



Government Defence
Integrity Index



2020



Country Brief:

IRAQ



IRAQ

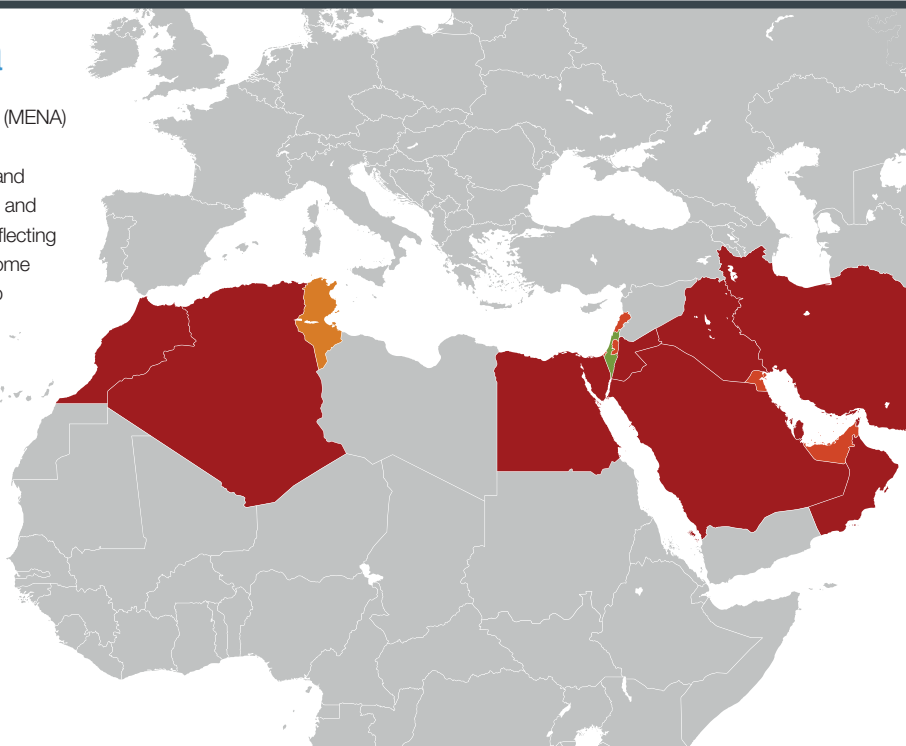
Decades of conflict, sectarian violence and terrorism have critically undermined the very fabric of the Iraqi state. Since the overthrow of Saddam Hussein and the coalition invasion in 2003, successive governments have failed to re-build the economy, provide services, and ensure security. The invasion of Iraq by the Islamic State group (2014-2017) and capitulation of the Iraqi defence and security forces,¹ nearly resulted in the complete collapse of the state, requiring an international coalition to help defeat the group and regain territory.² Though the intensity of conflict has decreased since 2017, sporadic low-intensity conflicts have continued involving the military, Shia paramilitary forces (the PMF), Kurdish forces (Peshmerga) and Iranian-backed militias, while Islamic State is reportedly still active in rural areas.³

Member of Open Government Partnership	No
UN Convention Against Corruption	Ratified in 2008.
Arms Trade Treaty	Has not signed.

Against this backdrop of a complex and fragmented security situation, widespread public anger at corruption, poor basic services and a dysfunctional economy have fuelled unprecedented protests calling for systemic change and deep political reform, leading to the resignation of Prime Minister Mahdi in 2019, although most demands remain unsatisfied.⁴ In the midst of this, the defence and security forces and associated paramilitaries have attracted public fury through their disproportional response, killing hundreds of protesters and injuring thousands.⁵ With the military's dysfunctions brutally exposed during the 2014 invasion and evidence that rampant corruption was a key factor in the army's collapse,⁶ a review of defence governance standards reveals critical weaknesses. Parliamentary oversight is extremely weak, compounded by the weakness of defence auditing practices. The informalised, secretive and ad-hoc nature of defence procurement renders it rife with corruption, while financial management is extremely opaque and non-participatory. Elsewhere, whistleblowing and access to information are poor, personnel management systems vulnerable to abuse and anti-corruption safeguards on operations non-existent. These findings are all the more concerning in a security environment characterised by increasingly belligerent actors, the escalation of regional tensions, and the drawdown of international forces.

Middle East & North Africa

Defence sectors across the Middle East & North Africa (MENA) region continue to face a high risk of corruption. At the same time, protracted armed conflicts in Syria, Libya, and Yemen persist, while public protests against corruption and authoritarianism continue in a number of countries – reflecting an overall context of insecurity and fragility. Although some governments have publically committed to stepping up anti-corruption efforts, there remains a gap between existing legislation and implementation in practice. Military institutions in the region are characterised by a high degree of defence exceptionalism, resulting in a lack of transparency that precludes oversight actors from effectively scrutinising defence budgets and policies at a time when defence spending and arms imports continue to surge. These concerns are further compounded by authoritarian governance systems seen in many MENA countries. Resurgent protests and uprisings in the region after the 2011 Arab Spring demonstrate that corruption is a central and persistent public grievance.



¹ William Astore, 'Why Did the Iraqi Army Collapse So Easily?', *Mother Jones*, 16 October 2014.

² United States Department of Defense, 'Operation Inherent Resolve: Targeted Operations Against ISIS Terrorists', March 2017.

³ Bertelsmann Stiftung, BTI Country Report 2020 – Iraq, Gütersloh, Bertelsmann Stiftung, 2020, p. 1.

⁴ Harith Hasan, 'Iraq 2020: What Will Happen to the Protest Movement?', *Carnegie Middle East Center*, 23 December 2019.

⁵ Amnesty International, 'Iraq: Protest Death Toll Surges as Security Forces Resume Brutal Repression', 23 January 2020.

⁶ Bénédicte Aboul-Nasr, 'Corruption Risks Threaten Ability of Iraq's Defence Institutions to Respond to Threats', *Transparency International Defence & Security*, 23 June 2020.



IRAQ

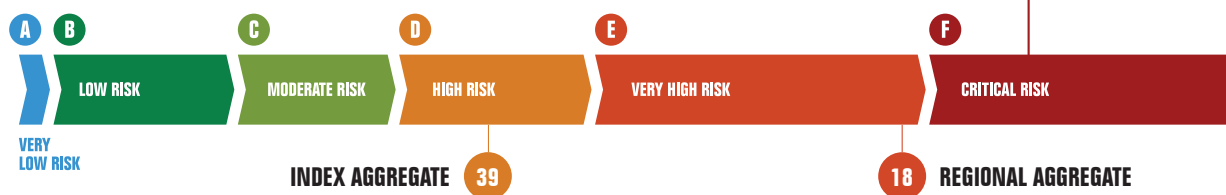
Overall scores

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

IRAQ SCORE CRITICAL RISK

F

9



A > 83-100 VERY LOW

B > 67-82 LOW

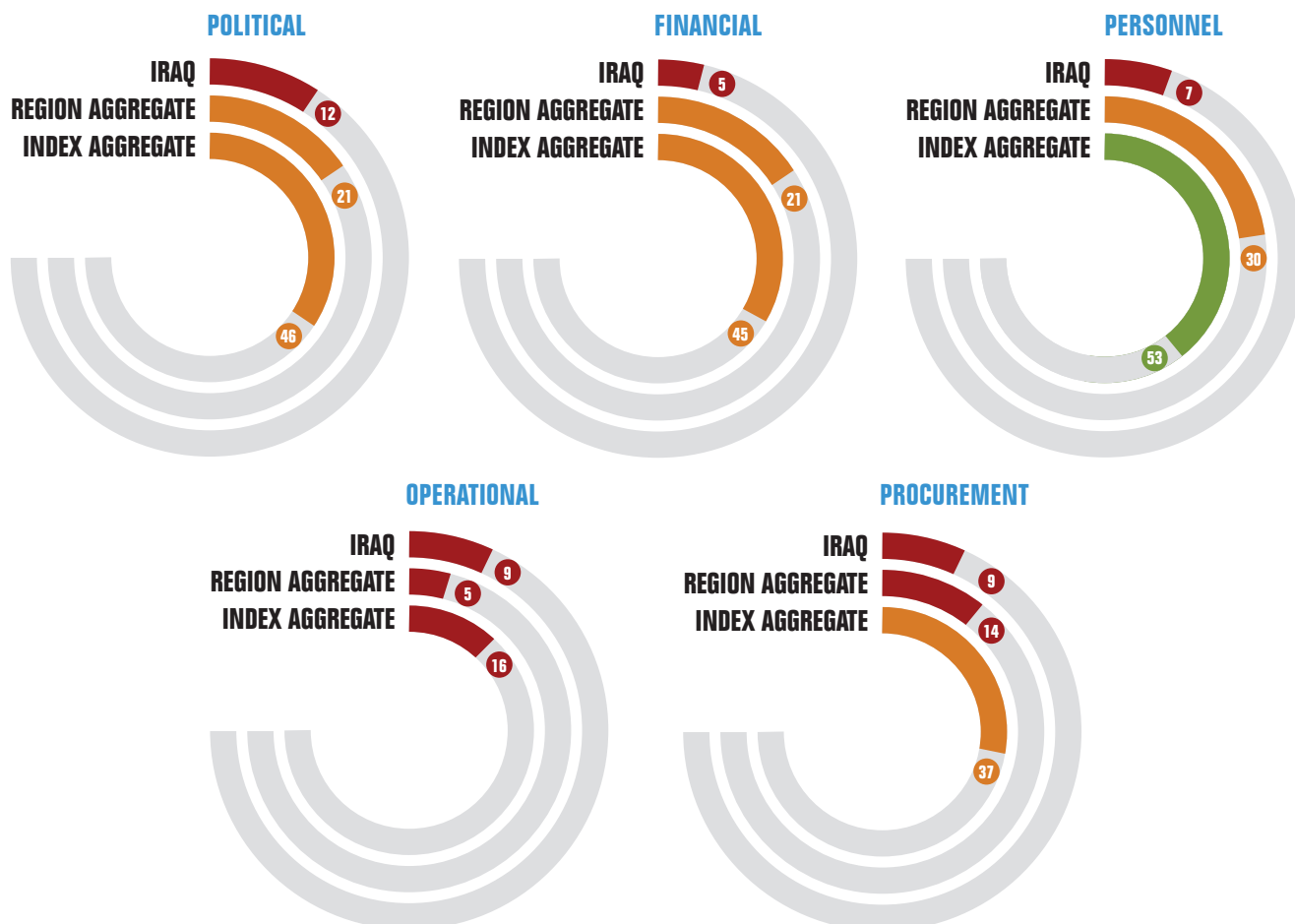
C > 50-66 MODERATE

D > 33-49 HIGH

E > 17-32 VERY HIGH

F > 0-16 CRITICAL

Risk Comparison



Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	63/100
Military expenditure as a share of government spending (SIPRI, 2020)	8.3%
Committee members with defence expertise (%)	Data is not publicly available.
# of meetings/year	Data is not publicly available.
Last review of defence policy/strategy	Strategy is not publicly available.

Since 2003, successive Iraqi governments have reflected a quota-based distribution of leadership positions, along ethno-sectarian and political lines.⁷ The objective has been to defer conflict by dividing power, influence and access to state resources across various groups.⁸ In practice though, the system has been a boon for patronage networks to extract financial gains from government functions and has resulted in a sclerotic political system,⁹ with ineffective policy-making processes.¹⁰ Parliament has very little impact on the defence policy-making process, despite formal legislative rights. The Council of Representatives is undermined by deep rivalries between political factions that stymie decision-making and by patronage networks of top political and military officials that skew priorities.¹¹ This was evidenced by the passing of the Popular Mobilization Law that inducted militias into the security services, despite the voting session being boycotted by Sunni lawmakers and circumventing standard parliamentary procedure.¹² The legislation guarantees militias, such as the Popular Mobilisation Force (PMF), to operate outside the bounds of constitutional and statutory law and beyond the purview of parliament.¹³ The Defence Committee has very limited powers and acts as a purely advisory body. Political interference in the selection of committee members ensures that it consistently aligns itself with government positions. There is no evidence of the committee exercising oversight on defence policies, activities, or budgets, aside from general discussions and putting forward suggestions.¹⁴ The weakness of parliamentary oversight is exacerbated by deficiencies in auditing practices of defence spending, which are highly opaque. Although internal audit offices have been assigned to the PMF, its head is a former militia member with no administrative or military experience in the Ministry of Defence.¹⁵ Equally, the Federal Bureau of Supreme Audit's (FBSA) reports are often delayed or unavailable. Those that are published underscore economic malfeasance and corruption, indicating that the FBSA is moderately effective in its assessments. However, there have been no legislative debates on its findings and the body is limited to publishing recommendations without any enforcement mechanism.

Financial Transparency

Defence-related access to information response rates	% granted full or partial access: Data is not publicly available. # subject to backlog: Data is not publicly available.
Defence-related complaints to ombudsman/commissioner #	No ombudsman exists.
Does the commissioner have authority over the MoD?	N/A
Audit reports on defence (2015-2020) #	None
Open Budget Index (IBP, 2019)	9/100
World Press Freedom Index (RSF, 2021)	163rd out of 180.

Government transparency is poor, despite some recent policies promoting openness.¹⁶ However, generally, the government does not operate with transparency and the fragmentation of political parties into different blocs has contributed to non-transparent network of interests and power structures as the main nodes of decision-making.¹⁷ Combined with institutionalised defence secrecy, this governance arrangement ensures very poor standards of transparency in defence finances. The defence budget is not comprehensive and fails to offer an in-depth breakdown of the distribution of funds between fragmented security actors, such as the PMF and the Counter-Terrorism Services (CTS), who also generate income through other, often illicit means. Aside from top line figures for different services, the budget does not offer any further breakdown or clarifications.¹⁸ The legislature has only a limited role in reviewing the budget, with the financial committee the only authorised body to do so, although it has very little influence to modify it.¹⁹ The practice of off-budget income generation by security forces further clouds the financial picture, as this revenue is not recorded anywhere, obscuring the true scale of defence resources. Furthermore, income generated from illicit practices such as oil-smuggling rings, which are reported to involve state-backed militias, is a further source of unrecorded extra-budgetary revenue.²⁰ The opacity of the sector's financial management and lack of information provided by the government is compounded further by the weakness of access to information mechanisms. Iraq has no freedom of information legislation, despite attempts to place the issue on the agenda.²¹ As a whole, citizens and the media are not permitted to request information on the defence sector and any enquiries can result in harassment, abduction and even death.²²

⁷ Christopher M. Blanchard, 'Iraq: Issues in the 116th Congress', *Congressional Research Service*, R45633, 17 July 2020, p. 3.

⁸ Safwan Al Amin, 'What "Inclusivity" Means in Iraq', *Atlantic Council*, 28 March 2016.

⁹ Shahla Al-Kli, 'The Difficult Ordeal of Forming a New Iraqi Government', *Middle-East Institute*, 12 March 2020.

¹⁰ Ali Alfoneh, 'Iraq: Balancing Party Demands is a Recipe for Paralysis in New Government', *The Arab Gulf States Institute in Washington*, 21 April 2020.

¹¹ See for instance, Asharq al Awsat, 'Vetoes disrupt Iraqi government formation,' 19 October 2018; The National, 'Iraqi Parliament Again Fails to Vote on Vacant Ministries,' 5 December 2018.

¹² Renad Mansour, 'More than Militias: Iraq's Popular Mobilization Forces are here to stay,' *War on the Rocks*, 3 April 2018.

¹³ Mansour, 'More than Militias'.

¹⁴ See for instance, Al Sumaria TV, People & People Programme (arabic language) 'Interview with the Head of Iraq's Parliamentary Committee on Security and Defence,' 26 October 2017, https://www.youtube.com/watch?v=ZJpYeeXl_0 (34: 00 TC)

¹⁵ Bas News, 'Inspector General or shadow minister: new PMF IG,' 8 September 2019.

¹⁶ Freedom House, 'Freedom in the World – Iraq', 2021, C3.

¹⁷ Bertelsmann Stiftung, BTI Iraq, p. 15.

¹⁸ Iraq Council of Representatives, 'The 2018 Federal State Budget for the Republic of Iraq,' 3 March 2018.

¹⁹ Usman Chohan, 'The idea of legislative budgeting in Iraq,' *International Journal of Contemporary Iraqi Studies*, 10 (1/2), (2016): 89-103, p. 90.

²⁰ Iraq Oil Report, 'Kirkuk oil smuggling rings thrive amidst corruption,' 31 January 2019.

²¹ Journalistic Freedoms Observatory, 'Legislation concerning the freedom of expression in Iraq'.

²² Reporters Without Borders, 'Iraq'.



IRAQ

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: Data is not publicly available.
Financial disclosure system	# submitted: Data is not publicly available.
	# of violations: Data is not publicly available.

The violent repression of protests by security forces and militias in 2019 and 2020 have revealed deep flaws in the security forces' ethics and anti-corruption frameworks. At least 600 protesters have been killed since October 2019, with thousands more injured, arrested and tortured throughout the country.²³ Alongside this, regular reports of military corruption reveal further failings in anti-corruption standards for personnel.²⁴ Though the military code of conduct does prescribe some behavioural guidelines for soldiers, they are vague and do not offer specific guidance on corruption-related issues, such as bribery or conflicts of interest.²⁵ Moreover, the unrestricted growth of paramilitary groups undermines the code's principles and its enforceability across the defence sector as a whole. Similarly, the code of conduct for civilian personnel has proven impossible to enforce due to the absence of an implementing structure²⁶ and the entrenched practice of bribery in the civil service.²⁷ A further obstacle to integrity-building efforts is the absence of whistleblowing legislation. Existing legislation does not offer protection for military whistleblowers and there is no alternative legal framework for them. Personnel are largely reluctant to report wrongdoing through fear of being scapegoated for the crimes of senior figures who are considered untouchable. Furthermore, formal recruitment and promotions are regularly undermined by political and sectarian interests. The result is a system that rewards connections and affiliations over qualifications and grade, undermining meritocratic procedures and creating a system that is ripe for abuse.²⁸ Senior appointments are also not subject to parliamentary approval and there is virtually no transparency in the recruitment and promotions processes, resulting in the proliferation of corrupt practices, such as bribery, to secure positions.

Operations

Total armed forces personnel (World Bank, 2018)	336,000
Troops deployed on operations #	Data is not publicly available.

Iraq's complex and fractured security environment necessitates extensive deployments of troops and paramilitaries across the country as part of combat, stabilization, and reconstruction operations. However, an absence of anti-corruption mechanisms on military operations risks undermining mission objectives and allows opportunities for forces to contribute to local corruption systems. Iraq lacks a military doctrine that addresses corruption as a strategic issue for the success of military operations and does not include issues related to corruption in the forward planning for military operations. This omission at a strategic level is replicated in relation to training. There is no specific anti-corruption training as part of pre-deployment for commanders and personnel. Though some general training is provided by international partners such as NATO, it is not systematic, nor does it focus on corruption issues during deployments, despite these taking place in areas of weak state presence and strong informal economies. As a result, personnel are deployed without the necessary training and strategies to identify and mitigate corruption risk in the environment and there remains no unified policy of monitoring and evaluating such risks. Furthermore, the presence of private military contractors (PMCs) presents its own risks, as their activities are highly secretive and their objectives unclear.²⁹ Such groups are subject to very few regulations or scrutiny by the Iraqi authorities, and the presence of international contractors appears to be in violation of the law.³⁰

²³ Amnesty International, International Report 2020/21: *The State of the World's Human Rights*, Amnesty International, London, 2021, pp. 192-199.

²⁴ See the latest example, Middle-East Monitor, 'Iraq Anti-Corruption Body Issues 28 Arrest Warrants Against Army Officers', 24 February 2021.

²⁵ Commission of Integrity, 'The Code of Conduct for the Military and the Internal Security Forces No. 1', 2018.

²⁶ Iraqi Laws and Legislation, 'Code of Conduct for State Employees Across the Public and Mixed Sectors', 2005.

²⁷ United Nations Office on Drugs and Crime, 'Corruption and Integrity challenges in the public sector of Iraq: An evidence based study', January 2013.

²⁸ Mohammed Sarwar Abdullah, 'Corruption protection: fractionalization and the corruption of anti-corruption efforts in Iraq 2003', *British Journal of Middle Eastern Studies* Vol 46, Issue 3 (2019). 358-374.

²⁹ See for instance, Buzzfeed News, 'Blackwater Founder Erik Prince's New Company is Operating in Iraq', 26 April 2019.

³⁰ Iraq Council of Representatives, 'The Private Security Companies Law No. 52', Article 5, 2017.



IRAQ

Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2020)	6,994
Open competition in defence procurement (%)	0%
Main defence exports – to (SIPRI, 2016-20)	N/A
Main defence imports – from (SIPRI, 2016-20)	United States, Russia, South Korea, Italy, Czechia

The Iraqi military's disintegration in 2014 and the loss of significant amounts of equipment have made restructuring and revamping the military's hardware a key priority.³¹ Already the world's eleventh largest arms importer,³² significantly more investment is required in order to modernise the military as a capable fighting force. However, Iraq's dysfunctional and ineffective procurement system opens the entire process to significant corruption risks. Acquisition planning is not formalised, nor does the national security strategy make reference to planning of defence procurement. As such, purchases are not required to respond to specific strategic objectives.³³ The opportunistic and ad-hoc nature of procurement also increases the influence of seller nations. The United States' military and development assistance affords Washington considerable influence over Iraq's defence acquisitions,³⁴ while Iran also holds great sway, especially

in relation to the PMF which the Iranians are alleged to supply with considerable weapons stocks.³⁵ This is also underlined by Baghdad's recent procurement deals with Russia as US influence wanes and the drawdown of troops nears, which analysts believe is a political decision to curry Moscow's favour.³⁶ Alongside planning failures, structural issues relating to legislation and oversight present further risks. Defence purchases above 50m IQD are excluded from Public Contracts Law which regulates public procurement and there is no alternative legislation regulating these acquisitions.³⁷ Moreover, bodies such as the Inspector General, FBSA and Anti-Corruption Council all have only limited access to information on defence procurement and are often met with resistance from officials. There are also no obligations for contracts to be published for tender and the vast majority are single-sourced and directed to suppliers with political connections, completely shielding them from oversight and significantly increasing corruption risk.

³¹ Amnesty International, 'How Islamic State Got its Weapons', 12 January 2018.

³² Pieter D. Wezeman, Alexandra Kuimova and Siemon T. Wezeman, 'Trends in International Arms Transfers, 2020', *SIPRI*, March 2021, p. 6.

³³ Rudaw, 'Iraq's Parliament launches investigation into 10 defence arms contracts on suspicion of corruption', 4 January 2017; Al Sumaria News, 'Nasseef: I asked for the defence IG to investigate the director of armaments and contracts Hadi Adab,' 26 September 2016.

³⁴ Blanchard, 'Iraq', pp. 33-37.

³⁵ Associated Press, 'Iran Eclipses U.S. as Iraq's ally in fight against Militants,' 12 January 2015.

³⁶ Defense Industry Daily, 'Baby come back: Iraq is buying, fielding Russian weapons again,' 1 July 2016.

³⁷ Al Tamimi & Co, 'A Guide to Contracting with the Iraqi Government, Construction & Supply Contracts,' September 2013.

Version 1.0, October 2021

GDI data collection for **Iraq** was conducted July 2018 to December 2019. 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.



IRAQ 2020 GDI Scorecard

		Grade	Score
Political Risk		F	12
Q1	Legislative Scrutiny	D	33
Q2	Defence Committee	E	21
Q3	Defence Policy Debate	E	31
Q4	CSO Engagement	F	0
Q5	Conventions: UNCAC / OECD	E	25
Q6	Public Debate	D	38
Q7	Anticorruption Policy	F	13
Q8	Compliance and Ethics Units	E	17
Q9	Public Trust in Institutions	NS	
Q10	Risk Assessments	F	0
Q11	Acquisition Planning	F	0
Q12	Budget Transparency & Detail	F	13
Q13	Budget Scrutiny	D	38
Q14	Budget Availability	F	0
Q15	Defence Income	F	0
Q16	Internal Audit	F	6
Q17	External Audit	F	13
Q18	Natural Resources	F	0
Q19	Organised Crime Links	F	0
Q20	Organised Crime Policing	F	0
Q21	Intelligence Services Oversight	E	25
Q22	Intelligence Services Recruitment	F	8
Q23	Export Controls (ATT)	F	0
Q76	Lobbying	F	0

Financial Risk		F	5
Q24	Asset Disposal Controls	F	8
Q25	Asset Disposal Scrutiny	F	8
Q26	Secret Spending	F	0
Q27	Legislative Access to Information	E	25
Q28	Secret Program Auditing	F	0
Q29	Off-budget Spending	F	0
Q30	Access to Information	F	0
Q31	Beneficial Ownership	F	13
Q32	Military-Owned Business Scrutiny	F	0
Q33	Unauthorised Private Enterprise	F	0
Q77	Defence Spending	F	0

Personnel Risk		F	7
Q34	Public Commitment to Integrity	E	17
Q35	Disciplinary Measures for Personnel	F	13
Q36	Whistleblowing	F	0
Q37	High-risk Positions	F	0
Q38	Numbers of Personnel	F	0
Q39	Pay Rates and Allowances	F	13
Q40	Payment System	E	17
Q41	Objective Appointments	F	8
Q42	Objective Promotions	F	0
Q43	Bribery to Avoid Conscription	NA	
Q44	Bribery for Preferred Postings	F	0
Q45	Chains of Command and Payment	F	0
Q46	Military Code of Conduct	F	6

OVERALL COUNTRY SCORE



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



Personnel Risk		F	7
Q47	Civilian Code of Conduct	E	19
Q48	Anticorruption Training	F	0
Q49	Corruption Prosecutions	F	0
Q50	Facilitation Payments	E	25

Operational Risk		F	9
Q51	Military Doctrine	E	25
Q52	Operational Training	F	0
Q53	Forward Planning	F	13
Q54	Corruption Monitoring in Operations	F	8
Q55	Controls in Contracting	F	0
Q56	Private Military Contractors	NS	

Procurement Risk		F	9
Q57	Procurement Legislation	F	0
Q58	Procurement Cycle	E	25
Q59	Procurement Oversight Mechanisms	F	8
Q60	Potential Purchases Disclosed	E	25
Q61	Actual Purchases Disclosed	E	25
Q62	Business Compliance Standards	F	0
Q63	Procurement Requirements	F	0
Q64	Competition in Procurement	F	0
Q65	Tender Board Controls	E	19
Q66	Anti-Collusion Controls	F	6
Q67	Contract Award / Delivery	F	13
Q68	Complaint Mechanisms	E	17
Q69	Supplier Sanctions	E	25
Q70	Offset Contracts	F	0
Q71	Offset Contract Monitoring	F	0
Q72	Offset Competition	F	0
Q73	Agents and Intermediaries	F	0
Q74	Financing Packages	F	0
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



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