

# Turkey

## 2015 Country Summary

### Recommendations

Turkey's GI ranking in Band D places it in the high risk of corruption category. The country's lowest corruption risk areas is Personnel (Band C). The highest corruption risk areas are Political and Operations in Band E (very high risk).

#### **Parliamentary Scrutiny and Oversight**

The Turkish Grand National Assembly has limited to no formal powers to oversee the defence sector and spending. It cannot formally oversee the defence budget, monitor procurement, or scrutinize the military's commercial activities. Furthermore, laws requiring that external audit reports be submitted to Parliament are frequently ignored. While the National Assembly has a specialized commission devoted to defence – the National Defence Commission – its powers are highly circumscribed, relating mostly to the examination of draft bills. The commission therefore has no role in shaping the defence budget, acquisition planning, the procurement process, and Turkey's top secret "National Security Policy Document."

We recommend that the National Security Policy Document be made public and provisions be made for more effective civilian and parliamentary oversight. With regards to acquisition planning and procurement, for example, this expanded oversight would necessitate debate of Turkey's Ten-Year Procurement Plan (OYTEP), which is currently unavailable to the public. Even the National Assembly lacks sufficient details regarding how those decisions are made and has no ability to influence them.

#### **Engagement with the Media and Civil Society**

Turkey's specific national security policy – the "National Security Policy Document" – is classified and unavailable to the public. Furthermore, there is no evidence of the Turkish government participating in public debates regarding issues of defence more broadly conceived. Journalists seeking to report on critical defence issues have increasingly been challenged by authorities using criminal defamation/anti-terrorism legislation. Freedom House reports that conditions for media freedom have been steadily deteriorating since 2010. We recommend that the government be more proactive in its efforts to engage civil society on defence issues and that the legal right to free of speech be upheld.

#### **Budget Transparency and Audit Mechanisms**

The Ministry of National Defence does not consult the National Assembly when formulating its budget. While some details of the budget are made public, they are highly aggregated to

avoid scrutiny, and there is evidence that parliamentarians largely misinformed of critical details of military spending and procurement projects.

Sources of defence income are similarly opaque. Central government allocations notwithstanding, the SSDF (Defence Industry Support Fund) and the TSKGV (Foundation for Strengthening the Turkish Armed Forces) constitute the Ministry of Defence's two major sources of income. The SSDF is a financial instrument connected to the Under Secretariat for Defence Industries (SSM) and thus subject to some scrutiny through SSM's reports. The TSKGV, conversely, is a foundation - not a public institution - and therefore remains largely free from scrutiny despite the fact that it owns funds of eighteen companies, finances Turkish defence projects, and makes significant contributions to military defence projects. We recommend that the government publish an annual defence budget that includes detailed information on expenditure across functions and sources of defence income. The TSKGV should be subjected to enhanced scrutiny and the details of an external audit be made publicly available.

### **Organizational Capacity for Effective Auditing**

Turkey's mechanisms for internal and external auditing are opaque and suffer from insufficient organizational capacity.

With regards to internal auditing, evidence suggests that the Ministry of National Defence's Department of Inspection lacks sufficient specialist personnel and financial resources to audit and critically evaluate the budget.

With regard to external auditing, the Court of Accounts officially audits defence expenditure on behalf of the Grand National Assembly. However, its auditing mechanisms have been rendered overall ineffective in recent years and the publication of auditing reports to the public is restricted.

We recommend that attention be devoted towards enhancing Turkey's organizational capacity to conduct internal audits and that internal audit reports be supplied to Parliament on a consistent basis. We recommend that external audit reports similarly be made publicly available.

### **Implementation of international anti-corruption instruments**

Turkey has ratified the relevant international anti-corruption conventions (e.g. OECD Convention, UNCAC), however a lack of political will has undermined their effective implementation. The European Commission Progress Report on Turkey (2013) highlights the lack of sufficient resources to investigate and prosecute foreign bribery, protect whistle-blowers, and educate the public on the negative effects of bribery.

While Turkey signed the Arms Trade Treaty (ATT) on the June 3, 2013, it has yet to ratify it. No particular provisions related to the anti-corruption articles of the ATT have been implemented, limiting transparency of the arms trade process. According to reports in May

2015 by a prosecutor and court testimony, Turkey's intelligence agency aided the delivery of arms to rebel-controlled parts of Syria in 2013 and 2014. While the government has denied this, the Turkish Statistics Institute also published an official report which revealed the level of arms exports to Syria.

We recommend that Turkey ratify the ATT and comply with its regulations of the arms trade. Similarly, we recommend that Turkey enhance its implementation of UNCAC and the OECD in line with the European Commission's review.

## Scorecard

<b>Political</b>	<b>Defence &amp; Security Policy</b>	Legislative Scrutiny	1
		Defence Committee	1
		Defence Policy Debated	1
		CSO Engagement	1
		International AC Instruments	2
		Public Debate	0
		AC Policy	1
		AC Institutions	1
		Public Trust	2
		Risk Assessments	0
	<b>Defence budgets</b>	Acquisition Planning	1
		Budget Transparency & Detail	1
		Budget Scrutiny	1
		Budget Publicly Available	2
		Defence Income	1
		Internal Audit	1
		External Audit	1
	<b>Other Political Areas</b>	Natural Resources	4
		Organised Crime Links	2
		Organised Crime Policing	1
Intelligence Services Oversight		1	
Intelligence Services Recruitment		1	
Export Controls		1	
<b>Finance</b>	<b>Asset Disposals</b>	Asset Disposal Controls	1
		Asset Disposal Scrutiny	1
	<b>Secret Budgets</b>	Percentage Secret Spending	0
		Legislative Access to Information	1
		Secret Program Auditing	0
		Off-budget Spending in Law	1
		Off-budget Spending in Practice	2
	<b>Links to Business</b>	Information Classification	2
		Mil. Owned Businesses Exist	2
		Mil. Owned Business Scrutiny	1
	Unauthorised Private Enterprise	4	

Personnel	Leadership	Public Commitment	0
		Measures for Corrupt Personnel	2
		Whistleblowing	1
		Special Attention to Sensitive Personnel	1
	Payroll and Recruitment	Numbers of Personnel Known	4
		Pay Rates Openly Published	2
		Well-established Payment System	4
		Objective Appointments	3
		Objective Promotions	2
	Conscription	Bribery to Avoid Compulsory Conscription	3
		Bribery for Preferred Postings	3
	Salary Chain	Ghost Soldiers	4
		Chains of Command and Payment	4
	Values, Standards, Other	Code of Conduct Coverage	1
		Code of Conduct Breaches Addressed	1
		AC Training	1
		Prosecution Outcomes Transparent	1
Facilitation Payments		2	
Operations	Controls in the Field	Military Doctrine	0
		Operational Training	2
		AC Monitoring	1
		Controls on Contracting	0
		Private Military Contractors	2
Procurement	Government Policy	Legislation	1
		Transparent Procurement Cycle	1
		Oversight Mechanisms	1
		Purchases Disclosed	2
		Standards Expected of Companies	1
	Capability Gap	Strategy Drives Requirements	2
		Requirements Quantified	2
	Tendering	Open Competition v. Single-Sourcing	1
		Tender Board Controls	1
		Anti-Collusion Controls	3
	Contract Delivery / Support	Procurement Staff Training	3
		Complaint Mechanisms for Firms	2
		Sanctions for Corruption	3
	Offsets	Due Diligence	1
		Transparency	1
		Competition Regulation	0
	Other	Controls of Agents	0
Transparency of Financing Packages		1	
Subsidiaries / Sub-Contractors		0	
	Political Influence	2	