



**Government Defence  
Integrity Index**



**2020**

Country Brief:

**SWEDEN**



# SWEDEN

After years of drawdown in the post-Cold War era, Sweden's defence and security sector has grown noticeably in the past five years and its defence budget is forecast to increase by a further 40 per cent between 2021 and 2025.<sup>1</sup> The main catalyst for this expansion is the growing threat that an increasingly bold Russia poses in the Baltic and Arctic regions, which has radically altered Sweden's geopolitical security situation.<sup>2</sup> The new plan reinforces Sweden's total defence concept and aims to increase the size of the armed forces from 60,000 to 90,000 by 2030, reform several disbanded regiments and double the number of conscripted troops, while upgrading armaments and investing in new equipment.<sup>3</sup>

The focus will also be on strengthening existing international cooperation with neighbours, particularly Finland and Norway, as well as NATO. The scale of the investment and expansion foreseen by the plan will test the quality and robustness of Sweden's defence governance standards and could present heightened corruption risk should appropriate procedures and anti-corruption safeguards not be applied. Parliamentary oversight is generally sustained, effective and supported by robust internal and external auditing processes. Defence procurement is largely well-regulated and functional, albeit with lingering issues around offsets, restricted competition and the close relationship between major defence companies and the government. Equally, cost overruns are common and reflect governance gaps in the procurement cycle. Access to information is a well-established right and personnel ethics frameworks contribute to building integrity. However, gaps still remain related to the regulation of the revolving door, whilst anti-corruption safeguards for military operations continue to be weak.

Member of Open Government Partnership	Yes
UN Convention Against Corruption	Ratified in 2007.
Arms Trade Treaty	Ratified in 2014.

## 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> The Economist, 'Sweden Embarks on its Largest Military Build-up For Decades', 24 October 2020.

<sup>2</sup> Reuters, 'Sweden to Increase Military Spending by 40% as Tension with Russia Grows', *The Guardian*, 15 October 2020.

<sup>3</sup> Swedish Parliament, 'Total Defence 2021-2025', *Regerings Proposition*, 2020/21:30, 14 October 2020.



# SWEDEN

## Overall scores

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

## SWEDEN SCORE

**MODERATE  
RISK**

**C**

**63**



A > 83-100 VERY LOW

B > 67-82 LOW

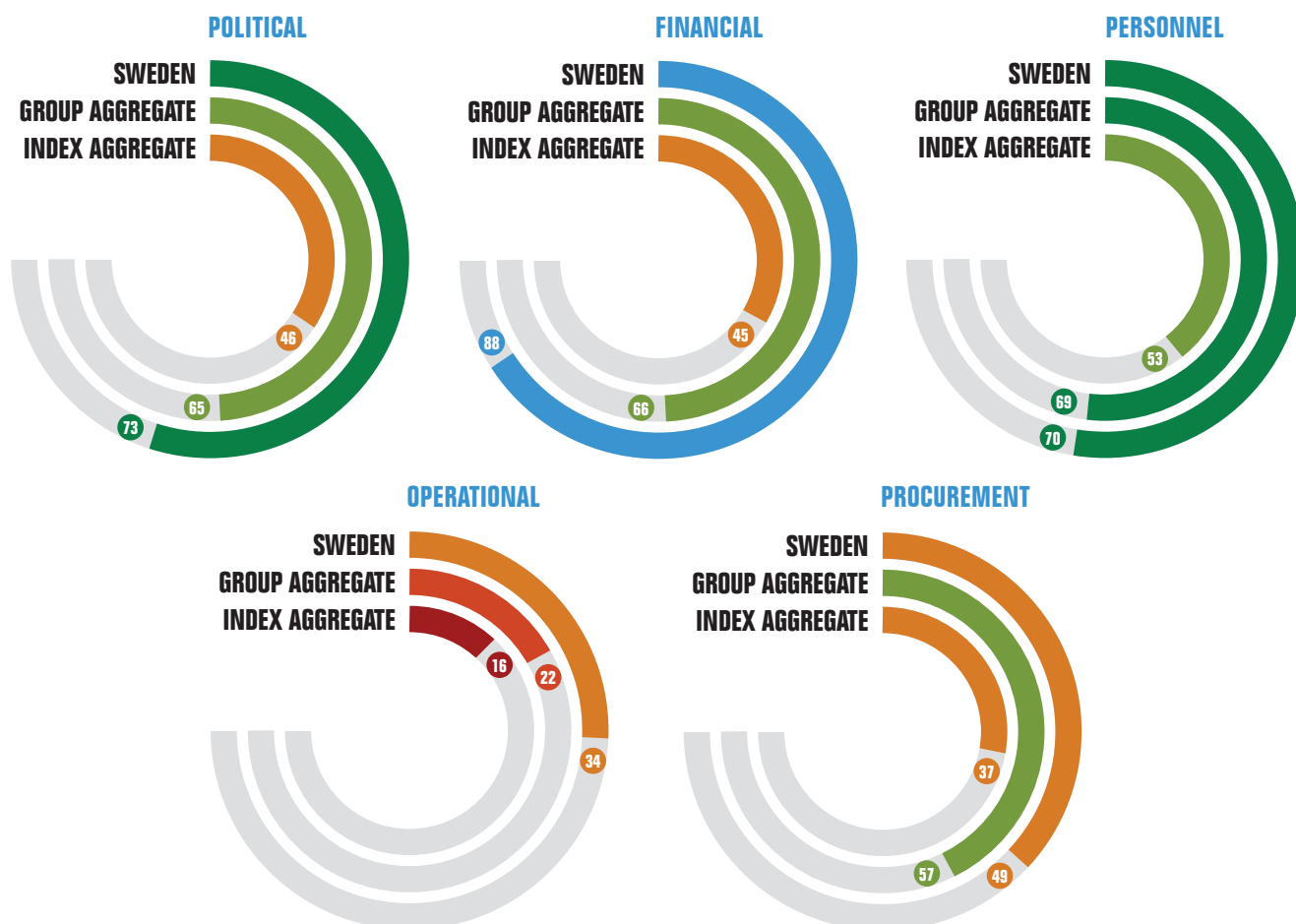
C > 50-66 MODERATE

D > 33-49 HIGH

E > 17-32 VERY HIGH

F > 0-16 CRITICAL

## Risk Comparison





# SWEDEN

## Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	89/100
Military expenditure as share of government spending (SIPRI, 2020)	2.3%
Committee members with defence expertise (%)	41% (7 of 17 commissioners)
# of meetings/year	42 (2020); 32 (2019); 43 (2018)
Last review of defence policy/strategy	2020 (Defence Resolution)

Parliamentary oversight of the executive is generally well-established in Sweden, with strong formal and independent oversight mechanisms in place that enforce the government's accountability to the legislature, although there have been issues at the implementation level.<sup>4</sup> Parliament has formal financial, legislative, and monitoring powers in the defence sector, to approve or veto security-related laws, to reject or amend defence policy and to review budgets and major arms procurements. The future planning and strategic direction of defence is laid out in the rigorous Defence Resolution document that is discussed at length by parliament before being adopted.<sup>5</sup> Within Parliament, the Defence Committee is dedicated to defence oversight.<sup>6</sup> It meets regularly and has the power to scrutinise every aspect of the performance of defence institutions, can demand information on any area of activity and has the power to summon witnesses to appear before it. The committee's makeup is decidedly non-partisan, with all political parties enjoying representation.<sup>7</sup> A significant number of members also have defence expertise, enabling them to exercise informed oversight, while also drawing on parliament's administrative support unit (RUT).<sup>8</sup> The committee has the power to conduct long-term investigations, albeit not in relation to specific military operations, reviews of which are conducted by the Armed Forces themselves.<sup>9</sup> Parliament's oversight work is supported by effective internal and external auditing of defence spending. Internal audits are carried out by the National Financial Management Authority (ESV) which has the flexibility to build its own body of work, is adequately staffed and whose findings are regularly incorporated by defence institutions.<sup>10</sup> Its reports are made publicly available to legislators, however the agency's own internal auditing units, which sit within government agencies, are not obliged to publish their assessments, restricting the availability of financial information.<sup>11</sup> External audits are carried out by the National Audit Office, whose defence auditors are appointed by Parliament and carry out performance and financial audits. The agency is fully independent from the executive, with its own budget and legal protections in place to ensure it cannot be amended during the budget year.<sup>12</sup> Its reports are published online and findings are regularly addressed by the MoD and defence agencies in practice, who outline the changes made in their annual reports the following year.<sup>13</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 #	17 (2019/20); 21 (2018/19); 27 (2017/18)
Does the commissioner have authority over the MoD?	Yes
Audit reports on defence (2017-2020) #	6 (2017); 4 (2018); 4 (2019); 3 (2020)
Open Budget Index (IBP, 2019)	86/100
World Press Freedom Index (RSF, 2021)	3rd out of 180.

Government openness and transparency are key pillars of Swedish democracy that are frequently asserted in public debate.<sup>14</sup> The government generally meets high requirements regarding transparency and publishes a significant amount of information.<sup>15</sup> Similar standards are also in place in the defence sector, where financial transparency is relatively robust. The published defence budget contains comprehensive and disaggregated information on expenditures across functions, including information on personnel, R&D, training, procurement, equipment maintenance and asset disposals.<sup>16</sup> The budget includes explanations and summaries to ensure it is accessible to the general public and non-experts. Alongside this, strong access to information frameworks also help to maintain high transparency standards. The Public Access Law<sup>17</sup> and Law on the Freedom of the Press<sup>18</sup> together stipulate how the public can access defence-related information, what information is not available, how it is classified and how the public can appeal decisions. The broad scope of these laws ensures that all public documents are covered and there are very few instances where information is unduly refused or redacted for national security reasons. Effective controls are also in place to ensure that off-budget expenditure is prohibited, with similarly tight controls around beneficial ownership of commercial enterprises, ensuring these holdings are small and details fully disclosed.<sup>19</sup> However, the government does not explicitly prohibit defence employees engaging in private enterprise, significantly increasing the risk of conflicts of interest. The practice of 'additional/second jobs' is common and poorly regulated, since it is the responsibility of the individual to report any such employment and the responsibility of the employer to authorise it.<sup>20</sup> As such, the entire system rests on the honesty of the employee rather than on a clearly defined and systematic approach.

<sup>4</sup> Jon Pierre, Sven Joachem and Detlef Jahn, *Sweden Report: Sustainable Governance Indicators 2020*, Gutersloh, Bertelsmann Stiftung, pp. 51-52.

<sup>5</sup> Ministry of Defence, 'Summary of Government Bill Total Defence 2021-2025', 17 December 2020.

<sup>6</sup> Swedish Parliament, 'Defence Committee', 2021.

<sup>7</sup> Swedish Parliament, 'Defence Committee Members', 2021.

<sup>8</sup> Jon Pierre et al., *Sweden*, p. 51.

<sup>9</sup> Swedish Parliament, 'Defence Committee – Documents & Laws', 2021.

<sup>10</sup> See for instance, Government of Sweden, 'The Government Tasks the Armed Forces and the Defence Materiel Administration Agency to Prepare Transition to New Financial Model', 2 November 2017.

<sup>11</sup> National Audit Office, 'Internal Auditing Within Agencies – A Function That Needs to be Strengthened', 22 February 2017.

<sup>12</sup> Swedish Parliament, 'Law (2002:1023 with Instructions for the National Audit Office)', 5 December 2002.

<sup>13</sup> See for instance, Swedish Defence Materiel Administration, *Annual Report of 2020*, 22 February 2021; Swedish Armed Forces, 'Annual Reports', 2021.

<sup>14</sup> Government of Sweden, 'Free Speech, Free Press and Overall Transparency are Key to Swedish Society', 2021.

<sup>15</sup> Jon Pierre et al., *Sweden*, p. 30.

<sup>16</sup> Government of Sweden, 'The Defence Budget 2020', 12 December 2019.

<sup>17</sup> Government of Sweden, *Public Access Law*, 20 May 2009.

<sup>18</sup> Government of Sweden, *Law on the Freedom of the Press*, 5 April 1949.

<sup>19</sup> Government of Sweden, '2019 Account of State Owned Companies', 13 June 2019.

<sup>20</sup> Government of Sweden, *The Law on Public Employment*, 28 April 1994.





# SWEDEN

## Personnel Ethics Framework

Whistleblowing legislation	Whistleblowing Law (2017)
# defence-sector whistleblower cases	Data is not publicly available.
# Code of conduct violations	Military: Data is not publicly available.
	Civilian: Could not access data.
Financial disclosure system	# submitted: Data is not publicly available.
	# of violations: Data is not publicly available.

In the Swedish defence sector, personnel ethics frameworks are generally strong, with robust anti-corruption safeguards and standards contributing to a strong culture of integrity. The armed forces' code of conduct makes explicit reference to corruption, although it does not offer detailed explanations of corruption-related issues such as bribery, conflicts of interest or post-separation activities.<sup>21</sup> Nevertheless, bribes and conflicts of interest are covered in detail in an internal handbook which provides additional guidance on how to proceed in the face of such events.<sup>22</sup> Codes of conduct and anti-corruption standards are effectively upheld by the Armed Forces Personnel Administration and by the State Disciplinary Board for civilian personnel, which publishes annual reports detailing how many cases it handles each year.<sup>23</sup> Aside from this, a significant milestone was reached in 2017, when Sweden's whistleblowing law came into force, protecting employees from reprisals and retaliation should they report serious misconduct.<sup>24</sup> However, the law has been criticised for providing inadequate protection and being unclear about employees' rights, as it forces them to first raise concerns from within the organisation they work in.<sup>25</sup> A new whistleblowing law was passed in September 2021 which should considerably strengthen whistleblower protections, provided it is properly implemented.<sup>26</sup> Elsewhere, formalised and rigorous recruitment and promotion processes at all levels of the defence sector reduce the risk of corruption or nepotism skewing appointment decisions. However, there remains a noticeable gap when it comes to post-separation activities. There is very little regulation or oversight of former high ranking defence officials moving to the private sector and vice versa, including the absence of a formal cooling-off period, which increases conflict of interest risks.<sup>27</sup>

## Operations

Total armed forces personnel (World Bank, 2018)	15,150
Troops deployed on operations #	332 in Mali (182 MINUSMA and 150 Task Force Takuba), 70 in Iraq, 15 in CAR (EUTM RCA), 8 in Somalia (EUTM Somalia), 6 in Israel (UNTSO), 3 in Kosovo (NATO KFOR), 4 in India (UNMOGIP), 2 in Western Sahara (MINURSO)

Sweden deploys troops to a significant number of NATO, United Nations, and EU training missions.<sup>28</sup> This commitment to multilateralism and experience engaging in international military operations has not, however, led to a strengthening of anti-corruption safeguards during deployments. At the strategic level, neither of the Armed Forces' two doctrines, the Military Strategy Doctrine<sup>29</sup> and the Operational Doctrine,<sup>30</sup> address the risk of corruption during operations. The extent to which corruption issues are included in the forward planning for operations is difficult to assess and appears to focus more on personnel's 'cultural understanding' of the mission area than on planning for specific operational risks related to corruption. The same is true for training which is focussed on dealing with corruption on an individual basis but largely omits systemic factors and risks, including those associated with the mission itself. Though the military does deploy legal advisors on missions, whose remit includes reporting on corruption risks,<sup>31</sup> it is unclear to what extent these advisors conduct corruption risk assessments as part of their reporting, as no reports have been made publicly available.

<sup>21</sup> Swedish Armed Forces, 'Our Code of Conduct', published 2020.

<sup>22</sup> Swedish Armed Forces, 'Handbook – Internal Regulation and Control', 1 March 2019.

<sup>23</sup> State Disciplinary Board, 'Annual Report 2020', 18 January 2021.

<sup>24</sup> Government of Sweden, *Law on Special Protection Against Reprisals for Employees Who Report Serious Misconduct*, 16 June 2016.

<sup>25</sup> Oisín Cantwell, 'New Whistleblower Law is Thin and Messy', *Aftonbladet*, 22 January 2016.

<sup>26</sup> Lexology, 'New Swedish Whistleblowing Law', 7 October 2021.

<sup>27</sup> Swedish Peace and Arbitration Society, 'How the Merry-Go Round Spins in the Arms Industry', September 2010.

<sup>28</sup> Swedish Armed Forces, 'Current International Missions', February 2020.

<sup>29</sup> Swedish Armed Forces, *Military Strategy Doctrine 2016*, April 2016.

<sup>30</sup> Swedish Armed Forces, *Operational Doctrine 2014*, January 2014.

<sup>31</sup> Swedish Armed Forces, 'Guest Blogger: A Word from the Mission Legal Advisor', 27 March 2014.



# SWEDEN

## Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2020)	6,234
Open competition in defence procurement (%)	61-63%
Main defence exports – to (SIPRI)	United States, Pakistan, Algeria, UAE, Thailand
Main defence imports – from (SIPRI)	France, Germany, United States, Norway

Though historically not a significant importer of defence materiel, defence procurement is increasing under the impetus of the new Defence Resolution. Equally, Swedish companies are some of the leading defence contractors in the world, providing sophisticated solutions for defence institutions and making Sweden the fifteenth largest exporter of arms in the world between 2016 and 2020.<sup>32</sup> Though Sweden largely has effective legislation, policies and procedures in place to manage defence procurement, significant gaps remain that heighten specific corruption risk areas. General procurement legislation is clear and covers all defence and security purchases.<sup>33</sup> Contracts that are subject to confidentiality are procured in accordance with the Law on Public Procurement in defence, although the text lacks specific reference to corruption risk and clear provisions on how to mitigate such risks.<sup>34</sup> Procurement requirements are generally derived from the national defence strategy and specific annual plans. However, there have been instances of unjustified procurements that

have favoured national defence contractors and have exposed the tight-knit relationship between defence actors and the arms industry that can skew procurement priorities.<sup>35</sup> The relationship has its roots in a supportive military R&D and procurement policy where major contracts were offered to predominantly Swedish companies and, though the industry has been increasingly internationalised, the Swedish market remains partially captive. In 2018 60% of the total procurement budget was made up of orders to Saab,<sup>36</sup> with this relationship undermining open competition for defence contracts, particularly given Saab's near monopoly of the market in Sweden. Auditing bodies such as the National Audit Office and Swedish Competition Authority can question single-sourced tenders when reviewing the Swedish Defence Materiel Administration Agency's (FMV) annual budgets and reports, however they rarely exercise this power in practice and the FMV does not justify why around a third of defence procurement is single-sourced.<sup>37</sup> Though information on current and planned contracts is shared widely via two tender bidding portals, data on signed contracts has been frequently lacking.<sup>38</sup> However, it seems that the issue has been recognised, as a new law on procurement statistics entered into force in January 2021 and will seek to align post-procurement transparency with EU standards.<sup>39</sup> Finally, though offsets are common practice in the Swedish arms trade, there is still no law or policy currently regulating this area.<sup>40</sup> As a result, the government does not impose any anti-corruption due diligence on these contracts and parliament's right to audit offsets is restricted by the Law on Commercial Confidentiality, resulting in a near total lack of oversight.<sup>41</sup>

<sup>32</sup> Pieter D. Wezeman, Alexandra Kuimova and Siemon T. Wezeman, 'Trends in International Arms Transfers, 2020', *SIPRI*, March 2021, p. 2.

<sup>33</sup> Government of Sweden, *Law on Public Procurement*, December 2016.

<sup>34</sup> Government of Sweden, *Law on Procurement in the Defence and Security Area*, September 2011.

<sup>35</sup> Linda Åkerström, '14 Empty Airframes: Public-Private Relations in the Swedish Arms Industry', *The Economics of Peace and Security Journal*, Vol. 15, Issue 1, 2020, pp. 39-48.

<sup>36</sup> Åkerström, '14 Empty Airframes'.

<sup>37</sup> Defence Materiel Administration Agency, *FMV Annual Report 2019*, 21 February 2020.

<sup>38</sup> Swedish Competition Authority, 'FMV Audit of Messages Concerning Awarded Contracts', 2017.

<sup>39</sup> Swedish Competition Authority, 'Timeline', May 2020.

<sup>40</sup> Swedish Parliament, 'Offset in Arms Export', 5 October 2012; 'Offset and Transparency', 5 May 2014.

<sup>41</sup> Government of Sweden, *Law on Commercial Confidentiality*, 25 May 2018.

Version 1.0, October 2021

GDI data collection for **Sweden** was conducted May 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.



# SWEDEN 2020 GDI Scorecard

		Grade	Score
<b>Political Risk</b>		<b>B</b>	<b>73</b>
Q1	Legislative Scrutiny	A	100
Q2	Defence Committee	A	88
Q3	Defence Policy Debate	A	100
Q4	CSO Engagement	C	58
Q5	Conventions: UNCAC / OECD	C	63
Q6	Public Debate	B	75
Q7	Anticorruption Policy	E	25
Q8	Compliance and Ethics Units	B	75
Q9	Public Trust in Institutions	NS	
Q10	Risk Assessments	F	0
Q11	Acquisition Planning	A	100
Q12	Budget Transparency & Detail	A	100
Q13	Budget Scrutiny	A	100
Q14	Budget Availability	A	100
Q15	Defence Income	C	50
Q16	Internal Audit	B	75
Q17	External Audit	A	94
Q18	Natural Resources	A	83
Q19	Organised Crime Links	B	75
Q20	Organised Crime Policing	B	75
Q21	Intelligence Services Oversight	A	100
Q22	Intelligence Services Recruitment	B	75
Q23	Export Controls (ATT)	B	75
Q76	Lobbying	F	0
<b>Financial Risk</b>		<b>A</b>	<b>88</b>
Q24	Asset Disposal Controls	C	58
Q25	Asset Disposal Scrutiny	A	83
Q26	Secret Spending	A	100
Q27	Legislative Access to Information	A	100
Q28	Secret Program Auditing	A	100
Q29	Off-budget Spending	A	88
Q30	Access to Information	A	88
Q31	Beneficial Ownership	A	100
Q32	Military-Owned Business Scrutiny	A	100
Q33	Unauthorised Private Enterprise	C	63
Q77	Defence Spending	A	88
<b>Personnel Risk</b>		<b>B</b>	<b>70</b>
Q34	Public Commitment to Integrity	E	25
Q35	Disciplinary Measures for Personnel	A	88
Q36	Whistleblowing	C	58
Q37	High-risk Positions	F	0
Q38	Numbers of Personnel	A	83
Q39	Pay Rates and Allowances	D	38
Q40	Payment System	A	83
Q41	Objective Appointments	C	58
Q42	Objective Promotions	B	81
Q43	Bribery to Avoid Conscription	A	83
Q44	Bribery for Preferred Postings	A	83
Q45	Chains of Command and Payment	A	100
Q46	Military Code of Conduct	A	88

## OVERALL COUNTRY SCORE

**MODERATE RISK**

**C**

**63**

### 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**



		Grade	Score
<b>Personnel Risk</b>		<b>B</b>	<b>70</b>
Q47	Civilian Code of Conduct	B	81
Q48	Anticorruption Training	A	83
Q49	Corruption Prosecutions	B	67
Q50	Facilitation Payments	A	92

		Grade	Score
<b>Operational Risk</b>		<b>D</b>	<b>34</b>
Q51	Military Doctrine	F	0
Q52	Operational Training	A	100
Q53	Forward Planning	D	38
Q54	Corruption Monitoring in Operations	F	8
Q55	Controls in Contracting	E	25
Q56	Private Military Contractors	NS	

		Grade	Score
<b>Procurement Risk</b>		<b>D</b>	<b>49</b>
Q57	Procurement Legislation	B	75
Q58	Procurement Cycle	A	83
Q59	Procurement Oversight Mechanisms	A	83
Q60	Potential Purchases Disclosed	A	88
Q61	Actual Purchases Disclosed	E	25
Q62	Business Compliance Standards	C	50
Q63	Procurement Requirements	B	75
Q64	Competition in Procurement	D	38
Q65	Tender Board Controls	C	63
Q66	Anti-Collusion Controls	B	75
Q67	Contract Award / Delivery	D	33
Q68	Complaint Mechanisms	A	100
Q69	Supplier Sanctions	A	100
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



[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