Defense', Financial Year 2021.

<sup>20</sup> Ministry of Finance, 'Execution of the State Budget March 2021', March 2021.

<sup>21</sup> Yannis Nikitas, 'UAV Heron: The Agreement between Greece and Israel was Signed', *Defence Review*, 6 May 2020.





# GREECE

## Personnel Ethics Framework

Whistleblowing legislation	None
# defence-sector whistleblower cases	Data is not publicly available
# Code of conduct violations	Military: Data is not publicly available
	Civilian: 7 (2019)
Financial disclosure system	# submitted: Data is not publicly available
	# of violations: Data is not publicly available

Despite its significant investment in defence, anti-corruption safeguards for personnel remain in need of strengthening in Greece's defence sector. Despite some robust standards, anti-corruption remains under-prioritised when it comes to personnel management, opening the door for abuses to multiply. For example, while codes of conduct are in place for both civilian and military personnel, their emphasis on corruption issues is weak. The Military Code of Conduct makes only a vague reference to corruption and conflicts of interests, does not touch on post-separation activities, and generally does not provide any guidance on how personnel should proceed when confronted with such situations.<sup>22</sup> Similarly, the Code for Civil Servants does not fully specify corruption-related issues and again does not contain detailed guidance for personnel.<sup>23</sup> On top of this, there is little clarity around how the codes are enforced. With regards to the military in particular, no data is published on breaches of the code of conduct or on prosecutions for corruption offences, making it difficult to assess the effectiveness of the code. Anti-corruption standards are further weakened by minimal training on corruption risks. There is no evidence that anti-corruption training programmes are mandatory for personnel and the only record of such training taking place is when it is delivered by NGOs.<sup>24</sup> This points to a lack of systematisation of training and underscores its limited scope practice. Finally, a significant obstacle to anti-corruption efforts in defence is the continuing absence of an overarching legal framework granting protections for whistleblowers and of a clear system for reporting wrongdoing. As things stand, the provisions of the EU Whistleblowing Directive have not yet been transposed into Greek law,<sup>25</sup> and whistleblower protections are scattered throughout various laws.<sup>26</sup> Consequently, the practice remains rare and there is little trust among personnel that they will be provided adequate protection if they report corrupt activity.

## Operations

Total armed forces personnel (World Bank, 2018)	147,850
Troops deployed on operations #	111 in Lebanon (UNIFIL), 111 in Kosovo (NATO KFOR)

Greece is actively involved in a number of military operations, including UN peace operations, NATO missions, and troop deployments along the border with Turkey and in crisis management roles.<sup>27</sup> However, in spite of these deployments, the military's anti-corruption safeguards for operations remain critically underdeveloped, heightening the threat that corruption poses to mission objectives. At the strategic level, Greece does not currently consider corruption a strategic issue for the success of military operations and there is no evidence it is included in any key strategic documents, which are classified. As a result, these issues are also not included in the military's forward planning process for operations and there is no evidence that corruption mitigation strategies are applied in the field. Similarly, at the training level, pre-deployment anti-corruption training is not consistently delivered. While some commanders take part in NATO Building Integrity courses provided by the Multinational Peace Support Operations Training Centre (MPSOTC), it can only host limited numbers of personnel and its programmes are not extended to the bulk of the armed forces.<sup>28</sup> Additionally, there is no evidence of any monitoring and evaluation policy for corruption during operations or of any specific guidelines being given to personnel on how to mitigate corruption risk, including in particularly sensitive areas such as financial management and contracting.

<sup>22</sup> Greek Armed Forces, 'Military Code of Conduct 20-1', 1983.

<sup>23</sup> Government of Greece, 'Code of Practice for Civil Servants', 2015.

<sup>24</sup> Ministry of Defence, 'Conference on Anti-Corruption in the Armed Forces', 1 June 2011.

<sup>25</sup> 'Directive (EU) 2019/1937 of the European Parliament and Council of 23 October 2019 on the protection of persons who report breaches of Union law', *Official Journal of the EU*, 305/17, 2019.

<sup>26</sup> Law 2928/2001 on amendment of provisions of the Penal Code and the Code of Criminal Procedure and other provisions for the protection of the citizen from criminal acts of criminal organizations, 2001.

<sup>27</sup> Nick Kampouris, 'Greek Army to be Deployed to Assist Firefighters Across Greece', *Greek Reporter*, 5 August 2021.

<sup>28</sup> MPSOTC, 'Building Integrity'.



# GREECE

## Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2020)	5,237
Open competition in defence procurement (%)	Exact data is not publicly available
Main defence exports – to (SIPRI, 2016-20)	Canada, Egypt
Main defence imports – from (SIPRI, 2016-20)	Germany, United States, France, United Kingdom, Netherlands

Greece's defence spending surge is being fuelled by hardware procurement, with €1.5 billion earmarked for this over the next financial year as part of Greece's "defence diplomacy" strategy.<sup>29</sup> However, current procurement management systems contain significant vulnerabilities that increase the risk of corruption in the acquisition process. Defence procurement is coordinated by the General Directorate for Defence Investments and Armaments (GDDIA), which is responsible for planning and implementing defence procurement programmes.<sup>30</sup> While non-military goods are procured through standard public procurement legislation, equipment, hardware and services with a military purpose are subject to separate legislation, which transposes the EU Directive 81/2009/EC into national law.<sup>31</sup> The procurement cycle however is not fully disclosed. As the National Defence Policy is confidential, so too is the process of identifying needs,

and as a result, there is a lack of clarity as to whether individual purchases are linked to strategic objectives. This lack of transparency is symptomatic of the wider issue of opacity in defence procurement. Planned purchases are not made public and the cancellation of the five-year Single Medium Term Development Programmes has significantly restricted public visibility of procurement plans.<sup>32</sup> Equally, oversight is noticeably restricted for military goods. The Hellenic Single Public Procurement Authority (HSPPA) functions as the independent oversight body for defence and security procurement. However, it does not have the capacity to control the contracts in the field of defence that fall within the scope of Law 3978/2011, which covers acquisitions of military goods and services. The HSSPA can only audit and control non-military procurement which falls under the regulation of the general public procurement Law 4412/2016.<sup>33</sup> While the Court of Audit and Committee on Armaments and Programmes (CAPC) can scrutinise defence procurement, its resource and capacity limits mean that it cannot cover a significant share of defence acquisitions.

<sup>29</sup> Stamouli, 'Greece Goes Arms Shopping'.

<sup>30</sup> Hellenic Republic, Law 3433/2006 on Armed Forces Defence Materiel Procurement, 2006.

<sup>31</sup> Hellenic Republic, Law 3978/2011: Public procurement of works, services and supplies in the fields of defence and security - harmonisation with Directive 2009/81 / EC - regulation of issues of the Ministry of National Defence, June 2011.

<sup>32</sup> Manos Iliadis and Thanos Dokou, 'Military Service and Defence', Policy Paper 27, Hellenic Foundation for European and Foreign Policy, January 2019, p. 11.

<sup>33</sup> Hellenic Republic, Law 4412/2016 Public Works, Procurement and Services, 2016.

Version 1.0, October 2021

GDI data collection for **Greece** was conducted March 2020 to April 2021. The narrative discussion in this GDI brief was produced at a later time with the most recent information available for the country, which may not be reflected in the GDI country assessments or scores.



# GREECE 2020 GDI Scorecard

		Grade	Score
<b>Political Risk</b>		<b>D</b>	<b>45</b>
Q1	Legislative Scrutiny	B	67
Q2	Defence Committee	E	25
Q3	Defence Policy Debate	C	50
Q4	CSO Engagement	E	25
Q5	Conventions: UNCAC / OECD	A	88
Q6	Public Debate	B	75
Q7	Anticorruption Policy	B	75
Q8	Compliance and Ethics Units	F	0
Q9	Public Trust in Institutions	NS	
Q10	Risk Assessments	F	0
Q11	Acquisition Planning	E	25
Q12	Budget Transparency & Detail	C	63
Q13	Budget Scrutiny	E	25
Q14	Budget Availability	C	58
Q15	Defence Income	C	50
Q16	Internal Audit	C	63
Q17	External Audit	B	69
Q18	Natural Resources	A	83
Q19	Organised Crime Links	NEI	
Q20	Organised Crime Policing	C	50
Q21	Intelligence Services Oversight	F	13
Q22	Intelligence Services Recruitment	E	17
Q23	Export Controls (ATT)	B	75
Q76	Lobbying	F	0

<b>Financial Risk</b>		<b>C</b>	<b>55</b>
Q24	Asset Disposal Controls	C	50
Q25	Asset Disposal Scrutiny	D	33
Q26	Secret Spending	A	100
Q27	Legislative Access to Information	F	0
Q28	Secret Program Auditing	F	0
Q29	Off-budget Spending	D	42
Q30	Access to Information	D	38
Q31	Beneficial Ownership	A	100
Q32	Military-Owned Business Scrutiny	A	100
Q33	Unauthorised Private Enterprise	A	100
Q77	Defence Spending	D	38

<b>Personnel Risk</b>		<b>C</b>	<b>62</b>
Q34	Public Commitment to Integrity	C	58
Q35	Disciplinary Measures for Personnel	C	63
Q36	Whistleblowing	E	17
Q37	High-risk Positions	F	0
Q38	Numbers of Personnel	B	67
Q39	Pay Rates and Allowances	B	75
Q40	Payment System	A	92
Q41	Objective Appointments	D	42
Q42	Objective Promotions	C	63
Q43	Bribery to Avoid Conscription	A	100
Q44	Bribery for Preferred Postings	A	100
Q45	Chains of Command and Payment	A	100
Q46	Military Code of Conduct	B	81

## OVERALL COUNTRY SCORE

**HIGH RISK**



### RISK GRADE

A • 83-100 **VERY LOW**  
B • 67-82 **LOW**  
C • 50-66 **MODERATE**  
D • 33-49 **HIGH**  
E • 17-32 **VERY HIGH**  
F • 0-16 **CRITICAL**



<b>Personnel Risk</b>		<b>C</b>	<b>62</b>
Q47	Civilian Code of Conduct	C	56
Q48	Anticorruption Training	E	17
Q49	Corruption Prosecutions	E	25
Q50	Facilitation Payments	A	100

<b>Operational Risk</b>		<b>F</b>	<b>10</b>
Q51	Military Doctrine	F	0
Q52	Operational Training	C	50
Q53	Forward Planning	F	0
Q54	Corruption Monitoring in Operations	F	0
Q55	Controls in Contracting	F	0
Q56	Private Military Contractors	NS	

<b>Procurement Risk</b>		<b>C</b>	<b>65</b>
Q57	Procurement Legislation	C	50
Q58	Procurement Cycle	C	58
Q59	Procurement Oversight Mechanisms	B	67
Q60	Potential Purchases Disclosed	E	25
Q61	Actual Purchases Disclosed	C	63
Q62	Business Compliance Standards	C	63
Q63	Procurement Requirements	B	75
Q64	Competition in Procurement	C	50
Q65	Tender Board Controls	C	50
Q66	Anti-Collusion Controls	B	81
Q67	Contract Award / Delivery	B	81
Q68	Complaint Mechanisms	A	100
Q69	Supplier Sanctions	A	92
Q70	Offset Contracts	C	63
Q71	Offset Contract Monitoring	NA	
Q72	Offset Competition	NA	
Q73	Agents and Intermediaries	A	100
Q74	Financing Packages	E	25
Q75	Political Pressure in Acquisitions	NS	

### KEY

NEI Not enough information to score indicator  
NS Indicator is not scored for any country  
NA Not applicable



[ti-defence.org/gdi](https://ti-defence.org/gdi)

[GDI@transparency.org](mailto:GDI@transparency.org)

Transparency International UK  
Registered charity number 1112842  
Company number 2903386

Transparency International Defence and Security (TI-DS) is a global thematic network initiative of Transparency International. It is an independent entity and does not represent any national TI Chapters. TI-DS is solely responsible for the 2020 iteration of the Government Defence Integrity Index (GDI) and all associated products, including the GDI Country Briefs.

## Acknowledgements

We would like to thank the UK Foreign Commonwealth and Development Office (FCDO) and the Ministry of Foreign Affairs of the Kingdom of the Netherlands for their generous financial support of the production of the Government Defence Integrity Index. Thanks are also extended to the many country assessors and peer reviewers who contributed the underlying data for this index.

Series editor: **Stephanie Trapnell**, *Senior Advisor*

Author: **Matthew Steadman**, *Research Officer*

Project Manager: **Michael Ofori-Mensah**, *Head of Research*

Design: **Arnold and Pearn**



Foreign, Commonwealth  
& Development Office



Ministry of Foreign Affairs of the  
Netherlands