The NATO Approach to Transparency, Accountability and Counter Corruption in Operations

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Throughout history, corruption has contributed to and precipitated conflicts and served as fodder for violent extremist or purist ideological groups around the globe. Transparency International defines corruption as an “abuse of entrusted power for private gain”. Corruption is a form of unfairness that is well outside the tolerance of local customs and accepted business practices. It causes feelings of hopelessness, helplessness and insecurity, and can prompt violent reactions if the victims are unable to seek redress. Corruption also diverts limited resources, and in the worst cases, undermines the foundation of the state, threatening its very existence. It limits the capability of defence and security forces to contribute to development and security. Finally, it enables organized crime and terrorists to acquire arms and equipment, which can directly impact the security of the international community.¹

In her book, Thieves of State², Sarah Chayes writes that throughout history, books of advice written to princes all over the world...
contain a common theme: “(...) nearly all mirror writers, Christian and Muslim alike, divided by the centuries and by different systems of government, seem to have shared a consensus that eludes many of today’s policy makers: that acute government corruption prompts extreme responses and thus represents a mortal threat to security.”

In 2014, Abu Bakr al-Baghdadi and the group of extremists he led—the Islamic State—managed to annex Iraq’s second largest city, Mosul, with only a few thousand fighters. This situation largely became possible due to the extensive corruption throughout the Iraqi political and military leadership. The Iraqi Army’s troop strength on paper was 25,000; however, up to 15,000 of them were “ghost soldiers”—individuals who paid half their salary to corrupt officers and in return stayed home from duty. Additionally, corrupt officers had sold the internationally provided military equipment on the black market and in some cases to their adversaries. Soldiers that remained on duty suffered from low morale for a variety of reasons; including officers selling soldiers’ food, unqualified Iraqis paying for leadership positions, and irregular payment of salaries.

The United States estimates that it spent 815 billion dollars on costs related to the Operation Iraqi Freedom and Operation New Dawn. Despite international efforts to train and advise the Iraqi government and security forces for over a decade, the blatant corruption and sectarianism by government officials drove Sunni sympathies away from the government to militant extremists. Abu Bakr al-Baghdadi exploited the corrupted Iraqi institutions to recruit a band of extremists to his cause and then occupied much of northern Iraq. The murder and mayhem committed by Islamic State in Iraq and Syria (ISIS) militias has required the international community to devote even more resources to help the Iraqis clean up the resulting human tragedy. However, one of the primary causes of the instability—widespread corruption—was not successfully addressed by the Coalition prior to leaving Iraq in 2011.

While international defence and security forces fulfilled their mandate on targeting extremists and training Iraq security forces, the failure of international stakeholders to address the corrupt practices of Prime Minister Nouri al-Maliki’s government ultimately resulted in a waste of billions of dollars of resources, thousands of lost lives, and failure to achieve a stable and secure Iraq. NATO can exploit these lessons toward future interventions—from defence capacity building to stabilization operations—should include an assessment on corruption and addressed in planning to limit the risk of corruption to the mission.
On 30 November 2018, BI Trust Fund for 2019-2022 was launched at a meeting conducted at NATO Headquarters. The meeting gathered Allied and Partner Nations such as Euro-Atlantic Partnership Council, Mediterranean Dialogue, the Istanbul Cooperation Initiative, Partners across the Globe as well as a representative of the European Union.

On 17 December, representatives of Norway, Switzerland, the United Kingdom as well as the European Union and Ambassador Alejandro Alvargonzález, NATO Assistant Secretary General for Political Affairs and Security Policy, signed the Executing Agent Arrangement for 2019-2022. This arrangement designates the NATO International Staff as the responsible authority for the design and delivery of strategic advising and capacity building activities to promote good practices and strengthen transparency, accountability and integrity in the defence and related security sector with participating countries. For more information, visit https://buildingintegrity.hq.nato.int/

Photo by NATO

NATO Building Integrity Programme and resources to counter corruption

To address corruption in the defence and security sector, NATO established the Building Integrity (BI) Programme. The BI programme provides practical tools to help participating countries strengthen their integrity, transparency, and accountability. The programme was established by the Euro-Atlantic Partnership Council in November 2007. At the 2012 Chicago Summit, the NATO Heads of State, noting the progress of BI and the need for a more structured approach, established BI as a NATO discipline. BI was earmarked as an instrument to help promote democratic values and human rights, contribute more generally to security and stability, and to help develop or enhance interoperability. At the NATO International Staff, the programme works with Ministry-level staff to assist participating nations to assess institutional weaknesses and advise participants on policies to increase transparency and accountability. At the individual level, NATO staff adhere to the NATO Code of Conduct containing the five core values: Integrity, Loyalty, Accountability, Impartiality, and Professionalism. More recently, NATO has revised its education and training to include development of doctrine and policies to support military operations.

Operationalizing transparency, accountability and countering corruption (TACC)

The BI policy is an integral element of Alliance activities, requiring that Alliance partners are committed to TACC in accordance with international norms and practices. The integration of TACC best practices result from lessons learned during recent operations that may be applicable to future operations. These practices are meant to increase the likelihood of success in achieving long-term security through increased synchronization of military and non-military activities. The bulk of TACC activities usually focus on preventative corruption measures.

Plans and actions, accordingly, should aim to incorporate TACC measures during all phases of planning and execution to improve the odds of mission success. This is accomplished during the early stages of a potential crisis when strategic (HQ SHAPE) and operational stand-by NATO Joint Headquarters (JHQ) conduct “horizon scanning” to monitor developments. If a developing crisis involves a state with large-scale corruption, the North Atlantic Council (NAC) and Military Committee may include a corruption assessment in a task to SACEUR for a strategic assessment.

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The JHQ can influence the political/strategic military level through draft Military Response Option (MRO) assessments. The inclusion of TACC in the Strategic Planning Document assists the JHQ to generate necessary capability or capacities during planning and execution phases. This is especially important if the NATO Command Structure (NCS) Joint Force Command (JFC) uses a stand-by NATO Force Structure (NFS) JHQ as the lead for the Crisis Response Operation. NFS headquarters usually do not have TACC subject matter experts on their manning rosters.

Once the Strategic Warning Order has been issued, the JHQ activates capabilities from the Crisis Establishment (CE) or through augmentation. A good practice is to include TACC subject matter experts in planning to develop a comprehensive appreciation of situation. NATO Centres of Excellence, civilian agencies, civil society or in some cases requesting contracted solutions, ensure appropriate expert inputs are included as part of MRO.

Once a MRO has been decided upon by the NAC and the Strategic Planning Document issued, the JHQ begins mission analysis and course of action development. During mission analysis, the inclusion of appropriate TACC subject matter experts from multiple disciplines in the Joint Operational Planning Group (JOPG) becomes more important. Disciplines which inform TACC-related planning include but not limited to, strategic communications, finance and contracting, cultural and political advisors, host nation support, legal, and intelligence. TACC subject matter experts contribute to maintaining a balance in the application of lethal and non-lethal effects into the proposed courses of action.

For example, the strategic centre of gravity of a successful insurgency in a failing state might be continued popular support for the purist or extremist ideology. Operational planners may be tempted to focus on symptoms, such as the targeting of violent insurgents, when the root cause for an insurgency and its support are in the demographic and socioeconomic conditions. Planners should consider lines of effort not only to provide immediate security, but also counter the ideological influence the insurgency has on those joining the cause.

Additionally, the JHQ must coordinate horizontally and vertically to achieve unity of effort in countering corruption. The components must understand their roles or risk exposing gaps, which reduces the likelihood of success in countering corrupt networks and restoring long-term security. The JHQ may be responsible to provide support to longer term civilian and diplomatic efforts to detect and deter corruption, in addition to continuing security and stability operations.

During missions, even if corruption at the host nation level is not considered a risk, it is highly possible that individual entities will take advantage of military forces’ pre-occupation with the mission to enrich themselves.

For example, in 2014, Supreme Foodservice GmbH pled guilty to major fraud against the United States, in violation of the False Claims Act on contracts to provide food and water to U.S. troops. They paid penalties in the amount of $288.36 million. Supreme Foodservice, a privately held Swiss company, devised and implemented a scheme to overcharge the United States in order to make profits over and above those provided in the $8.8 billion Subsistence Prime Vendor (SPV) contract.

The companies fraudulently inflated the price charged for Local Market Ready (LMR) goods and bottled water sold to the United States under the SPV contract. The Supreme companies did this by using a United Arab Emirates company it controlled, Jamal Ahli Foods Co. LLC (JAFCO), as a middleman to mark up prices for fresh fruits and vegetables and other locally-produced products sold to the U.S. government, and to obscure the inflated price the Supreme companies were charging for bottled water. The fraud resulted in a loss to the government of $48 million.

TO ENSURE a comprehensive approach to countering corruption, consider the following areas when assessing JHQ and component-level TACC inputs into planning and execution:

— Set conditions to counter corruption: Allied Forces need to understand the operational environment specific to the culture it is operating in, and the overall supporting/supported relationship between military and civilian entities. The plans need to establish an acceptable level of security to enable supporting efforts to build the host nation’s public and political will to (re)build the rule of law and counter corruption. The JHQ may have to request expertise and capabilities to establish multi-national, multi-agency linkages or liaisons to properly monitor and update the operational design as the corruption environment changes.

— Comprehensive Approach: The Alliance should engage actively with other national and international actors throughout the crisis to encourage collaborative planning and conduct activities on the ground to maximize coherence and effectiveness of the overall effort. This requires establishing linkages to support TACC unity of effort; coordinating supporting/supported relationships to maximize cooperation with national and international government organizations, non-governmental organizations, and other experts, in support of Commander’s operational design. The JHQ should develop a TACC ‘Community of Interest’ or working groups to assess changes in corrupt environment and report recommendations to operational planners.

— Training: Allied Forces, especially contracting officers, should receive pre-deployment training to create a better awareness of the threat that corruption can pose to the mission; that Allied actions have an impact on the corruption environment, and clear ways to identify and report corruption. Consider offering

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The JHQ TACC Community of Interest works closely with or has its own intelligence capability. In high corruption threat environment, JHQ should implement multinational, multi-agency "Intelligence Fusion Cells" focused on tracking actors, networks, and fund flows with respect to corruption, narcotics, and criminal networks. Classification guidance should be written to encourage information sharing between allies and agencies.

— Financial Management: Financial Management must develop unified internal controls, audit, and vendor tracking. Establish a capability to track the flow of military and international funding into the local economy and conduct ongoing assessments to ensure foreign funding is not exceeding the capability of the local economy to absorb it. Funding controlled by military to support, train, and advise host nation security forces must have clear processes that promote and guarantee transparency with sufficient oversight to minimize risk of enabling corrupt behaviour.

— Acquisitions: Ensure contracts do not support corrupt actors or networks. Develop a centralized and constantly updated contractor database to maintain relationships with legitimate vendors and avoid those with links to organized crime or patronage networks. Theater policies mandate oversight and assessments of projects to ensure that funding, whether national or trust funds, are monitored to ensure value-for-money including the mandate to stop funding when corruption is suspected.

Education and training

The Joint Warfare Centre's (JWC) implementation of BI/TACC into TRIDENT series exercises has evolved with NATO's emphasis on the subject. The integration of BI/TACC can seem like an overwhelming task to those newly assigned to develop scenarios for exercises at the operational and tactical level. This section sheds some light on the lengthy development process that results in the execution exercises for which the JWC is responsible for production.

It all starts with SACEUR's Annual Guidance on Education and Training Exercise and Evaluation (SAGE) document, which sets future training requirements and exercises. The SAGE articulates the minimum standards for an Alliance headquarters to achieve and maintain mission readiness based on the Alliance's agreed security strategy. Those identified to participate in exercises work closely with the exercise delivery organizations to incorporate observable scenarios into both training and exercise events.

ABOVE: The author, left, during a pre-scripting meeting with Commander van der Klaauw, from JWC Training Team Branch. Photo by JWC PAO

BELOW: (left) TRIDENT JUNCTURE 2018 scenario update briefing; (middle) J-8 Exercise Support Working Group receiving a scenario briefing on an upcoming Crisis Response Exercise; (right) Sarah Chayes, author of Thieves of State, at JWC's Ulsnes Interim Training Facility in 2007. Photos by JWC PAO
to achieve SACEUR’s requirements. SAGE 2020 specifically lays out BI and TACC requirements as part of Alliance operations.

The participating headquarters chooses and prioritizes Training Objectives that demonstrate their competency for each subject to be assessed during collective training and operational-level exercise events. When the Headquarters or “Training Audience” (TA), selects BI/TACC to be included in the exercise, the delivery organization, such as the JWC, develops scenarios to allow the TA to demonstrate the ability to review, assess, analyze and execute BI/TACC during Alliance operations. Scenario developers customize the exercise scenario with additional background material, structures and groups for the TA to support NATO Crisis Response Planning (CRP).

The TA then develops Training Objectives to articulate how they will achieve mission readiness based on priorities in the SAGE and Allied Force Standards. Next, Supporting Tasks are created, nested under the Training Objectives; indicating which staff function is doing what actions. BI/TACC is a cross-cutting topic that includes tasks for numerous staff elements; the lead staff element is usually, but not per definition, the CIMIC/J9 Branch.

While not limited to these capabilities, Intelligence, strategic communications, and financial management staff play important supporting roles. Supporting Tasks tell Observer/Trainers, which staff to monitor and mentor as they strive to achieve their Training Objectives.

For example, in a Crisis Response Operation scenario with a corrupt government, one Supporting Tasks for a J8 financial management might involve the implementation of audit and internal controls to ensure transparency and accountability during operations, in order to support and ensure the continuing legitimacy of the NATO mission. Tasks for J8 in this example would include but are not limited to development of financial compliance policies for the JOA, monitoring and managing contractor support to operations for corruption risks, participating in TACC working groups, and advising the commander in the assessment of financial corruption.

Exercise Observer/Trainers from the JWC assess the Training Objectives to develop appropriate academic seminars and key leader training prior to the commencement of Operational Planning Phase. The TAs with limited BI/TACC experience can request subject matter experts, either from within NATO or external organizations, such as Transparency International, to provide staff training in preparation for planning and execution. Indeed, Transparency International supports NATO TRIDENT Series of Exercises with training and scenario design assistance. Once the Training Objectives are reviewed to ensure they are complete and achievable, the JWC Main Events List and Main Incidents List (MEL/MIL) team set out to facilitate the creation of specific training scenarios. Exercises cover one to two battle rhythm cycles and therefore only allow a glimpse into the world of corruption. Incidents and events challenge the JHQ with operational dilemmas that force all functions to collectively weigh new risks when attempting to fulfill the Commander’s operational plans.

The MEL/MIL team uses the TA’s operational plans, coordination orders, and Opposing Force (OPFOR) plans to form the basis of the incident development strategy. Event writers must work within the exercise scenario to exploit gaps in Joint Synchronization or manipulate scenario factors outside the JHQ’s control in order to trigger operational level assessments. MEL/MIL event chiefs then review incidents to ensure that they challenge the operational design and link to a Training Objective. Events not meeting these criteria are rejected due to lack of training value or maybe ignored by the JHQ during execution.

To help the JWC create realistic content, BI/TACC proponents should attend each MEL/MIL event, working as part of a cross-functional team with CIMIC, strategic communications/information operations, Intelligence, financial management, possibly Transparency International, to provide a non-military perspective, and others as necessary. Depending on the importance of BI/TACC, it may be necessary to either integrate BI themes into other MEL/MIL events or as a stand-alone theme. Examining JHQ’s critical capabilities and the underpinning critical requirements provide a possible venue to create operational dilemmas.

Counteracting corruption is an integral el-

“...The JWC develops scenarios to allow the Training Audience to demonstrate the ability to review, assess, analyze and execute BI/TACC during Alliance operations.”
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CASE STUDY

This example illustrates a MEL/MIL, which embeds BI/TACC themes in a non-Article 5 Crisis Response Operation where a Joint Headquarters must restore security and territorial integrity of a fragile state:

- **A SUSTAINMENT SYNDICATE** may choose to test logistics capability to sustain friendly forces maneuver (CC\(^1\)) to conduct offensive operations by removing the contractor deliveries of food or fuel (CR\(^2\)). The event would remove, through circumstances beyond the Training Audience’s control, contractor delivery of food and fuel to forward deployed forces timed just prior to a decision brief on whether to conduct offensive operations (DP\(^3\)). Competent JHQ logistics staff will have planned reserves, so kinetic effects are planned to trigger the loss of some of these reserves forcing the JHQ to assess whether to accept risk or delay.

- The BI/TACC proponent develops a corruption nexus to test the Training Audience’s BI/TACC line of effort. They write into the event that a corrupt host nation minister manipulates the border control forces to plant hazardous materials that are illegal in the host nation. The corrupt minister is part of a patronage network whose goal is to divert as much NATO forces funding to subcontractors in their corrupt network. The illegal materials are found due to an “anonymous” tip, which triggers the host nation to require a halt to all sub-contractor deliveries pending a review of friendly forces contracting practices.

- If no action is taken in this scenario, Allied Forces will run out of food/fuel when a key decisive action is planned. Additionally, the enemy forces use the media reporting from this event to conduct propaganda activities questioning the legitimacy (CR\(^4\)) of the NATO mission. The MEL/MIL team adjusts the severity to stimulate assessments that impact a joint assessment board, but not drag the JHQ from operational planning and management into the tactical fight.