

Sri Lanka

2015 Country Summary

Recommendations

Sri Lanka's GI Ranking in Band E places it in the very high risk category for corruption in the defence and security sector. The country scored Band E across four risk areas: Political, Finance, Operations and Procurement. Operations scored slightly higher in Band D. While newly elected President Maithipala Sirisena has overseen a series of anti-corruption reforms since his ascension to power in January 2015, it is unclear how these will remedy corruption vulnerabilities stemming from an absence of legislative scrutiny of defence issues, allegations of nepotism in the appointment of key military personnel, and a lack of formal regulations for defence procurement. We suggest the following reforms of the security sector to minimize corruption risk.

Enhance Legislative Scrutiny

Under the previous administration, President Mahinda Rajapaksa oversaw the entire Defence Sector and faced little to no effective oversight and scrutiny by the legislature. After assuming power in January 2015, President Maithipala Sirisena's government passed the 19th amendment to the constitution. In addition to replacing Sri Lanka's executive presidential system with a more balanced parliamentary system, the amendment has sought to establish an independent National Audit Commission that will report directly to Parliament.

To build upon Rajapaksa's reforms, we recommend that the government establish a parliamentary committee tasked specifically with the oversight of defence and security activities, strategy and spending. This committee should 1) have access to a fully detailed defence budget and internal audit reports; 2) be able to call expert witnesses and scrutinise defence agencies and institutions; 3) meet regularly and publish reports on its activity.

Increase Budget Transparency

The Ministry of Public Finance publishes a budget for security sector finances. However, few details aside from total revenue and total expenses are included. To increase transparency and civilian oversight we recommend that the government publish an annual defence budget that includes detailed information on expenditure across functions including research & design, training, salaries, acquisitions, disposal of assets, maintenance and personnel expenditures to help ensure that the budget is spent on equipment that meet Sri Lanka's strategic priorities and needs.

Establish Clear Protocols for Promotions

Evidence suggests that political interference, nepotism and lack of objective criteria for appointments and promotions has been a consistent issue in military

appointments. President Rajapaksa chose his brother Gotabaya Rajapaksa to be the Defence Secretary and his other brother Basil Rajapaksa to head the Finance Ministry.

We recommend that formal written procedures establishing an independent, transparent, and objective appointment system for the selection and promotion of military personnel at all levels be established. This system should be published, and accompanied by the use of objective job descriptions, assessment processes for appointments, and independent oversight.

Scorecard

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

		Whistleblowing	0	
		Special Attention to Sensitive Personnel	0	
	Payroll and Recruitment	Numbers of Personnel Known	2	
		Pay Rates Openly Published	3	
		Well-established Payment System	4	
		Objective Appointments	2	
		Objective Promotions	1	
		Conscription	Bribery to Avoid Compulsory Conscription	
	Bribery for Preferred Postings			
	Salary Chain	Ghost Soldiers	1	
		Chains of Command and Payment	3	
	Values, Standards, Other	Code of Conduct Coverage	2	
		Code of Conduct Breaches Addressed	2	
		AC Training	0	
		Prosecution Outcomes Transparent	2	
		Facilitation Payments	1	
		Operations	Controls in the Field	Military Doctrine
	Operational Training			0
	AC Monitoring			2
	Controls on Contracting			0
	Private Military Contractors			1
Procurement	Government Policy	Legislation	0	
		Transparent Procurement Cycle	1	
		Oversight Mechanisms	1	
		Purchases Disclosed	1	
		Standards Expected of Companies	1	
	Capability Gap	Strategy Drives Requirements	0	
		Requirements Quantified	2	
	Tendering	Open Competition v. Single-Sourcing	2	
		Tender Board Controls	1	
		Anti-Collusion Controls	0	
	Contract Delivery / Support	Procurement Staff Training	1	
		Complaint Mechanisms for Firms	1	
		Sanctions for Corruption	0	
	Offsets	Due Diligence	0	
		Transparency	0	
		Competition Regulation	0	
	Other	Controls of Agents	2	
Transparency of Financing Packages		1		
Subsidiaries / Sub-Contractors		1		
Political Influence		2		