

# Switzerland

## 2015 Country Summary

### Recommendations

Switzerland's GI ranking in Band B places it in the low category for corruption in the defence and security sector. The highest risk area is Operations, which fell in Band D (high risk of corruption). Switzerland has a strong, active oversight system comprised of audit institutions, parliament and civil society. The Swiss Parliament is closely involved in the shaping of defence and security policy and the Swiss tradition of participatory democracy also ensures public engagement in significant defence issues. The purchase of the Gripen fighter plane, for example, was rejected in a referendum. There are nonetheless some areas in which Switzerland might wish to consider further strengthening arrangements, in particular: Personnel promotion systems; procurement – particularly offsets and controls on companies' use of agents. Switzerland is well positioned to build on strong foundations and minimise these risk areas.

#### Minimising Offset Risks

Armasuisse does not include anti-corruption provisions in its offset contracting procedures and the monitoring of offset performance has not been consistent or comprehensive. The government has an opportunity to build on the establishment of an offset monitoring office to tighten regulations by including specific anti-corruption provisions and more careful monitoring.

#### Personnel

Apart from background security checks, there is very little publicly available information regarding recruitment and promotions systems in the armed forces and current practices have been criticised by media and the parliament for not being sufficiently robust. A 2013 audit report by the Control Committee heavily criticized the system in place, judging some appointments "poor" and stating that there was evidence that recruitment planning and required assessments were not conducted. We recommend that 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. Personnel should be promoted through an objective, meritocratic process that could include promotion boards outside of the command chain, strong formal appraisal processes, and independent oversight.

#### Creating an Anti-Corruption Strategy

Switzerland only has a partial anti-corruption policy for the defence sector, focused on procurement, and has not set up a dedicated anti-corruption agency. It relies on the

Interdepartmental Working Group on Combating Corruption for analysis and monitoring. Perception of generally low corruption levels is at the root of the decision to dedicate minimal resources to tackling corruption risks. However, the results of the GI suggest that Switzerland could benefit from a regular and comprehensive corruption risk assessment of the defence sector. Such assessments could become an element of annual audits or parliamentary committee reports, for which there is precedent. It would allow for systematic health checks of existing practices and allow for early diagnosis of potential problems.

## Scorecard

<b>Political</b>	<b>Defence &amp; Security Policy</b>	Legislative Scrutiny	4
		Defence Committee	4
		Defence Policy Debated	3
		CSO Engagement	2
		International AC Instruments	4
		Public Debate	4
		AC Policy	2
		AC Institutions	2
		Public Trust	3
		Risk Assessments	2
	<b>Defence budgets</b>	Acquisition Planning	4
		Budget Transparency & Detail	2
		Budget Scrutiny	4
		Budget Publicly Available	4
		Defence Income	3
		Internal Audit	3
		External Audit	3
	<b>Other Political Areas</b>	Natural Resources	4
		Organised Crime Links	4
		Organised Crime Policing	3
		Intelligence Services Oversight	4
Intelligence Services Recruitment		4	
Export Controls		2	
<b>Finance</b>	<b>Asset Disposals</b>	Asset Disposal Controls	3
		Asset Disposal Scrutiny	3
	<b>Secret Budgets</b>	Percentage Secret Spending	3
		Legislative Access to Information	4
		Secret Program Auditing	4
		Off-budget Spending in Law	4
		Off-budget Spending in Practice	
		Information Classification	4
	<b>Links to Business</b>	Mil. Owned Businesses Exist	3
		Mil. Owned Business Scrutiny	4
Unauthorised Private Enterprise		2	
<b>Personnel</b>	<b>Leadership</b>	Public Commitment	3
		Measures for Corrupt Personnel	3

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