<u>Singapore Government Statement in Response to Transparency International's</u> (TI) Government Defence Anti-Corruption Index 2015

[*This statement is to be read in conjunction with the <u>Singapore Government Statement</u> in Response to TI's Government Defence Anti-Corruption Index Report in 2013.]*

MINDEF/SAF's Anti-Corruption Framework

The Government of Singapore, Singapore Ministry of Defence (MINDEF) and the Singapore Armed Forces (SAF) have zero tolerance towards corruption. Our corporate governance and compliance system is underpinned by the strong rule of law, as well as an elaborate set of internal and external audits, checks and balances, including those conducted by the Auditor-General's Office. In addition, there are strict and systematic budgeting and procurement procedures that prevent, detect and punish corruption. These procedures also adhere to the highest standards of governance and oversight.

It is the result of the rigour and effectiveness of these procedures that the Political & Economic Risk Consultancy recently ranked Singapore first out of 16 countries (from Asia, the US and Australia) for being the least corrupt. Reputable publications such as the Financial Times have also acknowledged Singapore's robust and stringent systems for procurement.

Parliamentary Oversight of Defence Policies

MINDEF/SAF is subject to formal legislative oversight by the Parliament of Singapore, which exercises direct control on the scrutiny of defence policies. Although this function has not been devolved to a specific committee, there are formal mechanisms for Members to scrutinise defence policies if the need arises. The Government has been called to account for defence policies by Members of Parliament, regardless of their political parties.

Public Debate on Defence

As indicated in the government reviewer's comments, all three MINDEF political office holders are accountable for defence policies, which are regularly scrutinised by Members of Parliament and the public. The political office holders have been asked in Parliament to defend policies, account for policy decisions, and explain lapses. They also engage various public stakeholders to exchange views on defence-related policies. Such dialogue and debates are not limited to NS policies, and cover defence expenditure, future plans, operations, etc. These dialogues and debates are open to media reporting.

Singapore's Defence Expenditure

Defence budgets are subject to rigorous internal and external audits, checks and balances. Singapore does not publicise all the details of our defence and security expenditures, to avoid compromising security. There are no military-owned businesses or off-budget military expenditures. All government expenditures, including military expenditure, are budgeted for and submitted to Parliament for approval every year. Hence, being awarded a "0" or "N.A." instead of being awarded a full score is erroneous.

Whistle-Blowing Policy

Singapore would like to highlight, pertaining to TI's assessment of Singapore's whistleblowing policy in question 36, that all witnesses (including informants and non-informants) are protected from potential retaliation or intimidation by the criminalisation of any obstruction, prevention, perversion or defeat of the course of justice under section 204A of the Penal Code (Chapter 224). Further, section 36 of the Prevention of Corruption Act (Chapter 241) (PCA) prohibits the disclosure of the identity of informers whose information led to the investigation and prosecution of any offences under the PCA. The provision under Section 28 of the PCA (False statements, information, etc.) is not intended to discourage whistleblowing, but rather is intended to prevent abuse of the criminal justice system through frivolous, baseless or malicious complaints against innocent parties.

Fallacies in TI's Assessment

It is unclear how the assessor in 2015 concluded that our promotion system has become less transparent or effective in addressing corruption this year compared to in 2013. There has been no change to the checks and balances in our system of personnel promotion since the 2013 report. We note TI's assessment in 2015 that "personnel appointments in MINDEF/SAF follow an objective and meritocratic process".

It is also unclear how the assessor concluded that anti-corruption training for the armed forces is not effective. All MINDEF/SAF personnel undergo training on professional ethics and corruption, and are held to General Orders, directives and circulars addressing this topic in detail. Commanders and their men, in addition, receive pre-deployment briefings which outline the behaviour expected of them when they are deployed.

On the point of asset disposal, we note that TI had cited an unnamed source whose opinions were factually wrong. Procurement of <u>disposal service</u> for condemned assets or equipment for MINDEF/SAF is managed by the Defence Science and Technology Agency (DSTA), which is audited and above board.