

# Qatar

## 2015 Country Summary

### Country Recommendations

Qatar's overall GI ranking in Band F places it in the highest risk category for corruption in the defence and security sector. Qatar's highest risk areas are Procurement, Political, and Financial, followed by Operations and Personnel risk. 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**

- Qatar has no defined process for acquisition planning – the process through which the state identifies what arms it will buy –all Qatari military procurement is exempted from public tender and most contracts are single-sourced. Our assessment described purchase decisions as, at times, “seemingly bizarre”. While a small number of individuals are highly influential across a number of sectors. The Minister of Defence for example is a key player in a consortium of companies - the Al Attiyah Group -which is a contractor for the Ministry. To increase accountability and competition for defence procurement, we recommend the MOD list tenders on an e-procurement website, and 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 is not shared with a dedicated Parliamentary Committee or a State Audit Body, or the Transparency Committee, and there is evidence that none of these groups has scrutinised defence purchases. To increase the independence and activity of procurement oversight mechanisms, legislation governing the State Audit Body should be amended to mandate oversight of defence, reports should be published and Parliament given the power to scrutinise defence purchases.
- The assessment found no evidence of an internal audit function in the MoD. Such a function, if given sufficient resources, training and independence could help ensure that the budget is spent on arms and equipment that actually meet Qatar's strategic needs. Clear evidence that audit findings are then acted upon by a relevant enforcement body would help build public trust in the defence sector.
- Qatar has greatly increased its defence budget in recent years, but no details on the overall defence budget or 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 across functions including research & design, training, salaries, acquisitions, disposal of assets, maintenance and personnel expenditures.

- Qatar imposes no restrictions on the use of agents and intermediaries, which are common in Qatari defence deals, and no anti-corruption requirements are stipulated in contracts with suppliers. To mitigate corruption risk connected to suppliers, agents, and intermediaries, we recommend that enacted procurement legislation mandate the 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 well known to potential suppliers.

## Scorecard

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

|                              |                             |  |                   |
|------------------------------|-----------------------------|--|-------------------|
| 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               | 0                 |
|                              |                             | Well-established Payment System          | 2                 |
|                              |                             | Objective Appointments                   | 1                 |
|                              |                             | Objective Promotions                     | 1                 |
|                              | Conscription                | Bribery to Avoid Compulsory Conscription | 3                 |
|                              |                             | Bribery for Preferred Postings           | 0                 |
|                              | Salary Chain                | Ghost Soldiers                           | 3                 |
|                              |                             | Chains of Command and Payment            | 2                 |
|                              | Values, Standards, Other    | Code of Conduct Coverage                 | 1                 |
|                              |                             | Code of Conduct Breaches Addressed       | 0                 |
|                              |                             | AC Training                              | 0                 |
|                              |                             | Prosecution Outcomes Transparent         | 0                 |
|                              |                             | Facilitation Payments                    | 1                 |
|                              | Operations                  | Controls in the Field                    | Military Doctrine |
| Operational Training         |                             |  | 0                 |
| AC Monitoring                |                             |  | 1                 |
| Controls on Contracting      |                             |  | 0                 |
| Private Military Contractors |                             |  | 1                 |
| Procurement                  | Government Policy           | Legislation                              | 0                 |
|                              |                             | Transparent Procurement Cycle            | 0                 |
|                              |                             | Oversight Mechanisms                     | 0                 |
|                              |                             | Purchases Disclosed                      | 1                 |
|                              |                             | 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               | 1                 |
|                              |                             | Complaint Mechanisms for Firms           | 0                 |
|                              |                             | 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  |                   |