

# Iraq

## 2015 Country Summary

### Country Recommendations

Iraq's GI ranking in Band F places it in the highest risk category for corruption in the defence and security sector. Iraq's highest risk area is Operations, followed by Political, Financial, Personnel and Procurement. Low state capacity to control and manage its armed forces is fuelling extortion and abuse of power by military personnel. This increases the risk of long-term insecurity, civil war and support for extremism. To reduce corruption risk and reduce state fragility, security sector reforms are urgently needed across the following issue-areas:

#### Reduce military predation and build the integrity of the armed forces

A combination of **ghost soldiers**, the **leaking of intelligence** by corrupt Iraqi security officials, and the **extortion of civilian populations** has led to significant territory losses to extremist movements.

- Personnel and payroll reform is needed to remove ghost soldiers and guarantee soldiers' pay, combined with an enforceable code of conduct for the armed forces, and effective measures in place to sanction corrupt officials.
- The international community needs to facilitate this process, particularly as they are funding salaries for troops that are diverted to generate at least \$380 million a year for corrupt officials.
- In addition, the protection of civilians and integrity building should be central to military training.

#### Strengthen inclusive civilian control over the defence and security sector

**Poor parliamentary oversight** over the procurement process, and a **lack of scrutiny over appointments** to key positions of power, created a scenario where corrupt officials were able to spend \$122 million on fake bomb detectors, generating huge personal profits at the risk of thousands of Iraqi soldiers' lives.

- Parliament needs access to a detailed budget and detailed acquisition plans. A national defence policy should be formulated so that procurement can be based on clearly defined strategy. Scrutiny over the bidding and procurement processes should be improved, while sanctioning corrupt officials.

**Predation by the Iraqi army** and a **climate of fear among CSOs**, mean popular trust in the security sector is low and their legitimacy is poor, pushing civilians to support extremists in return for basic security provision.

- The government needs to launch a national dialogue on the role of the security services, consult civil society when formulating a national defence policy, and punish soldiers who predate while dealing with the root causes such as lack of pay, and theft of salaries by those higher up the command chain.

## Scorecard

|                                   |                                      |  |   |
|-----------------------------------|--------------------------------------|--|---|
| <b>Political</b>                  | <b>Defence &amp; Security Policy</b> | Legislative Scrutiny                     | 1 |
|                                   |                                      | Defence Committee                        | 1 |
|                                   |                                      | Defence Policy Debated                   | 0 |
|                                   |                                      | CSO Engagement                           | 1 |
|                                   |                                      | International AC Instruments             | 2 |
|                                   |                                      | Public Debate                            | 1 |
|                                   |                                      | AC Policy                                | 2 |
|                                   |                                      | AC Institutions                          | 1 |
|                                   |                                      | Public Trust                             | 0 |
|                                   |                                      | Risk Assessments                         | 0 |
|                                   | <b>Defence budgets</b>               | Acquisition Planning                     | 0 |
|                                   |                                      | Budget Transparency & Detail             | 3 |
|                                   |                                      | Budget Scrutiny                          | 1 |
|                                   |                                      | Budget Publicly Available                | 0 |
|                                   |                                      | Defence Income                           | 0 |
|                                   |                                      | Internal Audit                           | 1 |
|                                   |                                      | External Audit                           | 1 |
|                                   | <b>Other Political Areas</b>         | Natural Resources                        | 0 |
|                                   |                                      | Organised Crime Links                    | 0 |
|                                   |                                      | Organised Crime Policing                 | 1 |
|                                   |                                      | Intelligence Services Oversight          | 1 |
| Intelligence Services Recruitment |                                      | 0  |   |
| Export Controls                   |                                      | 0  |   |
| <b>Finance</b>                    | <b>Asset Disposals</b>               | Asset Disposal Controls                  | 0 |
|                                   |                                      | Asset Disposal Scrutiny                  | 0 |
|                                   | <b>Secret Budgets</b>                | Percentage Secret Spending               | 0 |
|                                   |                                      | Legislative Access to Information        | 0 |
|                                   |                                      | Secret Program Auditing                  | 0 |
|                                   |                                      | Off-budget Spending in Law               | 1 |
|                                   |                                      | Off-budget Spending in Practice          | 1 |
|                                   |                                      | Information Classification               | 0 |
|                                   | <b>Links to Business</b>             | Mil. Owned Businesses Exist              | 0 |
|                                   |                                      | Mil. Owned Business Scrutiny             | 0 |
| Unauthorised Private Enterprise   |                                      | 0  |   |
| <b>Personnel</b>                  | <b>Leadership</b>                    | Public Commitment                        | 1 |
|                                   |                                      | Measures for Corrupt Personnel           | 2 |
|                                   |                                      | Whistleblowing                           | 1 |
|                                   |                                      | Special Attention to Sensitive Personnel | 0 |
|                                   | <b>Payroll and Recruitment</b>       | Numbers of Personnel Known               | 0 |
|                                   |                                      | Pay Rates Openly Published               | 0 |

|                    |                                    |  |   |
|--------------------|------------------------------------|--|---|
|                    |                                    | Well-established Payment System          | 1 |
|                    |                                    | Objective Appointments                   | 2 |
|                    |                                    | Objective Promotions                     | 0 |
|                    | <b>Conscription</b>                | Bribery to Avoid Compulsory Conscription |   |
|                    |                                    | Bribery for Preferred Postings           |   |
|                    | <b>Salary Chain</b>                | Ghost Soldiers                           | 1 |
|                    |                                    | Chains of Command and Payment            | 1 |
|                    | <b>Values, Standards, Other</b>    | Code of Conduct Coverage                 | 0 |
|                    |                                    | Code of Conduct Breaches Addressed       | 0 |
|                    |                                    | AC Training                              | 0 |
|                    |                                    | Prosecution Outcomes Transparent         | 1 |
|                    |                                    | Facilitation Payments                    | 1 |
| <b>Operations</b>  | <b>Controls in the Field</b>       | Military Doctrine                        | 0 |
|                    |                                    | Operational Training                     | 0 |
|                    |                                    | AC Monitoring                            | 1 |
|                    |                                    | Controls on Contracting                  | 0 |
|                    |                                    | Private Military Contractors             | 1 |
| <b>Procurement</b> | <b>Government Policy</b>           | Legislation                              | 1 |
|                    |                                    | Transparent Procurement Cycle            | 0 |
|                    |                                    | Oversight Mechanisms                     | 1 |
|                    |                                    | Purchases Disclosed                      | 0 |
|                    |                                    | Standards Expected of Companies          | 0 |
|                    | <b>Capability Gap</b>              | Strategy Drives Requirements             | 0 |
|                    |                                    | Requirements Quantified                  | 1 |
|                    | <b>Tendering</b>                   | Open Competition v. Single-Sourcing      | 1 |
|                    |                                    | Tender Board Controls                    | 1 |
|                    |                                    | Anti-Collusion Controls                  | 1 |
|                    | <b>Contract Delivery / Support</b> | Procurement Staff Training               | 0 |
|                    |                                    | Complaint Mechanisms for Firms           | 2 |
|                    |                                    | Sanctions for Corruption                 | 0 |
|                    | <b>Offsets</b>                     | Due Diligence                            | 0 |
|                    |                                    | Transparency                             | 0 |
|                    |                                    | Competition Regulation                   | 0 |
|                    | <b>Other</b>                       | Controls of Agents                       | 1 |
|                    |                                    | Transparency of Financing Packages       | 0 |
|                    |                                    | Subsidiaries / Sub-Contractors           | 0 |
|                    |                                    | Political Influence                      | 1 |