



Government Defence
Integrity Index



2020

Country Brief:

UNITED ARAB EMIRATES

UNITED ARAB EMIRATES

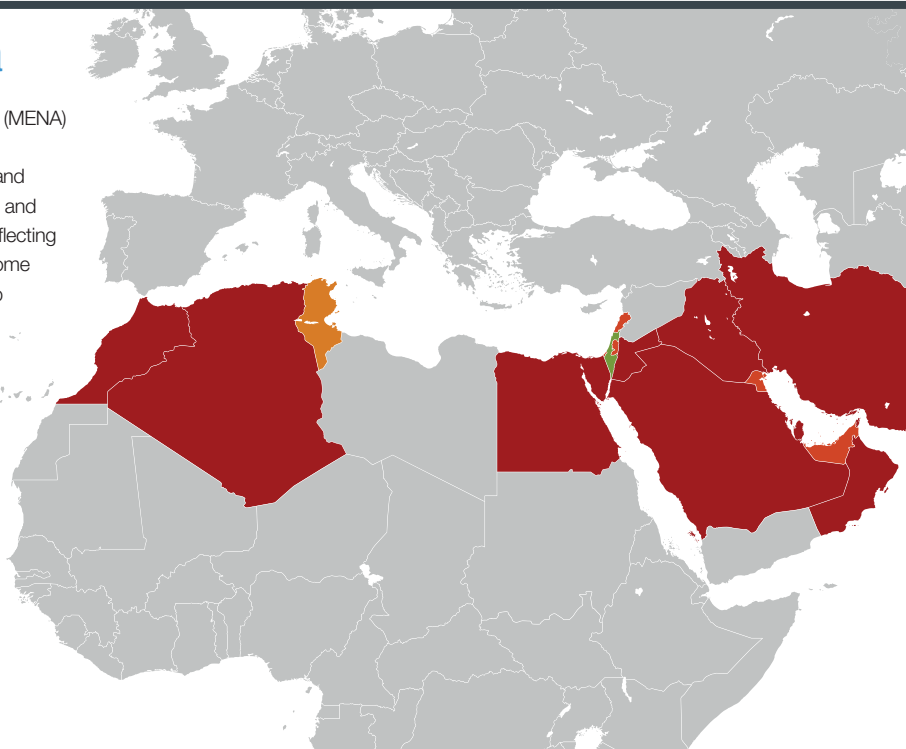
The United Arab Emirates' (UAE) development into a burgeoning political, economic, and military power has been remarkable. Despite only being created in 1971, UAE has leveraged large oil reserves to invest significantly in infrastructure and services, whilst diversifying its economy away from hydrocarbons and positioning itself as a financial and trading centre.¹ This growing economic strength has helped entrench the current governance system and stymied calls to diversify a political system that is based on centralised non-participatory decision-making,² where political discourse is securitised, and there are strict limits on personal freedoms and opposition groups.³ At a foreign policy level, Mohammed Bin Zayed, the Abu Dhabi Crown Prince and de facto ruler, has devised a policy designed to suppress political Islamist movements, especially the Muslim Brotherhood.⁴

Through a combination of soft power, economic incentives, and military intervention, bin Zayed has tightened links with Saudi Arabia,⁵ and taken an increasingly interventionist stance, including by supporting militias in the Libyan and Yemeni conflicts,⁶ and investing heavily in military bases in the Horn of Africa.⁷ This new foreign policy is buttressed by significant military investment. Through rising defence spending,⁸ the UAE has built up one of the region's strongest militaries.⁹ With an increasingly diverse supplier base and steadily expanding national defence industry, the UAE's trend towards military growth is likely to be sustained in the long run. However, institutionalised opacity and a culture of secrecy are fuelling critically high levels of corruption risk through the defence apparatus. External oversight is non-existent, with the legislature and audit bodies are excluded from defence matters. Decision-making and procurement processes are shrouded in secrecy, while the sector's finances are considered state secrets. Access to information is extremely poor as are operational safeguards to corruption, while nepotism risks undermining human resource management processes.

Member of Open Government Partnership	No
UN Convention Against Corruption	Ratified in 2006.
Arms Trade Treaty	Has not ratified.

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 Bertelsmann Stiftung, *BTI Country Report 2020 – United Arab Emirates*, Gutersloh, Bertelsmann Stiftung, p. .

² Kenneth Katzamn, 'The United Arab Emirates (UAE): Issues for US Policy', *Congressional Research Service*, RS21852, 4 September 2020, pp. 2-4.

³ Robert F. Worth, 'Mohammed Bin Zayed's Dark Vision of the Middle-East's Future', *The New York Times*, 9 January 2020.

⁴ Guido Steinberg, 'Regional Power: Abu Dhabi is No Longer Saudi Arabia's Junior Partner', *German Institute for International and Security Affairs (SWP)*, Research Paper, Berlin, 10 July 2020.

⁵ Worth, 'Mohammed Bin Zayed'.

⁶ Peter Salisbury, 'Risk Perception and Appetite in UAE Foreign and National Security Policy', *Chatham House*, Research paper, July 2020.

⁷ Usman Butt, 'UAE: The Scramble for the Horn of Africa', *Middle-East Monitor*, 31 January 2021.

⁸ Butt, 'UAE'.

⁹ Melissa Dalton & Hijab Shah, 'Evolving UAE Military and Foreign Security Cooperation: Path Toward Military Professionalism', *Carnegie Middle East Center*, 12 January 2021.

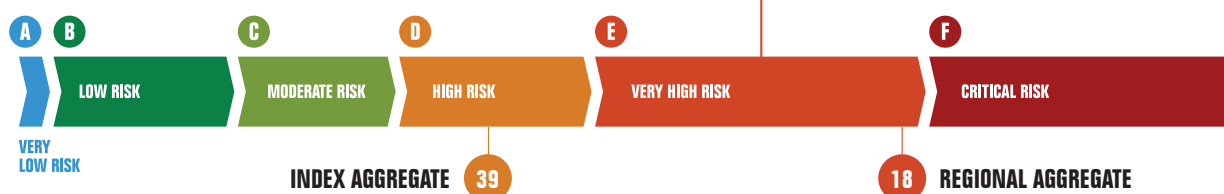
UNITED ARAB EMIRATES

Overall scores

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

UNITED ARAB EMIRATES SCORE

VERY HIGH RISK
E
19



A > 83-100 VERY LOW

B > 67-82 LOW

C > 50-66 MODERATE

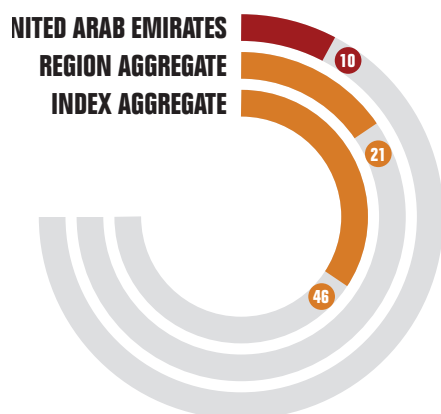
D > 33-49 HIGH

E > 17-32 VERY HIGH

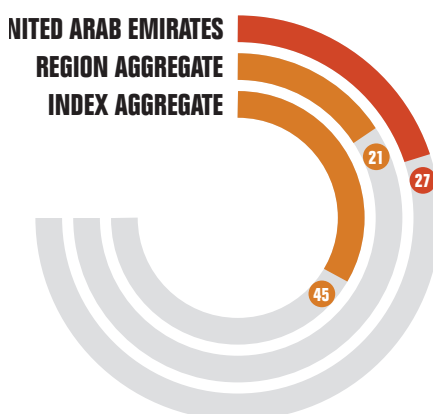
F > 0-16 CRITICAL

Risk Comparison

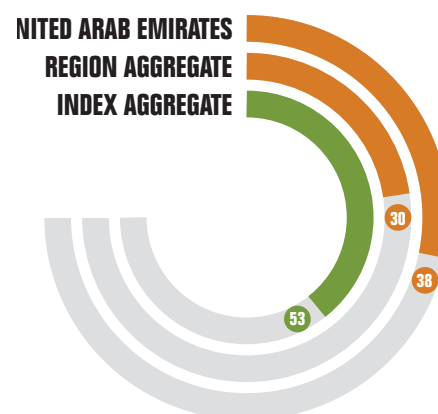
POLITICAL



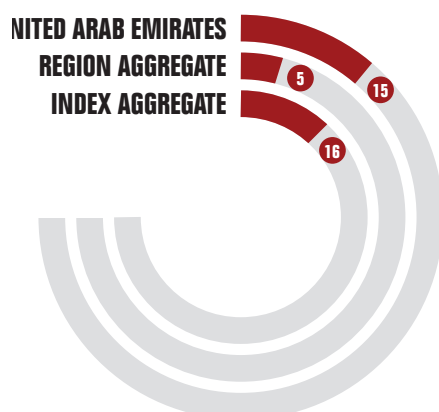
FINANCIAL



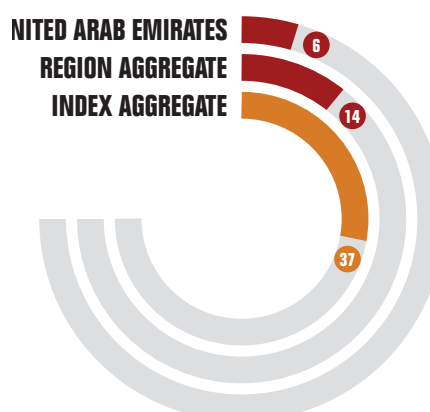
PERSONNEL



OPERATIONAL



PROCUREMENT



UNITED ARAB EMIRATES

Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, 2019)	Not ranked.
Military expenditure as a share of government spending (SIPRI, 2014)*	17%
Committee members with defence expertise (%)	No such committee exists.
# of meetings/year	No such committee exists.
Last review of defence policy/strategy	No strategy is publicly available.

*Latest data available is for 2014.

The UAE's political system is based on the rulers of each of the seven emirates sitting on the Supreme Federal Council, which chooses the President and Prime Minister, who are from Abu Dhabi and Dubai respectively, as tradition dictates.¹⁰ Each emirate is ruled by a hereditary family with the leader chosen from among the tribe's family members, essentially guaranteeing a closed system where political power is determined by birth right.¹¹ Political parties are banned and no elections are held at executive level, with the only national elections held at the legislative level of the Federal National Council (FNC), although only half of its members are elected with the rest appointed by the President.¹² The Council has no formal powers over defence laws or policy and is a purely consultative body, whose recommendations the government is not required to accept or even consider. Direct policymaking power lies instead with the secretive Supreme Council of National Security,¹³ with the FNC's Committee for Internal Affairs and Defence limited to merely discussing draft laws and general defence topics. Neither the FNC, nor its defence committee have any powers of oversight over defence policy, administration, budget, or procurement, with these issues entirely dealt with by the Supreme Council. This complete lack of external oversight is further guaranteed by the absence of robust defence auditing processes. Though there is an internal audit unit within the Ministry of Defence, it does not publish any reports and only conducts irregular, bureaucratic and superficial checks and works solely at the behest of the crown prince. External auditing of defence institutions does not occur, as the Supreme Audit Institution has no power over the Ministry of Defence in practice, despite it having formal powers to scrutinise all government ministries.¹⁴ As a result, no external audit of defence expenditure has ever taken place.

Financial Transparency

Defence-related access to information response rates	(1) % granted full or partial access: None. (2) # subject to backlog: None.
Defence-related complaints to ombudsman/commissioner #	No such institution exists.
Does the commissioner have authority over the MoD?	No such institution exists.
Audit reports on defence (2015-2020) #	None.
Open Budget Index (IBP, 2019)	Not ranked.
World Press Freedom Index (RSF, 2021)	131st out of 180

Similar to many of its neighbours, the UAE's government lacks transparency related to decision-making and finances, with its highly centralised hereditary system of government not lending itself well to transparent governance.¹⁵ Accordingly, financial transparency is particularly weak in relation to defence, which is tightly managed by the Crown Prince and his closest advisors. The defence budget is highly secretive and not subject to publication. Only an aggregate figure is ever released and even then, it is widely held to be inaccurate due to additional funds coming through the Office of the Crown Prince. Furthermore, the absence of legislation prohibiting off-budget expenditure means that total military expenditure is likely much higher than the official figure. Opaque contracts signed with controversial private military contractors such as Blackwater and DarkMatter,¹⁶ as well as secretive arms shipments from the Balkans,¹⁷ are all alleged to have been funded through extra-budgetary measures at an even greater level of secrecy. Government secrecy is strengthened considerably by the absence of viable access to information mechanisms. In relation to defence, it is virtually impossible to access information other than the sparse data released by the authorities. All defence information is considered highly confidential and attempts to gather it are risky. Researchers and journalists have been given life sentences for conducting research on the issue, including one British academic who was only released after a royal pardon.¹⁸

¹⁰ Salisbury, 'Risk Perception and Appetite', p. 8.

¹¹ Bertelsmann Stiftung, *BTI UAE*, p. 9.

¹² Salisbury, 'Risk and Appetite', p. 8.

¹³ 'Al Majles Al Ala Li Amen Al Watani' (The Supreme Council of National Security) official page in Arabic.

¹⁴ Government of UAE, 'UAE The State Audit Institution'.

¹⁵ Freedom House, 'Freedom in the World - UAE', 2020, C3.

¹⁶ TRT World, 'UAE's Deep Ties to China and Russia Could End the F-35's Military Edge', 2 October 2020.

¹⁷ Lawrence Marzouk, Ivan Angelovski and Miranda Patrucic, 'Making a Killing: The EUR 1.2Billion Arms Pipeline to Middle East', *OCCRP*, 27 July 2016.

¹⁸ Matthew Hedge, 'My UAE Spy Arrest Shows Universities Must do More to Protect Academics Working in the Field', *The Conversation*, 14 October 2019.

UNITED ARAB EMIRATES

Personnel Ethics Framework

Whistleblowing legislation	Law 4/2016 on Financial Crimes
# 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: No such disclosures exist.
	# of violations: No such disclosures exist.

Under bin Zayed's leadership, the military has seen increasing deployments in Yemen and Libya, with troops also stationed in military bases in Eritrea, Somaliland, and Djibouti.¹⁹ However, the UAE's policies have also led to grave human rights violations, particularly in Yemen, where Emirati forces are accused of supporting assassinations, arrests, and torture.²⁰ Such reports demand an analysis of the military's personnel management frameworks. Military personnel are held to a well-defined code of conduct, which is made available to all units and includes prohibitions on corruption-related activities.²¹ However, its enforcement is reported to be very low. Breaches are very unlikely to be investigated and the military has no institution responsible for following up on breaches and initiating investigations, potentially allowing for abuses to go unpunished and undermining a military culture based on integrity. On the other hand, the UAE does have relatively strong whistleblowing legislation, especially when compared with its neighbours. Legislation grants protection for whistleblowers who report financial crimes and wrongdoing, with the general law also applying to the military.²² Reporting is moderately encouraged within the military with placards and posters encouraging personnel to report corruption, although training is lacking and there remains little trust among officials that whistleblowers will be granted the necessary protections. The UAE's rentier political system also allows for significant political and personal influences to supersede personnel promotion and recruitment process.²³ At senior levels, officers are appointed by royal decrees and neo-patrimonialism is prominent in the balance of power and influence between different tribes and to maintain the power of the royal family. This raises the risk of personnel being promoted and appointment for considerations other than their performance record and experience, neglecting meritocratic procedures for decisions that are designed to secure political interests.

Operations

Total armed forces personnel (World Bank, 2018)	63,000
Troops deployed on operations #	Data is not publicly available.

The UAE's growing military footprint is evidence by UAE forces' involvement in the Yemeni and Libyan conflicts, albeit largely indirectly through local militias.²⁴ However, significant corruption risks in the military's guidelines and training for military operations threaten to critically undermine mission objectives, especially in operational theatres where illicit economies are prevalent.²⁵ At a strategic level, the UAE does not currently have a military doctrine that addresses corruption as a strategic issue for operations. As a result, corruption issues are not included in operational forward planning, contributing to a situation where UAE forces in Yemen are openly profiting from corruption.²⁶ Moreover, there is no specific anti-corruption training as part of pre-deployment procedures for commanders or personnel involved in sensitive operational areas, such as contracting. The UAE has no legal provisions restricting the use of private military security contractors (PMSCs), essentially ensuring that contractors are not subject to any oversight, in spite of the fact the UAE has regularly resorted to such companies for security services. PMSCs such as secretive surveillance agency DarkMatter and Frontier Services Group, led by the infamous founder of the Blackwater mercenary outfit, have both been used in the war in Yemen and to spy on dissidents,²⁷ raising serious concerns as to abuses of power and human rights infringements resulting from their activities.

¹⁹ Butt, 'UAE'.

²⁰ Salisbury, 'Risk and Appetite', pp. 34-35.

²¹ Homer E Moyer, Jr Miller & Chevalier, *Anti-corruption Regulation in the UAE 2018*, London, Law Business Research, 2018.

²² Herbert Smith Freehills, 'Anti-Corruption Regulation, the Middle East, UAE,' May 2018.

²³ The National, 'Unemployment levels due to 'nepotism' and 'lack of opportunities', say Emiratis', December 2017.

²⁴ Amnesty International, 'Yemen: UAE Recklessly Supplying Militias with Windfall of Western Arms', 6 February 2019.

²⁵ Sanaa Center, 'Corruption in Yemen's War Economy', Policy Brief, 5 November 2018.

²⁶ Abdul-Ahad, Ghaith, 'Yemen on the Brink: How the UAE Is Profiting from the Chaos of Civil War,' *The Guardian*, 21 December 2018.

²⁷ TRT World, 'UAE's Deep Ties.'

UNITED ARAB EMIRATES

Defence Procurement

Military expenditure (US\$ mil) (SIPRI, 2014)*	25,468
Open competition in defence procurement (%)	0%
Main defence exports – to (SIPRI, 2016-20)	Egypt, Jordan, Algeria, Libya, Kuwait
Main defence imports – from (SIPRI, 2016-20)	United States, France, Russia, Netherlands, China

*Latest data available is for 2014.

Foreign and domestic policy priorities have been supported by sustained militarisation. Total military spending doubled in the decade leading up to 2014, the last date for which exact data is available.²⁸ Procurement has been at the heart of this drive, with investment in high-value and cutting edge equipment representing 15-16% of spending.²⁹ The world's ninth largest arms importer, the sheikhdom has diversified its suppliers with partnership with Russia, France and Turkey, reducing its reliance on the United States, whose exports have fallen by 36% since 2015.³⁰ However, the UAE has also reduced its dependence on foreign suppliers by building up its national defence industry, through consolidation and supplying weapons to niche markets.³¹ Nevertheless the highly secretive nature

of defence procurement, the absence of oversight mechanisms, and weakness of formal mechanisms exposes the process to considerable corruption risk. Acquisition planning is not formalised and rests entirely in the office of the crown prince who has great discretion when identifying different needs. The absence of a published defence strategy makes it impossible to assess how purchases link to strategic objectives and allows for decisions to be made on an ad hoc basis. In fact, most purchases in the UAE are politically motivated and based on regional and international dynamics, such as the trend towards diversification and UAE's deepening ties with Russia and China.³² Oversight of the procurement cycle is similarly weak. Defence acquisitions are explicitly exempt from federal procurement regulations and there is no evidence of alternative legislation to regulate these procedures.³³ The majority of procurement is conducted through the state-owned Tawazun Economic Council. The company is not subjected to scrutiny either by the Competition Regulation Committee (CRC) or the State Audit Institute (SAI), resulting in a situation where defence procurement is conducted in complete secrecy. There is also no evidence to suggest procurement is conducted through open tenders. Instead, Tawazun openly acknowledges that specific contractors are invited to bid, suggesting that single-sourcing and closed tenders represent the majority, if not entirety, of UAE's contracting methods.³⁴

²⁸ SIPRI, 'Military Expenditure in Constant \$US mil'.

²⁹ Haena Jo, 'Can the UAE Emerge as a Leading Global Defense Supplier?', *Defense News*, 15 February 2021.

³⁰ Pieter D. Wezeman, Alexandra Kuimova and Siemon T. Wezeman, 'Trends in International Arms Transfers', SIPRI, March 2021, p. 6.

³¹ Jo, 'Can the UAE Emerge?'.

³² Camille Lons, 'China and the Gulf: Why the UAE is Deepening Ties with Beijing', *Middle-East Eye*, 6 August 2018.

³³ Ministry of Finance, 'Amending some of the provisions of procurement regulation and storehouses management in federal government', 2016.

³⁴ Tawazun Economic Council, *Tawazun Economic Program Guidelines*, 2015/2016.

Version 1.0, October 2021

GDI data collection for **United Arab Emirates** was conducted July 2018 to September 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.

UNITED ARAB EMIRATES

2020 GDI Scorecard

		Grade	Score
Political Risk		F	10
Q1	Legislative Scrutiny	F	0
Q2	Defence Committee	F	0
Q3	Defence Policy Debate	F	0
Q4	CSO Engagement	F	0
Q5	Conventions: UNCAC / OECD	E	25
Q6	Public Debate	F	0
Q7	Anticorruption Policy	C	50
Q8	Compliance and Ethics Units	F	0
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	F	0
Q14	Budget Availability	F	0
Q15	Defence Income	F	0
Q16	Internal Audit	F	8
Q17	External Audit	F	0
Q18	Natural Resources	F	10
Q19	Organised Crime Links	A	88
Q20	Organised Crime Policing	F	0
Q21	Intelligence Services Oversight	F	0
Q22	Intelligence Services Recruitment	E	17
Q23	Export Controls (ATT)	E	25
Q76	Lobbying	F	0
Financial Risk		E	27
Q24	Asset Disposal Controls	E	25
Q25	Asset Disposal Scrutiny	F	0
Q26	Secret Spending	F	0
Q27	Legislative Access to Information	F	0
Q28	Secret Program Auditing	F	0
Q29	Off-budget Spending	E	17
Q30	Access to Information	F	0
Q31	Beneficial Ownership	C	50
Q32	Military-Owned Business Scrutiny	A	100
Q33	Unauthorised Private Enterprise	A	100
Q77	Defence Spending	F	0
Personnel Risk		D	38
Q34	Public Commitment to Integrity	E	17
Q35	Disciplinary Measures for Personnel	D	38
Q36	Whistleblowing	D	42
Q37	High-risk Positions	F	0
Q38	Numbers of Personnel	D	33
Q39	Pay Rates and Allowances	F	13
Q40	Payment System	B	67
Q41	Objective Appointments	E	25
Q42	Objective Promotions	F	8
Q43	Bribery to Avoid Conscription	B	67
Q44	Bribery for Preferred Postings	B	67
Q45	Chains of Command and Payment	A	100
Q46	Military Code of Conduct	E	25

OVERALL COUNTRY SCORE

VERY HIGH RISK

E

19

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		D	38
Q47	Civilian Code of Conduct	C	56
Q48	Anticorruption Training	F	0
Q49	Corruption Prosecutions	F	0
Q50	Facilitation Payments	A	83

Operational Risk		F	15
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	E	25
Q56	Private Military Contractors	NS	

Procurement Risk		F	6
Q57	Procurement Legislation	F	0
Q58	Procurement Cycle	E	25
Q59	Procurement Oversight Mechanisms	F	0
Q60	Potential Purchases Disclosed	E	25
Q61	Actual Purchases Disclosed	F	13
Q62	Business Compliance Standards	E	25
Q63	Procurement Requirements	F	8
Q64	Competition in Procurement	F	0
Q65	Tender Board Controls	F	0
Q66	Anti-Collusion Controls	F	0
Q67	Contract Award / Delivery	F	13
Q68	Complaint Mechanisms	F	0
Q69	Supplier Sanctions	F	0
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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Foreign, Commonwealth
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