

Uzbekistan

2015 Country Summary

Recommendations

Uzbekistan's GI ranking in Band E places it in the very high risk category for corruption in the defence and security sector. The highest risk areas are Operations, Procurement and Finance, which fell in Band F (critical risk of corruption). To minimise corruption risk, we suggest urgent reforms across the following areas:

Oversight of the Defence Sector

Both chambers of Uzbekistan's Supreme Assembly (the Oliy Majlis) have formally established Committees on Defence and Security. Nonetheless, there is little evidence to suggest the legislature exerts independent oversight. While Uzbekistan's legal framework governing defence policy is extensive, there is no publicly available evidence to suggest the legislature is able to execute its formal responsibilities to shape and amend it. Instead, Parliament typically confirms the decisions made by the President and members of Uzbekistan's intelligence agency, the Service of National Security (SNS). The SNS is one of the most powerful agencies in the country, and essentially directs the activities of the Ministry of Defence, though its activities are not scrutinised by Parliament.

To oversee the defence sector more effectively, both Parliamentary committees need to be granted more extensive oversight powers in practice. This should include access to a detailed defence budget and internal audit reports, the right to call expert witnesses, and clear authority to scrutinise the activities of defence agencies and related institutions, like the SNS. In addition, Parliament could work with the MoD to create more space for civil society involvement in defence issues, which would build stronger societal support for the defence sector in the long-term.

Budget Transparency and Auditing

No official source in Uzbekistan discloses the annual state budget in its entirety. While the Ministry of Finance releases summary information on state spending, it does not include an aggregated amount for defence spending in its report. There is also no evidence to suggest that details on projected defence spending are provided to Parliament. There is also no publicly available information on alternative sources of defence income (e.g asset disposals).

The lack of transparency over defence spending and revenue is further compounded by the lack effective auditing. The Accounting Chamber, which conducts external audits and could presumably audit the defence budget, has yet to provide any evidence that it has audited the MoD.

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. It should also publish more information on its sources of defence income and the asset disposal process. The government should increase its efforts to improve its internal audit mechanisms, ensure that regular reports are provided to Parliament, and require that the Accounting Chamber conduct regular audits on defence and security spending.

Procurement

The Ministry of Defence has no public website and there is no information publicly available elsewhere regarding sources of procurement. Evidence suggests that there is little competition in the procurement process and that opportunism drives procurement calculations. This has been compounded by the sale of weapons by ISAF forces withdrawing from Afghanistan.

We recommend that the Ministry of Defence put in place and publish formal procedures for defining purchase requirements, which should be based on clearly identified needs. This could be coupled with the creation of a website where Request for Information/Request for Quote about tenders are published.

Personnel, promotions and chains of payment

Uzbekistan does not disclose official data on the number of staff employed by the armed forces. Furthermore, there is no information available on pay rates for military and civilian servicemen. Evidence suggests that chains of command are not separate from chains of payments, thereby increasing the risk that commanders can manipulate the salaries of their subordinates.

We recommend the government ensure chains of command in its armed forces are separated from chains of payment. The number of staff in the armed forces should also be disclosed, paygrades published, and qualifications for promotion based on objective and publicly available criteria.

Scorecard

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|-----------------------------------|---------------------------|--|---|
| Political | Defence & Security Policy | Legislative Scrutiny | 1 |
| | | Defence Committee | 1 |
| | | Defence Policy Debated | 1 |
| | | CSO Engagement | 1 |
| | | International AC Instruments | 2 |
| | | Public Debate | 1 |
| | | AC Policy | 0 |
| | | AC Institutions | 2 |
| | | Public Trust | 1 |
| | | Risk Assessments | 0 |
| | Defence budgets | Acquisition Planning | 0 |
| | | Budget Transparency & Detail | 0 |
| | | Budget Scrutiny | 1 |
| | | Budget Publicly Available | 0 |
| | | Defence Income | 0 |
| | | Internal Audit | 1 |
| | | External Audit | 1 |
| | Other Political Areas | Natural Resources | 2 |
| | | Organised Crime Links | 3 |
| Organised Crime Policing | | 2 | |
| 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 |
| | | Information Classification | 2 |
| | Links to Business | Mil. Owned Businesses Exist | 1 |
| | | Mil. Owned Business Scrutiny | 0 |
| Unauthorised Private Enterprise | | 0 | |
| Personnel | Leadership | Public Commitment | 1 |
| | | Measures for Corrupt Personnel | 2 |
| | | Whistleblowing | 0 |
| | | Special Attention to Sensitive Personnel | 1 |
| | Payroll and Recruitment | Numbers of Personnel Known | 0 |
| | | Pay Rates Openly Published | 1 |
| | | Well-established Payment System | 3 |
| | | Objective Appointments | 1 |
| | | Objective Promotions | 0 |
| | Conscription | Bribery to Avoid Compulsory Conscription | 1 |
| | | Bribery for Preferred Postings | 1 |
| Salary Chain | Ghost Soldiers | 2 | |

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