Corruption & Security Assistance: Recommendations for donor states
January 2016

Corruption has a corrosive effect on democracy and the legitimacy of state institutions, and is a threat to security and peace. Corruption is a weapon in the hands of those who wish to see fragile institutions fail. Poverty, public disenfranchisement, and violence flourish wherever government lines its pockets at the expense of providing basic services, kleptocratic elites limit the economic opportunities of ordinary people, or police collude with organised crime instead of tackling it. On the other hand, increased accountability and transparency of security institutions increases the capacity of the state to respond to security threats and build sustainable peace. Increased transparency also helps ensure effective spending, which is particularly important in countries where state institutions need to earn their legitimacy and where resources are scarce.

Security assistance should help build the capability of recipient defence and security forces and governments to protect and serve the interests of citizens. For example, the US and others have been providing significant support to the Afghan military for over a decade, but outsight the formal budget process (i.e. "off-budget support"). This undermines the role of formal budget processes, and official oversight functions like audit institutions, anti-corruption bureaus, and parliament. This might be understandable in the short term, where domestic structures in place are weak or corrupt and assistance needs to be delivered quickly. But if donor states wish to see strong, accountable oversight institutions, they must do more to avoid circumventing them. At the most benign, providing significant budget support while no improvements are made in basic accountability over state budget management effectively means that security assistance gives more space for military leaders in recipient states to divert limited state resources to dubious activity, from personal enrichment all the way to developing nuclear weapons programmes. And at very least, off-budget support also serves to reduce likelihood/incentives for defence institutions to be driven by interests of people.

Oversight bodies that can effectively hold defence and security institutions to account are central to an effective security architecture. Where there is systemic corruption in a defence and security establishment, assistance to the military and domestic law enforcement institutions may be ineffective for achieving real security. Corruption increases the risk that equipment and funds are diverted, fuel factional disputes. It also represents a significant waste of donor states' taxpayer funds. Focusing on bolstering civilian oversight bodies and civil society might help contribute to more long-term stability than an influx of arms and training would.

More broadly, there is an urgent need to reduce corruption globally, and to build the capacity of governments and civil society to counter it. Given its malicious influence, countering corruption should be a key component of donor states' involvement in foreign states, particularly those that are fragile or conflict affected. It is vital that security assistance serves the interests of citizens, and does not consolidate the power of the corrupt. And a world in which citizens' interests drive national policies and the decisions of their leaders will be, in the long run, more peaceful and secure.

Transparency International recommends that states providing security assistance:

1. Explicitly **recognize and analyze the risk of corruption** in the design and delivery of all security assistance programs. This should include both fraud and mismanagement, and possible diversion or subversion of the assistance for political or criminal reasons.

    Corruption analyses should include:
    - Incorporation of anti-corruption analysis into intelligence agency tasking;

- Analysis of corruption risks in the political context of the recipient country, including the transparency, accountability and public trust in security institutions;
- Input from civil society organisations in the recipient state;
- Analysis of specific corruption risks and the way they are likely to affect specific programmes. The major risk categories to include are procurement; personnel; equipment; financial; and operations;[1]
- Assessment of the risk of diversion of equipment and training. This should include an analysis of whether the training and/or equipment meets the real needs of the recipient state, before providing equipment. If the decision is made to provide it, liaise with local oversight bodies and take the lead to monitor it closely.
- Possible strategies for dealing with corrupt individuals in power – especially those who are deemed necessary to keep on-side to ensure stability – and how they can be marginalised (e.g. visa denials, blacklisting, asset freezing, etc.).

2. **Strengthen state budget processes and the capacity of oversight institutions of recipient states**. Where possible assistance should be channeled through formal budget processes in recipient states, with oversight mechanisms in place. In exceptional circumstance where short term off-budget support may be necessary, a clear exit strategy should be put in place, Donors providing security assistance should, in parallel, put in place programmes to strengthen oversight bodies, including parliament, audit bodies, and civil society, which will increase the efficiency of recipient state spending on security for the long term.

3. **Build intelligence** on how corrupt networks function in recipient states and regions, and share it with trusted allies when possible. This will help to a. reduce the risk of supporting particular patronage networks or groups with security assistance; and b. provide information to identify and prosecute corrupt individuals with assets in the donor state.

4. **Strengthen monitoring** of security assistance delivery. Crucially, recipient country institutions—including parliamentary defence committees, auditors general, and civil society—need to be empowered to conduct meaningful oversight of defence institutions' funding and activities, including international aid. Monitoring agencies should coordinate with recipient nation stakeholders.

5. **Training and guidance on corruption.** Require that operational commanders and security assistance providers receive training and guidance on responding to corruption in their work. Where donor states conducts training as part of security assistance, include anti-corruption training as a requirement. Training can also be used as a reward (or to assist the promotion of) those connected with a certain party, tribe, or family group. To reduce this risk, controls on training course intake should encourage equality and fairness.

6. **Increase transparency** to enable greater accountability and scrutiny – this is particularly important in instances where off-budget assistance is provided. Responsible entities should release timely, comprehensive, and comparable data on security assistance programmes. While in some cases legitimate national security concerns may restrict availability of information, **all exceptions need to be substantiated in line with the standards set by Global Principles on National Security and the Right to Information (the Tshwane Principles).**

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[1] See for example TI-DSP, *Government Defence Anti-Corruption Index 2013,* London 2013, http://government.defenceindex.org/report, accessed 25 March 2015.

7. **Strengthen monitoring and evaluation** of security assistance programs, including robust audits and follow up investigations to ensure funding is reaching the intended recipient. Aim to spend less, but to better coordinate efforts and push for effectiveness over "burn-rate" as the main criterion for evaluating programmes. In the case of training, evaluation criteria should focus not on individual achievement, but on whether skills developed could be used to build up accountable, transparent defence institutions.

8. In coordination with local Embassy representatives and legitimate local civil society, institutions receiving security assistance should **develop effective systems for participation of affected populations** in policy formation, implementation and monitoring, in order to build trust and strengthen the effectiveness of security assistance.

9. **Halt security assistance provision to states with a high risk of corruption and where the recipient government is making not meaningful efforts to improve civilian oversight.** Where there is limited or no civilian accountability over defence budgets, security assistance should be minimized, particularly when security assistance entails the provision or licensing of defence equipment or direct budget support.

10. Security assistance should be coupled with strong mechanisms that **provide victims and witnesses of corruption** in the defense and law enforcement sectors **with safe and effective conditions** for coming forward. This should include independent legal support infrastructure and special independent investigators and prosecutors with the capacity to effectively investigate and prosecute such cases.

These recommendations should also apply to any third party contractors that are operating on behalf of the donor state government.