

Norway

2015 Country Summary

Recommendations

Norway's GI ranking in Band B places it in the low category for corruption in the defence and security sector. Norway scored higher for Political and Personnel, which score in Band A (very low risk of corruption). The highest risk area is Operations, which fell in Band D (high risk of corruption).

Enhancing Integrity of Procurement

With a robust system of parliamentary oversight over the defence sector supported by capable audit institutions, Norway makes a large amount of information of defence budget and policies available for public scrutiny. Norway is also home to the Centre of Integrity in the Defence Sector, which provides expertise on anti-corruption to the Norwegian and partner armed forces through the NATO Building Integrity programme. The Norwegian defence sector could build on this anti-corruption expertise by ensuring that offset contract regulation seeks to minimise corruption risks. We recommend that procurement procedures restrict the incidence of single-source -- and therefore non-competitive tender procedures -- as well as nudge companies bidding for defence contracts towards adopting comprehensive compliance and anti-corruption programmes.

Approach to Anti-corruption

Since the Action Plan on Attitudes, Ethics and Leadership expired in 2012, the Norwegian MOD has guided its departments to adopt anti-corruption training and standards into their routine management practices. This appears to be a promising approach and will make anti-corruption activities a part of everyday operations. We encourage the MOD to keep promoting, monitoring, and reporting on these developments in order to ensure that they are successful. It would also be beneficial to institutionalise regular corruption risk assessments to ensure solutions put in place address the most important issues.

Building Integrity in Military Operations

Norway's experience in Afghanistan has brought recognition that corruption is an important variable affecting the stability and good governance in international operations. However, this recognition has yet to yield a detailed anti-corruption doctrine for operations. While there appears to be some anti-corruption training for commanders and some guidance on contracting is in place, it is not clear if either are tailored to operational challenges, such as contracting in complex environments. Specialist corruption monitors are also not deployed in operations. Norway could build on its experience in Afghanistan and specialist expertise within CIDS to ensure that anti-corruption guidance becomes part of pre-deployment guidance and training. Not only would this benefit Norwegian armed forces, it would help

enhance NATO's institutionalisation of recent anti-corruption experience. Given its leadership role within the Building Integrity programme, Norway is well placed to assist the Alliance on this issue.

Reducing Procurement Risks in Offset Contracts and Subcontractors

While there is no evidence of corruption within offset arrangements, it appears that offset contracts regulations do not impose due diligence and/or audit requirements that would help prevent corruption risks or foster good practice. However, the Norwegian government has made known its intention to address the issue of offsets in a new White Paper, forthcoming in late 2015. We welcome this development and the opportunity of introducing more robust regulations.

Norway requires that companies bidding for defence contracts show that they have not been convicted of corrupt practices. The government could build on this to ensure that companies bidding for defence work have anti-corruption programmes in place and that this requirement trickles down the supply chain to subcontractors.

Scorecard

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

		Chains of Command and Payment	4
	Values, Standards, Other	Code of Conduct Coverage	4
		Code of Conduct Breaches Addressed	3
		AC Training	3
		Prosecution Outcomes Transparent	3
		Facilitation Payments	4
Operations	Controls in the Field	Military Doctrine	2
		Operational Training	2
		AC Monitoring	0
		Controls on Contracting	2
		Private Military Contractors	2
Procurement	Government Policy	Legislation	4
		Transparent Procurement Cycle	3
		Oversight Mechanisms	3
		Purchases Disclosed	3
		Standards Expected of Companies	3
	Capability Gap	Strategy Drives Requirements	4
		Requirements Quantified	4
	Tendering	Open Competition v. Single-Sourcing	1
		Tender Board Controls	3
		Anti-Collusion Controls	4
	Contract Delivery / Support	Procurement Staff Training	4
		Complaint Mechanisms for Firms	3
		Sanctions for Corruption	3
	Offsets	Due Diligence	1
		Transparency	1
		Competition Regulation	3
	Other	Controls of Agents	1
		Transparency of Financing Packages	0
		Subsidiaries / Sub-Contractors	1
		Political Influence	3