

Czech Republic

2015 Country Summary

Recommendations

The Czech Republic's GI ranking in Band C places it in the moderate risk category for corruption in the defence and security sector. The Czech Republic scored higher for Financial and Political Risk, which score in Band B (low risk of corruption). The highest risk areas are Operations and Procurement, which fell in Band D (high risk of corruption).

Political Will to Tackle Corruption

The Czech Republic has made some good progress in establishing an anti-corruption and oversight framework in the MoD. Significantly, the Government has adopted a National Anti-Corruption Strategy for a two-year period and the Inspectorate of the Minister of Defence is responsible for implementing the defence anti-corruption action plan. In practice, however, the quality of civilian oversight over the military is weak and there is very mixed evidence of enforcement or effective application of existing legislation.

The government has been proactive in drafting and implementing the action plan, and including civil society's active participation in the process. The action plan includes concrete tasks with set deadlines and was updated in 2014. Alongside this however, the government should take practical steps to improve its compliance with ratified international standards such as the OECD Convention and UNCAC.

Additionally, strategic documents such as the National Acquisition Strategy, National Strategy of Armament and White Paper are not coherent and do not consistently guide political considerations and budget decisions. The government could take practical steps to align these, and to actively use them as the basis for political and budgetary decisions.

Appointments and Promotions

There have been allegations of appointments made in a non-transparent manner and indicating nepotism and political patronage. There is no evidence of the existence of formal independent selection and promotion procedures. We recommend that implementation of the recently enacted Act 221 on Professional Soldiers be prioritised and in order to address procedural shortcomings in the appointments and promotions systems be rectified to maintain the effectiveness of the armed forces. This should include an independent, transparent, and objective appointment system for the selection of military personnel at middle and top management level, including in intelligence posts. We recommend that personnel promotions are conducted through an objective, meritocratic process that could include promotion boards outside of the command chain, with strong formal appraisal processes, and independent oversight.

Defence Procurement

The independent Competition Office has identified at least one major case of collusion, which was successfully prosecuted, but it has been criticised for a lack of capacity. Research found no evidence to suggest that key aspects of financial packages (such as payment timelines, interest rates or export credit agreements) are published prior to the signing of the contract, nor that the government requires or encourages suppliers to adopt anti-corruption programmes. A high risk and one implicated in a number of procurement scandals, is the lack of controls and regulations around the use of agents and intermediaries in the procurement process, which, until recently, was compulsory. We recommend that agents and intermediaries are be strongly controlled and limited, with controls to ensure they are subject to scrutiny, the law is not circumvented and a clear policy on their usage. These controls should be public and well known to companies.

Training and Integrity-Building

Anti-corruption training sessions have been conducted for civilian and military staff, which is a welcome development and constitutes good practice, though these are not conducted regularly and only a small number of employees have taken part so far. Operations risks also scored low given the lack of a comprehensive and detailed military doctrine addressing corruption issues for peace and conflict. The Czech republic could benefit from more systematic and specific anti-corruption training that is conducted regularly for civilian and military personnel, in particular those on deployment or contracting in operational environments. This training could include a detailed understanding of what corruption issues personnel may face during deployment. We recommend the MoD consider publishing its guidelines and policies, as well as partnering with and providing training to other contributing nations to share best practices for this area and to ensure the integrity of its military operations.

Scorecard

Political	Defence & Security Policy	Legislative Scrutiny	3
		Defence Committee	2
		Defence Policy Debated	3
		CSO Engagement	3
		International AC Instruments	3
		Public Debate	2
		AC Policy	3
		AC Institutions	3
		Public Trust	2
		Risk Assessments	3
	Defence budgets	Acquisition Planning	2
		Budget Transparency & Detail	3
		Budget Scrutiny	2
		Budget Publicly Available	4
		Defence Income	4
		Internal Audit	2
		External Audit	3
	Other Political Areas	Natural Resources	3
		Organised Crime Links	2
		Organised Crime Policing	3
Intelligence Services Oversight		3	
Intelligence Services Recruitment		2	
Export Controls		2	
Finance	Asset Disposals	Asset Disposal Controls	3
		Asset Disposal Scrutiny	2
	Secret Budgets	Percentage Secret Spending	2
		Legislative Access to Information	4
		Secret Program Auditing	3
		Off-budget Spending in Law	4
		Off-budget Spending in Practice	4
		Information Classification	3
	Links to Business	Mil. Owned Businesses Exist	2
		Mil. Owned Business Scrutiny	3
Unauthorised Private Enterprise		4	
Personnel	Leadership	Public Commitment	2
		Measures for Corrupt Personnel	3
		Whistleblowing	1
		Special Attention to Sensitive Personnel	1
	Payroll and Recruitment	Numbers of Personnel Known	4
		Pay Rates Openly Published	4
		Well-established Payment System	3
		Objective Appointments	1
		Objective Promotions	1
	Conscription	Bribery to Avoid Compulsory Conscription	
		Bribery for Preferred Postings	
	Salary Chain	Ghost Soldiers	4

		Chains of Command and Payment	3
	Values, Standards, Other	Code of Conduct Coverage	3
		Code of Conduct Breaches Addressed	1
		AC Training	1
		Prosecution Outcomes Transparent	2
		Facilitation Payments	3
Operations	Controls in the Field	Military Doctrine	2
		Operational Training	0
		AC Monitoring	3
		Controls on Contracting	2
		Private Military Contractors	2
Procurement	Government Policy	Legislation	2
		Transparent Procurement Cycle	2
		Oversight Mechanisms	2
		Purchases Disclosed	3
		Standards Expected of Companies	0
	Capability Gap	Strategy Drives Requirements	2
		Requirements Quantified	1
	Tendering	Open Competition v. Single-Sourcing	2
		Tender Board Controls	2
		Anti-Collusion Controls	2
	Contract Delivery / Support	Procurement Staff Training	2
		Complaint Mechanisms for Firms	3
		Sanctions for Corruption	2
	Offsets	Due Diligence	1
		Transparency	1
		Competition Regulation	1
	Other	Controls of Agents	1
		Transparency of Financing Packages	0
		Subsidiaries / Sub-Contractors	0
Political Influence		2	