

# Kuwait

## 2015 Country Summary

### Country Recommendations

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

#### **Increased transparency and scrutiny in procurement and budgeting**

- While Kuwait publishes an aggregate figure allocated for salaries, no further details on defence spending are available. There is a dedicated committee responsible for scrutiny of the defence budget, the Committee on Interior and Defence, but it cannot access further information. The government should publish a defence budget that includes detailed information on expenditure to allow for effective civilian and parliamentary scrutiny. For Kuwait's parliament to succeed in providing independent scrutiny of defence it must be guaranteed access to the information it requires.
- Kuwait has no defined process for acquisition planning – the process through which the state identifies what arms it will buy – and all Kuwaiti 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.
- While there is a State Audit Bureau (SAB), neither it, nor Parliament is permitted to scrutinise defence purchases, leaving Kuwait with no functioning, independent procurement oversight mechanisms for defence purchases. Nor is there evidence identified by our assessment of an internal audit function in the MoD. Such a function, if provided with sufficient resources, training and independence would help ensure that the budget is spent on arms and equipment that actually meet Kuwait's strategic needs. The independence of the SAB could also be increased by separating it from the National Assembly, and legislative limits removed to allow the SAB to conduct regular audits of defence spending (none has been conducted since 2012). Public confidence would be increase if findings were then made publicly available, and there was clear evidence that audit findings were acted upon by a relevant enforcement body.

#### **Engagement with the Public**

- The Kuwaiti government, unlike Saudi Arabia, Jordan, Tunisia and Iraq, did not complete a government review of the 2015 GI research. We urge the government to

take part in this dialogue during the next review. The Kuwaiti government should allow space in which civil society can operate and assist in formulating policies to enhance transparency and build integrity in the defence sector. This would send a strong signal that the defence sector is there to defend the state and serve the needs of the general population.

## Scorecard

<b>Political</b>	<b>Defence &amp; Security Policy</b>	Legislative Scrutiny	1
		Defence Committee	1
		Defence Policy Debated	0
		CSO Engagement	0
		International AC Instruments	3
		Public Debate	0
		AC Policy	1
		AC Institutions	0
		Public Trust	1
		Risk Assessments	0
	<b>Defence budgets</b>	Acquisition Planning	0
		Budget Transparency & Detail	0
		Budget Scrutiny	1
		Budget Publicly Available	0
		Defence Income	0
		Internal Audit	0
		External Audit	0
	<b>Other Political Areas</b>	Natural Resources	3
		Organised Crime Links	3
		Organised Crime Policing	1
Intelligence Services Oversight		0	
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	0
		Off-budget Spending in Practice	2
	Information Classification	0	
	<b>Links to Business</b>	Mil. Owned Businesses Exist	4
		Mil. Owned Business Scrutiny	
Unauthorised Private Enterprise		0	
<b>Personnel</b>	<b>Leadership</b>	Public Commitment	0
		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	1
		Well-established Payment System	4

		Objective Appointments	1
		Objective Promotions	0
	<b>Conscription</b>	Bribery to Avoid Compulsory Conscription	0
		Bribery for Preferred Postings	0
	<b>Salary Chain</b>	Ghost Soldiers	3
		Chains of Command and Payment	2
	<b>Values, Standards, Other</b>	Code of Conduct Coverage	0
		Code of Conduct Breaches Addressed	0
		AC Training	0
		Prosecution Outcomes Transparent	0
		Facilitation Payments	2
<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	0
<b>Procurement</b>	<b>Government Policy</b>	Legislation	0
		Transparent Procurement Cycle	0
		Oversight Mechanisms	0
		Purchases Disclosed	0
		Standards Expected of Companies	0
	<b>Capability Gap</b>	Strategy Drives Requirements	0
		Requirements Quantified	0
	<b>Tendering</b>	Open Competition v. Single-Sourcing	1
		Tender Board Controls	0
		Anti-Collusion Controls	1
	<b>Contract Delivery / Support</b>	Procurement Staff Training	1
		Complaint Mechanisms for Firms	1
		Sanctions for Corruption	1
	<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	2