



**Government Defence  
Integrity Index**



**2020**

Country Brief:

**NORWAY**



# NORWAY

In line with many NATO allies, Norway's defence sector is set to receive significant attention over the next decade. A planned increase in defence spending should see Norway hit a target of 2 per cent of GDP allocated to defence by 2028, and is part of a much wider strategic review and long-term planning overhaul of the sector.<sup>1</sup> Norway's strategic position controlling access to the Norwegian and Barents Sea makes it a key NATO member, especially at a time where the international security environment is deteriorating,<sup>2</sup> and NATO has focussed on strengthening operational readiness.<sup>3</sup>

Member of Open Government Partnership	Yes
UN Convention Against Corruption	Ratified in 2006.
Arms Trade Treaty	Ratified in 2014.

Sustained investment and military modernisation are key pillars to implementing the new defence plan, as are good governance and anti-corruption, which are held to be key components of Norwegian security and defence policy.<sup>4</sup> While the true litmus test of these ambitions will come at the implementation stage, existing defence governance standards provide a robust basis from which to build on. External oversight of the policies, activities, budgets, and acquisitions of the defence services is strong, with parliament, its specialised committees and internal and external audit bodies able to exercise their powers of scrutiny and control. Financial transparency is generally good, and formal planning processes are clear and transparent, ensuring good safeguards in the procurement cycle. Anti-corruption safeguards are strong in relation to personnel and operations, although more progress could be made in monitoring corruption risk during operations and in strengthening whistleblowing systems.

## 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> Norwegian Ministry of Defence, *The Defence of Norway: Capability and Readiness: Long Term Defence Plan 2020*, Oslo, April 2020, p. 18.

<sup>2</sup> Ministry of Defence, *The Defence of Norway*, p. 1.

<sup>3</sup> NATO, 'Readiness Action Plan', updated 15 July 2021.

<sup>4</sup> Ministry of Defence, *The Defence of Norway*, p. 10.



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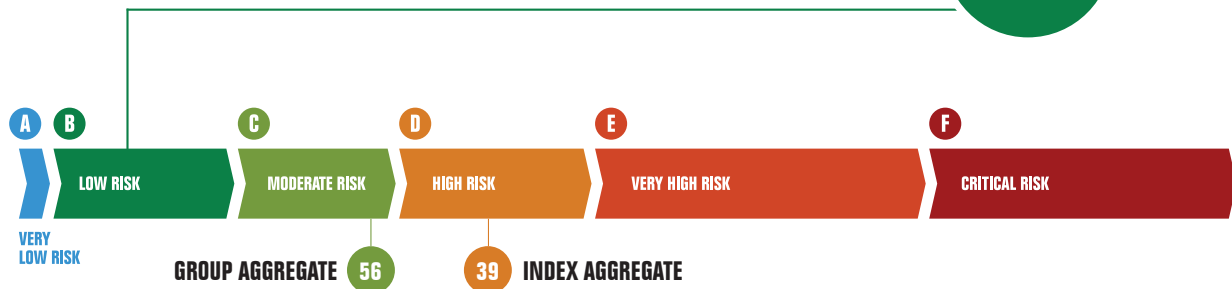
## Overall scores

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

**NORWAY SCORE**  
**LOW RISK**

**B**

**76**



**A** > 83-100 VERY LOW

**B** > 67-82 LOW

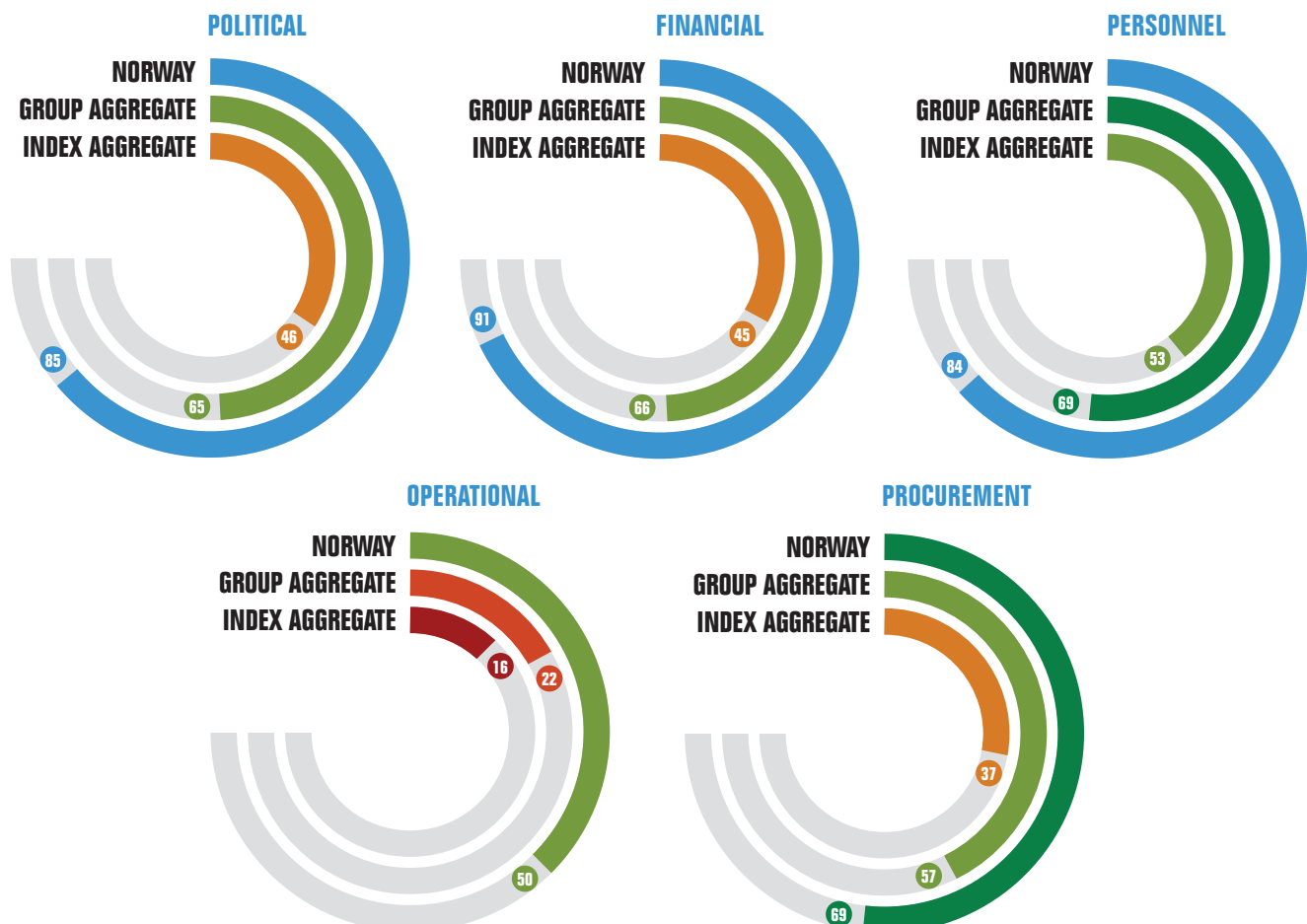
**C** > 50-66 MODERATE

**D** > 33-49 HIGH

**E** > 17-32 VERY HIGH

**F** > 0-16 CRITICAL

## Risk Comparison





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## Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	87/100
Military expenditure as share of government spending (SIPRI, 2020)	3.5%
Committee members with defence expertise (%)	Data is not publicly available.
# of meetings/year	18 in 2019
Last review of defence policy/strategy	2020 (Long Term Defence Plan)

Norway's political system relies on consensus-building and incremental legislative progress, resulting in low levels of political polarization and a parliament that plays a key role as a forum for active debate, consensus-building, and policy-making.<sup>5</sup> This holds true for the defence and security sector, where the constitution provides for strong parliamentary legislative and oversight powers.<sup>6</sup> Parliament has the power to approve and veto laws on security and is responsible for approving, rejecting or amending defence policy, budgets and major procurements over a value of 500 million NOK (approximately USD 44 million).<sup>7</sup> In practice, the Standing Committee on Foreign Affairs and Defence is responsible for matters of defence and regularly exerts control over strategic issues, for instance by rejecting the government's initial long-term defence plan in 2020 and directing it to provide more detailed directions before approving it.<sup>8</sup> The Committee meets regularly and submits amendments to bills and recommendations to the Ministry of Defence (MoD), which the Ministry is compelled to respond to within a specific timeframe. Equally, the Committee can recommend the establishment of investigations into specific issues, such as the inquiries in 2014 and 2017 into military operations in Afghanistan and Libya.<sup>9</sup> Parliament's work is supported by effective internal and external auditing of military expenditure. The MoD's Internal Auditor Unit is well-staffed and the largest such unit in the public sector.<sup>10</sup> The Unit submits detailed recommendations to the MoD and ensures implementation by conducting follow-up audits on a regular basis. Though internal audit reports are not made available to the Defence Committee, the unit is overseen by the Office of the Auditor General and its audit process is regularly reviewed by the Institute of Internal Auditors to ensure compliance with international standards. For its part, the Office of the Auditor General (OAG) is responsible for external performance and financial audits, and also conducts in-depth investigations into different aspects of the sector.<sup>11</sup> The OAG is directly subordinate to Parliament, which approves its budget and can instruct it to initiate special audits. OAG reports are published and contain detailed information and concise summaries for non-experts, although some investigations can be classified under the National Security Act. The OAG engages in continual follow-up of its recommendations in each annual audit and has noticed an improvement in the MoD's implementation of recommendations, although this remains not always systematic.<sup>12</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 #	21 (2020)
Does the commissioner have authority over the MoD?	Yes.
Audit reports on defence (2017-2020) #	3 in 2017; 2 in 2018; 1 in 2019; 2 in 2020.
Open Budget Index (IBP, 2019)	80/100
World Press Freedom Index (RSF, 2021)	1st out of 180.

Norway is among the leading countries in the world on open government and scores highly on metrics related to access to information, transparency of governance, and media freedoms.<sup>13</sup> Similarly strong standards of transparency are also in place in the defence sector, including in relation to financial management. The approved defence budget is published in full with comprehensive and disaggregated figures, accompanied by a detailed breakdown of expenditures, which includes data on procurement and acquisitions and detailed line-item descriptions.<sup>14</sup> Alongside the budget, the Defence Annual Report is made available to the public and gives a detailed overview of activities and accounts for a given financial year.<sup>15</sup> The only part of the defence budget that is not fully detailed relates to the intelligence services where only an overall figure is provided, although this represents just 3.5 per cent of the total budget. Financial transparency is further supported by Norway's strong access to information regime. The Freedom of Information Act enshrines citizens' right to access defence information,<sup>16</sup> while allowing for the classification of sensitive information according to clear and objective criteria in line with the Security Law.<sup>17</sup> Data collected by the Open Government Partnership shows that Norway scores particularly highly on quality and timeliness of the release of requested information.<sup>18</sup> The law also provides for a Parliamentary Ombudsman to act as an appeals body for any requests that are refused, which consistently finds that rejections are valid on national security grounds.<sup>19</sup> Moreover, strict controls around off-budget expenditure ensure good transparency around defence spending throughout the financial year. Though off-budget expenditure is not explicitly prohibited, spending which is not included in the budget requires parliamentary approval, ensuring a process similar to that of agreeing the budget. In 2019, the government attempted to use funds from the Oil Fund to purchase a new warship, however it was forced to back down in the face of public and parliamentary opposition to this extra-budgetary measure.<sup>20</sup>

<sup>5</sup> Ulf Sverdrup, Stein Ringen & Detlef Jahn, *Sustainable Governance Indicators 2020: Norway Report*, Bertelsmann Stiftung, Gutersloh, 2020, pp. 2-5.

<sup>6</sup> Ministry of Justice and Public Security, *The Constitution of the Kingdom of Norway*, LOV-1814-05-17.

<sup>7</sup> Ministry of Defence, *Guidelines for Acquisitions in the Defence Sector*, Oslo, Ministry of Defence, 2016.

<sup>8</sup> Norwegian Parliament, 'Resilience as a Core Defense Capability. Long-term Defence Plan'.

<sup>9</sup> *A Good Ally – Norway in Afghanistan 2001-2014*, Oslo, 2016; *Evaluation of the Norwegian Contribution to the 2011 Military Intervention in Libya*, Report from the Libya-group, Oslo, 2018.

<sup>10</sup> Ministry of Defence, 'Internal Auditor Unit'.

<sup>11</sup> Office of the Auditor General of Norway, 'Reports - Defence, Security and Preparedness'.

<sup>12</sup> Office of the Auditor General of Norway, 'Report of the Office of the Auditor General on the Annual Audit and Control for the Budget Year 2018', October 2019.

<sup>13</sup> Open Government Partnership, 'Norway'.

<sup>14</sup> Ministry of Defence, 'Proposition to the Storting (Draft Resolution) Prop. 1 S (2019-2020)'.

<sup>15</sup> Norwegian Armed Forces, *Annual Report 2019*, Oslo, April 2020.

<sup>16</sup> Ministry of Justice and Public Security, *Freedom of Information Act*, Oslo, 2018.

<sup>17</sup> Ministry of Justice and Public Security, *National Security Act*, Oslo, 2018.

<sup>18</sup> Open Government partnership, 'Norway'.

<sup>19</sup> Parliamentary Ombudsman for Public Administration, *Annual Report 2020*.

<sup>20</sup> NRK, 'Government Drops Below-the-line Funding', 8 April 2021.





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## Personnel Ethics Framework

Whistleblowing legislation	Working Environment Act (2005) – partial protection
# defence-sector whistleblower cases	135 (2019)
# 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.

Anti-corruption safeguards and standards in Norway's personnel management systems are strong and effective and ensure good awareness of corruption risk amongst personnel. Both military and civilian personnel are subject to the 'Ethical Guidelines for Public Service', which acts as a code of conduct, covering bribery, gifts, conflicts of interest and post-separation rules,<sup>21</sup> while there are similar guidelines in place specific for defence personnel, covering all major corruption risk areas.<sup>22</sup> Both documents provide specific guidance on how to handle corruption-related incidents and are publicly available. The enforcement of codes of conduct and anti-corruption legislation appears strong too, with cases of corruption investigated and prosecuted to the fullest extent.<sup>23</sup> Similarly, promotion and appointment processes for personnel at all levels are robust with objective and formal criteria, ensuring that such decisions are meritocratic and factors such as nepotism or favouritism are diminished. It should also be noted that Norway is home to the Centre for Integrity in the Defence Sector (CIDS), which provides anti-corruption expertise to the Armed Forces through the NATO Building Integrity programme and works to strengthen anti-corruption standards throughout the military.<sup>24</sup> However, there remains a noticeable gap in whistleblowing legislation that could undermine the reporting of corruption. Though some protections are afforded in the Working Environment Act,<sup>25</sup> the act makes no mention of waiver of liability, nor does it guarantee anonymity to public sector whistleblowers, with some analysts pointing to these failings as evidence of insufficient whistleblower protections.<sup>26</sup> For its part, the MoD has invested in training and awareness raising campaigns to promote whistleblowing, with a new training programme implemented in 2020. However, there remain inefficiencies with the process that have been reported in the press, such as the case of the Air Force whistleblower whose claim had not been concluded after two years and whose identity was disclosed, forcing him to take leave of service.<sup>27</sup>

## Operations

Total armed forces personnel (World Bank, 2018)	23,250
Troops deployed on operations #	76 in Mali (MINUSMA), 12 in Israel (UNTSO), 2 in Kosovo (NATO KFOR), 2 in Iraq (NATO MI).

The Norwegian Armed Forces are active contributors to a number of multilateral operations under the aegis of the United Nations<sup>28</sup> and NATO.<sup>29</sup> Norway's strong anti-corruption standards are also visible in relation to military operations, setting it apart from many of its NATO peers. Its Joint Operational Doctrine addresses corruption risk and sets out overall guidelines on how to mitigate them, albeit without providing detailed and practical guidance for implementation.<sup>30</sup> The guidance applies especially to missions in theatres characterised by weak state structures and strong illicit economies and focuses both on corruption within the mission and within the host nation. There is evidence that corruption as a strategic issue was included in the forward planning of operations in Afghanistan and Libya, although the focus was largely on corruption risks external to the mission.<sup>31</sup> The inclusion of corruption as a strategic issue for operations also ensures that adequate training programmes are in place for personnel ahead of deployments. Corruption issues are included in Basic Officer and Advanced Officer training courses, as well as part of pre-deployment training for peace operations, although this is not particularly extensive. Aside from this, Norway is yet to develop robust monitoring and evaluation tools to measure corruption risk in the field. No specialised personnel are deployed to this end and the anti-corruption policy for missions is largely the same as the policy for the entire sector, betraying a lack of appreciation of the nuances of corruption risk during missions.

<sup>21</sup> Ministry of Local Government and Modernisation, 'Ethical Guidelines for the Public Service', Oslo, 2017.

<sup>22</sup> Ministry of Defence, 'Ethical Guidelines For Contact'.

<sup>23</sup> World Peace Foundation, 'CAS-Global Ltd and the Private Nigerian Coast Guard Fleet', 2 August 2018.

<sup>24</sup> Centre for Integrity in the Defence Sector.

<sup>25</sup> Ministry of Labour, *Working Environment Act*, Oslo, 2005.

<sup>26</sup> Transparency International, *Exporting Corruption. Progress Report 2018: Assessing Enforcement of the OECD Anti-Bribery Convention*, Transparency International Secretariat, 2018.

<sup>27</sup> Frifagbevegelse, 'Whistleblower in the Hercules-accident: Had I known how it would end, I would have not reported. Everything went wrong', 29 October 2019.

<sup>28</sup> United Nations Peacekeeping, 'Country Contributions by Mission and Personnel Type – Norway', 31 March 2021.

<sup>29</sup> NATO, 'Resolute Support Mission (RSM): Key Facts and Figures', February 2021.

<sup>30</sup> Norwegian Armed Forces, *Joint Operational Doctrine 2019*, Oslo, The Defence Staff, 2019.

<sup>31</sup> See for instance, *A Good Ally – Norway in Afghanistan*.



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## Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2020)	7,514
Open competition in defence procurement (%)	Data is not publicly available.
Main defence exports – to (SIPRI, 2016-20)	Oman, United States, Poland, Lithuania, Canada
Main defence imports – from (SIPRI, 2016-20)	United States, South Korea, Italy, Sweden, France

The implementation of Norway's new Defence Plan is highly dependent on modernisation and the acquisition of new equipment, particularly in relation to combat aircraft and arctic capabilities.<sup>32</sup> This investment will take place within a formalised and well-defined procurement cycle, which aligns itself with the MoD-designed PRINSIX project model that describes phases, decision points, lines of responsibility and outcomes, and is managed centrally by the Defence Material Agency (NDMA).<sup>33</sup> The entire acquisition process is described in detail in a public document that outlines the key stages of the process<sup>34</sup> and is complemented by forward-looking planning documents that provide an indication of procurement priorities over an eight year period.<sup>35</sup> This rigorous planning process ensures that purchases are generally tied to key strategic priorities. The MoD also prepares a

white paper on defence industry strategy which defines a framework for cooperation with industry based on national security interests and strategic priorities.<sup>36</sup> However, even with such a formalised approach, there remains room for individual purchases to be made for reasons other than strategic alignment, for instance in the case of the purchase of costly naval corvettes.<sup>37</sup> Defence procurement as a whole is conducted in compliance with the Defence and Security Procurement Regulation (FOSA)<sup>38</sup> and the Acquisition Regulations for the Defence Sector (ARF), which applies to programmes that are exempted from standard regulations due to essential security interests.<sup>39</sup> According to the legislation, all single-sourced procedures need to be justified, however unjustified recourse to such procedures is frequent.<sup>40</sup> In these instances, the OAG lacks the power to cancel projects and can only issue opinions and submit reports to parliament, which can choose to initiate an investigation although these are lengthy and can only happen once the programme has already been signed off. As a result, there is little risk of contracting authorities being punished for eschewing open tendering in favour of single-sourcing, as procurement oversight mechanisms lack enforcement capabilities. In recent years, the MoD has focussed on implementing a comprehensive anti-corruption programme for contacts with industry and business, reviewing its guidelines for investment in the defence sector and for contact with industry.<sup>41</sup> It has also deepened its cooperation with civil society groups on anti-corruption matters in order to reduce corruption risk in its dealings with industry.<sup>42</sup>

<sup>32</sup> Ministry of Defence, *Future Acquisitions for the Norwegian Defence Sector 2019-2026*, Oslo, March 2019.  
<sup>33</sup> Norwegian Defence Material Agency, 'Project Management'.

<sup>34</sup> A. Melheim, 'Guidelines for Investments in the Defence Sector', Oslo, Ministry of Defence, 2019.

<sup>35</sup> Ministry of Defence, *Future Acquisitions*.

<sup>36</sup> Ministry of Defence, *White Paper 9 (2015-2019) National Defence Industry Strategy*, Oslo, Ministry of Defence, 2015.

<sup>37</sup> Teknisk Ukeblad, 'Controversial and Quick: The Six Skjold-class Corvettes to be Upgraded for 500 Million', 10 September 2020.

<sup>38</sup> Ministry of Defence, 'Defence and Security Procurement Regulation', Oslo, Ministry of Defence, 2013.

<sup>39</sup> Ministry of Defence, 'Acquisition Regulations for the Defence Sector (ARF)', Oslo, Ministry of Defence, 2013.

<sup>40</sup> O. D. Kvamme, 'Armed Forces Bought 45 Drones for 42 Million Without Competition', UAS Norway, 21 March 2019; L. Thommessen, A. Rognstrand & S. Kampesäter, 'Armed Forces Make Emergency Procurement for up to Half a Billion', *Forsvarets forum*, 15 June 2020.

<sup>41</sup> Ministry of Defence, 'Ethical Guidelines for Contact with Business and Industry in the Defence Sector', Oslo, 2019.

<sup>42</sup> See for instance, CIDS, 'Institutions and Networks'; Norwegian Armed Forces, *Annual Report 2018*, Oslo, April 2019.

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GDI data collection for **Norway** was conducted February 2020 to November 2020. 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.



# NORWAY 2020 GDI Scorecard

		Grade	Score
<b>Political Risk</b>		<b>A</b>	<b>85</b>
Q1	Legislative Scrutiny	A	100
Q2	Defence Committee	A	100
Q3	Defence Policy Debate	B	75
Q4	CSO Engagement	A	100
Q5	Conventions: UNCAC / OECD	A	100
Q6	Public Debate	A	88
Q7	Anticorruption Policy	A	88
Q8	Compliance and Ethics Units	A	83
Q9	Public Trust in Institutions	NS	
Q10	Risk Assessments	B	67
Q11	Acquisition Planning	A	100
Q12	Budget Transparency & Detail	A	100
Q13	Budget Scrutiny	A	100
Q14	Budget Availability	A	100
Q15	Defence Income	B	75
Q16	Internal Audit	A	100
Q17	External Audit	A	94
Q18	Natural Resources	A	100
Q19	Organised Crime Links	B	75
Q20	Organised Crime Policing	A	83
Q21	Intelligence Services Oversight	B	75
Q22	Intelligence Services Recruitment	A	92
Q23	Export Controls (ATT)	B	67
Q76	Lobbying	F	0

		Grade	Score
<b>Financial Risk</b>		<b>A</b>	<b>91</b>
Q24	Asset Disposal Controls	A	92
Q25	Asset Disposal Scrutiny	A	92
Q26	Secret Spending	C	50
Q27	Legislative Access to Information	A	100
Q28	Secret Program Auditing	B	75
Q29	Off-budget Spending	A	88
Q30	Access to Information	A	100
Q31	Beneficial Ownership	A	100
Q32	Military-Owned Business Scrutiny	A	100
Q33	Unauthorised Private Enterprise	A	100
Q77	Defence Spending	A	100

		Grade	Score
<b>Personnel Risk</b>		<b>A</b>	<b>84</b>
Q34	Public Commitment to Integrity	C	50
Q35	Disciplinary Measures for Personnel	A	100
Q36	Whistleblowing	B	75
Q37	High-risk Positions	C	50
Q38	Numbers of Personnel	B	67
Q39	Pay Rates and Allowances	A	100
Q40	Payment System	A	83
Q41	Objective Appointments	B	67
Q42	Objective Promotions	B	69
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	A	100

## OVERALL COUNTRY SCORE

**LOW RISK**

**B**

**76**



		Grade	Score
<b>Personnel Risk</b>		<b>A</b>	<b>84</b>
Q47	Civilian Code of Conduct	A	100
Q48	Anticorruption Training	A	83
Q49	Corruption Prosecutions	A	92
Q50	Facilitation Payments	A	100

		Grade	Score
<b>Operational Risk</b>		<b>C</b>	<b>50</b>
Q51	Military Doctrine	B	75
Q52	Operational Training	C	50
Q53	Forward Planning	C	63
Q54	Corruption Monitoring in Operations	F	13
Q55	Controls in Contracting	C	50
Q56	Private Military Contractors	NS	

		Grade	Score
<b>Procurement Risk</b>		<b>B</b>	<b>69</b>
Q57	Procurement Legislation	A	100
Q58	Procurement Cycle	A	92
Q59	Procurement Oversight Mechanisms	A	92
Q60	Potential Purchases Disclosed	A	100
Q61	Actual Purchases Disclosed	D	38
Q62	Business Compliance Standards	A	88
Q63	Procurement Requirements	B	75
Q64	Competition in Procurement	E	25
Q65	Tender Board Controls	B	75
Q66	Anti-Collusion Controls	A	92
Q67	Contract Award / Delivery	B	75
Q68	Complaint Mechanisms	A	92
Q69	Supplier Sanctions	A	100
Q70	Offset Contracts	B	75
Q71	Offset Contract Monitoring	B	75
Q72	Offset Competition	C	50
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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