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CIDS' ANNUAL PLAN 2018

Introduction

The Centre for Integrity in the Defence Sector (CIDS) is the Norwegian defence sector's centre of excellence for good governance, integrity building and anti-corruption measures. CIDS performs an advisory function and provides concrete proposals on these areas to the defence sectors in Norway and partner countries. This document describes CIDS' plans for 2018 within its areas of responsibility.

Organisation and staffing

CIDS is organised as a professionally independent centre under the Ministry of Defence (MoD). The MoD's Department of Management and Financial Governance safeguards the administrative governance through the governing dialogue and in line with recommendations from the Advisory Board for Integrity in the Defence Sector.

CIDS' permanent staff consist of the Director and two senior staff officers who hold the rank of colonel and captain respectively; one of these is the Assistant Director at CIDS. As of 1 January 2018, CIDS therefore has three permanent staff members. The Centre also has a secondee from the Norwegian National Security Authority (NSM) in place until 30 June 2018. Two persons are employed under the terms of state pension arrangements, one of whom performs the role of editor for CIDS' publications while the other is an advisor on integrity building in operations.

CIDS has appointed international and local experts to carry out the projects in Southeast Europe and Ukraine. These experts' costs are largely covered through project funding. In addition, it is taken for granted that CIDS can draw on expertise in the MoD or other parts of the defence sector. This has not been done to any great extent to date, but represents potential access to relevant expertise that CIDS does not possess internally.

Overview of CIDS' roles within integrity building (BI)

	Civil expertise domain	Military expertise domain
National	Defence sector NDMA and other agencies Suppliers and supplier organisations	Military application of BI in areas with special security challenges
International	Bilateral: Bosnia and Herzegovina Montenegro Kosovo Ukraine Multilateral: NATO	Multilateral: NATO expert in charge (Department Head)

Budget 2018

CIDS has the following budget allocations:

From the defence budget:	
Allocation chapter 1700	5 400 000
From the Ministry of Foreign Affairs:	
Southeast Europe project ¹ to 1 April	1 600 000
New Southeast Europe project, from 1 April 1)	4 125 000
Ukraine project ²	3 400 000
Total	14 525 000

¹ Based on amount sought, not formalised in an authorisation for direct debit from the Ministry of Foreign Affairs.

² Based on an earlier pledge from the Ministry of Foreign Affairs, not formalised in an authorisation for direct debit.

Department Head in NATO

CIDS is the Department Head (DH) for the follow-up of NATO's *Education and Training Plan* within the framework of NATO's Building Integrity (BI) programme. This involves a number of commitments and close cooperation with NATO's BI team at NATO Headquarters in Brussels, in the *Political Affairs and Security Policy Division (PASP)*, as well as coordination with the Alliance's military command structure, Allied Command Operations (ACO) and Allied Command Transformation (ACT).

As the Department Head, CIDS will continue its coordination efforts in 2018 aimed at identifying solutions that meet NATO's education and training requirements for personnel associated with NATO's command and force structure. CIDS is responsible for the quality assurance and certification of courses and ensuring that they meet the requirements of NATO's BI Education and Training Plan. The DH role requires close cooperation with other educational institutions, such as NATO School Oberammergau (NSO), the UK Defence Academy (UK DA), the Geneva Centre for the Democratic Control of Armed Forces (DCAF) and the Transparency International Defence & Security Programme in London (TI DSP).

Another important area of responsibility is hosting NATO's annual BI discipline conference. The purpose of the conference is to discuss the relationship between the training needs specified in NATO's Education and Training Plan and existing course and training opportunities. Part of the intention here is to assess whether NATO's defined requirements within BI are adequately covered, and to clarify how any shortcomings found can be addressed. CIDS plans to expand the discipline conference in 2018, with broader field-related content. Different partner countries will also be invited to participate in relevant parts of the conference.

In addition to following up the measures that are agreed following the discipline conference, CIDS will continue its key role in 2018 of integrating any new requirements and needs arising from the implementation of NATO's BI policy with NATO's Education and Training Plan. Together with the MoD and NORDEL, CIDS will continue its coordinator role as a driving force for BI in NATO.

Integrity building in Southeast Europe and Ukraine

Introduction

In 2018, CIDS will conclude its three-year project 'Building Integrity in the Western Balkans', more specifically in Bosnia and Herzegovina, Montenegro and Kosovo. The projects in Southeast Europe are based on the needs analyses that were carried out in the period 2012–2014. The nine country reports and the results for each country are available at the CIDS website (cids.no). CIDS manages the projects on behalf of the MoD, which has received a pledge of NOK 18 million from the Ministry of Foreign Affairs for the period 2015–2017. An application has been submitted to the Ministry of Foreign Affairs for an extension to 1 April 2018 in order to wind up activities initiated in 2017. The Ministry of Foreign Affairs has also

received an application from the MoD for a new follow-up project starting on 1 April 2018. This will facilitate a seamless continuation of activities in Southeast Europe and ensure that contracts do not need to be terminated pending the Ministry of Foreign Affairs' approval of a new project. At the time of writing, no authorisation for direct debit has been received from the Ministry of Foreign Affairs for the first four months. This implies in formal terms that the MoD bears the risk in continuing the project pending the approval of the Ministry of Foreign Affairs. However, the risk is considered to be minimal since the Ministry of Foreign Affairs is expected to approve both the extension and the follow-up project. This plan's description of the activities in the Western Balkans assumes that approval will be granted by the Ministry of Foreign Affairs for the extension as well as the follow-up project.

In addition, CIDS has a wide-ranging BI project in Ukraine aimed at strengthening human resources management (HRM) in the Ukrainian Ministry of Defence. The Ministry of Foreign Affairs has pledged an average of NOK 2.5 million to this project on an annual basis for the period 2015–2018. However, no authorisation for direct debit has been issued to date. Below is a description of the projects and the activities planned for the various projects in 2018:

Southeast Europe

The BI project in Montenegro, 'Strengthening the integrity framework in the public administration with emphasis on the security and defence areas', deals with legal and institutional measures aimed at strengthening the efforts to combat corruption in the Montenegrin Ministry of Defence and Ministry of Interior Affairs. The project will be brought to a close in 2018 with, inter alia, the completion of regulatory proposals for security-graded procurements in the defence and security sector. An analysis will also be carried out and proposals for HRM reforms in the Montenegrin police force will be drawn up.

The aim of the project 'Support to the procurement system in the Ministry of Defence of Bosnia and Herzegovina' is to strengthen the procurement system in the country's Ministry of Defence. The main activity in 2018 will be providing training in a new regulatory framework that CIDS helped to devise in 2017.

The main purpose of the project 'Support to the system of Human Resources Management (HRM) in the Ministry of Kosovo Security Force (MKSF)' is to strengthen the application of the qualification principle, which is established as a fundamental principle in Kosovo's Civil Service Law. The second project in Kosovo deals with institutional measures to strengthen efforts to combat corruption in the MKSF. By 2018, the main task of the project will be to provide assistance in implementing measures to follow up the integrity plan adopted by the MKSF. One of the key measures for both Kosovo projects in 2018 will be to develop methods and guidelines for mapping corruption risks in positions in the MKSF.

In addition to the above measures, CIDS has joined forces with the Regional School for Public Administration (ReSPA) in Danilovgrad, Montenegro to initiate work on a textbook and a training programme for state employees in Western Balkan countries. The manuscript for the

textbook is expected to be finalised in March 2018, covering topics such as HRM, conflicts of interest (impartiality), internal financial controls, public procurement, transparency and freedom of information, administrative procedures, and how to handle illegal or unethical orders and instructions. The book will be available in four languages: Albanian, Macedonian, Serbo-Croatian and English. During the course of the year, ReSPA will train instructors who will be responsible for developing competence in the subjects covered in the textbook in all countries participating in the ReSPA cooperation, i.e. Albania, Bosnia and Herzegovina, Macedonia, Montenegro and Serbia.

In 2017, CIDS drafted a proposal for a new regional project for the three Western Balkan countries in the project due to end in 2018. The new project proposal also has a three-year timeframe and, like its predecessor, encompasses the defence and security sector in a broad sense. The proposal has three key areas:

- Public procurement, asset disposal
- Organisation, management and HRM
- Other measures aimed specifically at fostering integrity and reducing the risk of corruption

The project proposal is based on experience from the three-year period ending in 2018, as well as recommendations in the evaluation of the project, which was carried out on the initiative of the Ministry of Foreign Affairs in 2017.

Opportunities for cooperation with other countries in Southeast Europe – excluding the three mentioned above – will be considered in light of any requests. Nine countries took part in the needs analysis that was completed in 2014, and several countries indicated interest in CIDS' support to address documented weaknesses or shortcomings in integrity/risk of corruption. Such cooperation may be initiated if there are competence-based economies of scale in relation to the projects in Bosnia and Herzegovina, Kosovo and Montenegro, and if the countries concerned express a strong political will to carry out such projects. Countries that may be relevant to start a cooperation with are primarily Albania and Macedonia.

Ukraine

In 2018, CIDS will continue its efforts aimed at strengthening professionalism and integrity in HRM in the Ukrainian Ministry of Defence, with the overall goal of reducing the risk of corruption. The project was launched in 2015 and has a four-year horizon, concluding in 2018. The progress in 2018 will be based on three main components:

Efforts in 2018 are mainly aimed at implementing measures that will contribute to the establishment of a professional civil service in line with the recently adopted Civil Service Law in Ukraine. This includes introducing international standards for good governance, strengthening the legal status of the Ukrainian Ministry of Defence's civil personnel, clarifying the demarcation lines between field-related administration and political leadership,

improving the regulatory framework for recruitment, career progression and retirement, improving the system for civil servants in terms of rights and other conditions that ensure professional integrity and independence, including measures that foster transparency, measures that reduce conflicts of interest (impartiality problems) in the Ministry and other defence institutions, as well as advice on whistleblowing practices.

The preliminary study for the project (2015–2016) identified a major need for assistance in establishing a modern HRM system. Work on associated tools and the advisory function in this field will be intensified in 2018. Another core component is to reduce corruption risks by helping Ukraine to implement relevant models and frameworks for introducing robust management systems.

In 2018, CIDS will follow up the agreement entered into with the National Anti-Corruption Bureau of Ukraine in September 2016, as well as actively contribute through its membership of the Ukrainian Ministry of Defence's advisory committee on anti-corruption measures. Both of these commitments will be carried out in line with the overarching project objectives. CIDS will also continue its cooperation with the Department of Personnel Policy in the Ukrainian Ministry of Defence.

During 2018, CIDS will map areas and needs for continued support that can form the basis for a possible continuation of activities after 2018. Any continuation will be at the request of Ukrainian authorities and subject to approval of a new project by the Ministry of Foreign Affairs.

Possible future bilateral projects

In addition to security policy considerations, objectives of broader public interest must also guide CIDS' priorities. Considerations as regards the Norwegian defence and security industry may therefore play a role in connection with where CIDS uses its resources. Work in this industry is carried out in many parts of the world, including in countries where the risk of corruption is high. CIDS believes it is important to provide expertise that reduces the risk of companies being exposed to corruption in other countries. This type of involvement will not only contribute to a general strengthening of other countries' anti-corruption efforts, it will also be of great benefit to Norwegian businesses operating in these countries.

Any such expansion of CIDS' work will of course require additional resources, including increased funding, and if relevant, must be viewed in the context of a wider security sector reform (SSR). Unless more resources can be made available, such expansion will be a low priority.

Summary

The effects of the integrity projects in Southeast Europe and Ukraine will primarily be seen in the long term, although the focus on anti-corruption efforts will also have a more short-term perspective. The impact of measures to improve governance and foster integrity and

professionalism cannot, however, be measured in the short term, and will not be apparent for another ten years or more. A reduction in the scope of corruption would be one such effect. The administrations in the individual countries in which CIDS is directly involved are at different degrees of maturity. It is possible to trace improvement if, for example, we go back to the 1990s for those countries where this may be relevant, but annual measurements will show limited development from one year to the next. CIDS finds that the support given to these countries is very well received.

CIDS courses and conferences

CIDS has developed two courses offered through NATO's Building Integrity Course Catalogue. *The BI Institutional Enhancement Course: Integrity Action Plan* examines how to develop and implement an action plan for integrity in the defence sector. This course is based on the handbook published by CIDS in collaboration with Transparency International UK's Defence and Security Programme in 2014. Through five days of lectures, group work and presentations, participants gain an insight into what an action plan consists of, how one can be devised, and not least how it must be followed up in practice.

The second course addresses a key component of integrity building, namely HRM. *BI Institutional Enhancement Course: Human Resources Management* is a four-day course that gives a broad introduction to the principles and international conventions that apply to HRM in the public sector in general, and in the defence sector in particular. The course has also been held in the Ukrainian Ministry of Defence in connection with the HRM project that CIDS is carrying out there.

CIDS plans to arrange at least one of the courses in 2018, in cooperation with the Regional Department of Defence Resources Management Studies (DRESMARA) in Romania, which has modern classrooms and facilities. For CIDS to hold such courses without assistance requires extensive resources, in terms of administrative and practical planning, but also in relation to providing course content, follow-up and teaching. In 2017, CIDS found that even with relatively modest funds it was possible to export self-developed courses to an institution such as DRESMARA, which has greater capacity to implement sustainable training activity in the long term.

CIDS also provides instructor support for a number of courses and conferences in both Southeast Europe and Ukraine, but also nationally and in the NATO context. CIDS gives priority to partner countries and will be restrictive as regards participation in countries that are not NATO members or that are not affiliated with the Alliance. This will continue in 2018.

In Norway, CIDS plans to hold a seminar on transparency in the defence sector in spring 2018, in cooperation with the MoD and the Norwegian Institute for Defence Studies.

Communication

A core part of CIDS' activity is to gather and disseminate knowledge about integrity building and good governance in the defence sector. As mentioned above, CIDS is planning to join forces with local experts in the Western Balkans to publish a textbook on integrity building in the public sector. CIDS has given expert input to this work, while the actual publishing of the book will be done locally. In addition, CIDS plans to publish more publications in the series *Guides to Good Governance (GGG)* in 2018:

- *Reducing corruption risks in procurement and asset disposal*
- *Reducing corruption risks in budgeting and budget execution*

CIDS will also continue to update the English and Norwegian web pages with relevant publications and information about our work, courses and conferences. As the majority of visitors to the website are English speakers, we will also place the main focus on keeping the English web pages up to date in 2018. CIDS also has its own Facebook and LinkedIn pages, which are linked to the website. Facebook pages have also been created in local languages in the four countries where CIDS is active.

Cooperation with other international organisations

CIDS will continue its cooperation with other international organisations in order to draw on these organisations' expertise in measures being implemented. Such cooperation may also result in CIDS providing input in the other organisations' projects. Cooperation with other organisations operating in a similar field to CIDS is important for coordinating the activity and avoiding duplication. This cooperation also prevents adverse competition and creates synergies.

CIDS is continuing the cooperation with the Swiss SSR foundation DCAF in order to formalise the cooperation between the two organisations. The cooperation with the UK Defence Academy will be continued. Transparency International will continue to be an important partner; not least in 2018 when a new Government Defence Anti-corruption Index (GI) is being prepared and will be published at the end of the year. This process will generate a considerable amount of work for both CIDS and MoD. RACVIAC³ in Croatia and the Peace Support Operations Training Centre (PSOTC) in Bosnia and Herzegovina may become important partners in education and training. CIDS will also continue the cooperation with DRESMARA, which is the resources management learning institution for the defence sector in Romania. The experiences from the course CIDS held here in December 2017 were so positive that we aim to strengthen the training cooperation and arrange further joint courses with them.

In 2016, CIDS initiated a cooperation with NATO's Joint Warfare Centre in Stavanger (JWC). Personnel who are to serve in military headquarters undergo training and take part in

³ However, Russian participation in RACVIAC complicates the cooperation.

exercises at the centre. CIDS will support JWC through incorporating BI and anti-corruption into the exercises that JWC carries out for NATO's command structure.

CIDS will also, to a limited extent, be able to contribute to the Nordic defence cooperation in anti-corruption, depending on how this cooperation develops within the framework of NORDEFCON/NBAP.

National tasks

Introduction

The competence that CIDS possesses and uses in the international projects can also be utilised in advisory work in Norway. Although the defence sector in Norway is relatively mature in terms of governance, CIDS has observed many of the same challenges as, for example, in Southeast Europe. The annual plan for 2018 represents a continuation of national activities in CIDS. The transformation of the NDMA's integrity programme to a permanent system means that CIDS' use of resources in NDMA will be scaled down somewhat. Consequently, other activities in the defence sector will be able to benefit from CIDS support in 2018. However, in order for such support to have a utility value, management within the activities must give the integrity work a high priority. Resources must also be earmarked internally in the organisation. The method established in NDMA can also serve as a model for other activities.

In 2018, CIDS will continue to develop the 'dilemma bank' established for use in dilemma training. The bank now contains over 30 dilemmas linked to, among other things, 'Ethical guidelines for the public service'.

CIDS has developed a self-evaluation tool for NDMA and other agencies. This tool can be used freely by other agencies and CIDS can advise on its use.

Cooperation with suppliers

In 2018, CIDS will continue its cooperation with the Norwegian Defence and Security Industries Association (FSi) aimed at reducing the risk of corruption among suppliers to the defence sector, with a special focus on the interface between the suppliers and the agencies in the defence sector. In line with the CIDS mandate, an overarching assessment of the integrity risk in this interface will be presented. Based on this assessment, CIDS will consider new measures in cooperation with the suppliers and the defence sector.

Expanding the cooperation with FSi may be relevant vis-à-vis other industry organisations. Two of the top five Norwegian suppliers to the defence sector are not members of FSi.

CIDS continues to support the MoD in its work in NATO aimed at introducing common standards for suppliers in the Alliance. NATO is unique in the sense that the organisation embraces both European and North American countries. These constitute an essential part of the defence market. High and equal standards will help reduce the risk of corruption and facilitate fairer competition.

TI Government Defence Anti-Corruption Index

Transparency International draws up the *Government Defence Anti-Corruption Index*. The index measures the risk of corruption in defence sectors worldwide, and Norway is one of the countries that is assessed, most recently in 2015. The report showed a slight downward trend for Norway compared with the 2013 index. TI is expected to prepare a new index at the end of 2018, and together with MoD, CIDS will seek to answer TI's questions in the best possible way. There is reason to hope for a better assessment of the Norwegian defence sector in this survey compared with 2015, especially in view of the work carried out in NDMA. There is also clear potential for improvement within the field of military operations.

Anti-corruption in operations

CIDS has had a small-scale cooperation with the Norwegian Defence University College (NDUC) aimed at increasing competence in anti-corruption work in areas where operations face special security challenges. Among other things, CIDS has provided instructor support each year at the international logistic officer course held at NODEFIC. The need to give consideration to corruption in operations is included in the Armed Forces' joint operational doctrine and in the doctrine for maritime operations, but is not yet included in the doctrines for other fields. The cooperation with NDUC continues in 2018.

Priorities in 2018

CIDS has a broad-based portfolio and an expanding workload, both nationally and internationally. As the only centre of its kind in NATO, CIDS has developed unique competence in integrity building and anti-corruption. The Centre is experiencing a large and growing demand, particularly from NATO's BI programme, but also from our other partners. By undertaking the role of expert in charge of BI E&T, the MoD, and thereby CIDS, has taken on commitments in NATO that must be followed up.

Due to the staffing situation, CIDS deems it necessary to prioritise certain tasks in 2018 at the expense of others:

1. Management and governance in BI projects in Southeast Europe and Ukraine.
2. National tasks in the defence sector, including support for NDMA and possibly other activities.
3. The Department Head role in NATO.
4. Cooperation with supplier organisations in the defence sector.
5. Own courses and conferences, and input to other relevant courses and conferences.
6. Information tasks, website and social media.
7. Other national tasks.
8. Bilateral cooperation with new countries.

Priorities 1, 2, 3 and 4 have virtually the same priority as before. For priority 5, we will hold at least one of our two courses. If possible, we will consider holding a further course. Priorities 6

and 7 will be implemented if the resource situation allows. Consideration has to be given here to the fact that we only have the seconded from NSM for the first half of the year. Priority 8 will depend on CIDS receiving new project funding either from the MoD or others. Such cooperation will only take place where resource use is limited and where there are competence-based economies of scale with our existing projects.

CIDS has limited resources, primarily in connection with access to personnel. This annual plan shows what work we believe we will be in a position to carry out with the resources at our disposal. Notwithstanding, CIDS will continue to be a significant contributor to the efforts in integrity building, good governance and anti-corruption – both nationally and internationally.



Per Christensen, Director