

Bahrain

2015 Country Summary

Country Recommendations

Bahrain's overall GI ranking in Band F places it in the highest risk category for corruption in the defence and security sector. Bahrain's highest risk area is Procurement, followed by Personnel, then Political, Financial and Operations Risk. To reduce corruption risk and build integrity, security sector reforms are urgently needed across the following issue-areas:

Increased transparency and scrutiny in procurement and budgeting

- Bahrain is in the process of, or has recently completed, a number of major defence purchases, particularly air force acquisitions. It has no defined process for acquisition planning – the process through which the state identifies what arms it will buy – and all Bahraini military procurement is exempted from public tender. To increase accountability for defence procurement, we recommend that the government amend legislation to establish a principle of open competition, with clauses to specifically address corruption risks and narrowly define cases of single source procurement. Exempted or single sourced items should include provisions for other forms of independent scrutiny.
- Information on military procurement can only be shared with the Supreme Defence Council, a 14 member body consisting entirely of the most senior members of the Alkhalifa family and the King. This body meets in private, and there are no records of what is discussed. While there is a National Audit Court, neither it, nor Parliament is permitted to scrutinise defence purchases, leaving Bahrain with no functioning, independent procurement oversight mechanisms for defence purchases.
- There is no evidence of an internal audit function in the MoD. Such a function if given sufficient resources, training and independence would help ensure that the budget is spent on arms and equipment that actually meet Bahrain's strategic needs. Decree 16 of 2002 could also be amended to allow the National Audit Court to conduct regular audits of defence and security spending. These findings should be made publicly available, and both internal and external audit findings should be acted upon by a relevant enforcement body to maintain public trust in defence.
- An estimated 30% of Bahrain's public spending is allocated towards defence and security. While Bahrain publishes an aggregate figure of the amount allocated for salaries and maintenance, no further details on defence spending are available. To allow for effective civilian and parliamentary scrutiny, the government should publish a defence budget that includes detailed information on expenditure including the following areas: 1) income received from the US naval base in Manama (the Administrative Support Unit) and the new UK naval base; 2) MOI expenses (foreign nationals comprise a large percentage of staff in the MOI for example, as

the majority of anti-riot police come from Pakistan). The budget should disclose the financial obligations associated with employing foreign professionals including possible effects on the balance of payments.

- Bahrain imposes no restrictions on the use of agents and intermediaries and no anti-corruption requirements are placed on suppliers. To mitigate corruption risk connected to suppliers, agents, and intermediaries, we recommend that enacted procurement legislation should mandate what anti-corruption procedures and standards potential suppliers are required to demonstrate - such as compliance programmes and business conduct programmes - in order to be able to bid for work. In addition, we suggest that agents and intermediaries be forbidden by law, with strict controls to ensure the law is not circumvented. These controls should be public and made clear to potential suppliers.

Scorecard

Political	Defence & Security Policy	Legislative Scrutiny	0
		Defence Committee	1
		Defence Policy Debated	0
		CSO Engagement	1
		International AC Instruments	2
		Public Debate	1
		AC Policy	0
		AC Institutions	1
		Public Trust	1
		Risk Assessments	0
	Defence budgets	Acquisition Planning	0
		Budget Transparency & Detail	0
		Budget Scrutiny	0
		Budget Publicly Available	1
		Defence Income	1
		Internal Audit	0
		External Audit	0
	Other Political Areas	Natural Resources	0
		Organised Crime Links	3
		Organised Crime Policing	0
Intelligence Services Oversight		0	
Intelligence Services Recruitment		0	
Export Controls		1	
Finance	Asset Disposals	Asset Disposal Controls	1
		Asset Disposal Scrutiny	1
	Secret Budgets	Percentage Secret Spending	0
		Legislative Access to Information	0
		Secret Program Auditing	0
		Off-budget Spending in Law	0
		Off-budget Spending in Practice	1
		Information Classification	0
	Links to Business	Mil. Owned Businesses Exist	0

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