



**NORTH ATLANTIC TREATY ORGANIZATION
SUPREME ALLIED COMMANDER TRANSFORMATION**

SACT OPENING REMARKS to

PANEL 1

BUILDING INTEGRITY CONFERENCE

Washington, 23 February 2015

As delivered

General Paloméros

Supreme Allied Commander Transformation

Thank you again Ambassador,

It is a great pleasure to be here today,

Let me state from the start that when we consider the complex challenges that we have to deal with today, it is clear to me, having been in this position for more than 2 years now, that no single body, no single organization, no single nation can alone deal with the complexity of this environment on its own. I see this BI programme as a great example of how we should deal with this complexity of the environment, by trying to build a solid, credible, honest relationship between all stakeholders and trying really to go to the root of the problems. Obviously, corruption is not new. The centre has a lot of talented and committed leaders who are trying to tackle this plague. Some projects have been quite successful, but nevertheless, we have certainly to take into consideration the lessons they have left us. Lessons learned play a key role in Transformation and that is particular the case in this instance. And, being





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here in the United States, I cannot resist quoting President Lincoln, as we will mark the 150th anniversary of his assassination very soon. He described, near the end of the Civil war, in Nov 1964, the clear dangers posed by money, power and corruption in this way:

“I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war, corporations have been enthroned and an era of corruption in high places will follow, and the money power of the country will endeavour to prolong its reign [...]”

I believe, as so many have recognized, that Lincoln was a visionary and he was highlighting a key aspect of corruption. In fact, it is a feature embedded in almost every crisis, in every phase of a conflict, one that plays an enduring role in the power-struggle between groups competing for resources and power. This is certainly a crucial lesson that the Alliance has learned through two or more decades of crisis. Corruption is really a key component of what we call the hybrid strategies that we see developing at the Eastern borders of the Alliance but in the South as well.

Bribing remains a scourge, which can be an early trigger of future crises as well, and thus impede the rebuilding phase of State efforts. It can even, and I will stress that, jeopardize the success of our military operations.

In fact, focusing on the lessons learned, in 2013, the NATO Joint Analysis and Lessons learned Centre - which is part of ACT, in Lisbon- made an interesting study, and stated that *“corruption can impact achievement of mission objectives, but also that the military force can contribute, largely unwittingly, to the rise and prevalence of corruption”*. Its analysis was very much corroborated by other entities such as the CIDS (*Centre for Integrity in the Defence Sector*) or Transparency International which all noted that bribery can even perpetuate conflict by fostering an atmosphere of impunity, fuelling insurgencies, leading to donor fatigue, and finally undermining the mission’s operational effectiveness and our credibility.

NATO’s recent experiences nurtured our commitment in 2007 to implement a NATO Building Integrity Programme in order to mitigate the risks of corruption in current and future operations as well as integrating, and this is a key path of the programme as you stressed Mr Ambassador, this element in defence institution building with our Partners.





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The Building Integrity Programme represents a significant effort to analyse the sources and consequences of fraudulent activities and avoid the common misperception portraying them as an endemic and therefore unavoidable and unsolvable aspect of the cultural fabric. For that purpose, the Programme is providing a structure to ensure we continue to share good practices and raise awareness and find solutions obviously

It is true that we now have a better understanding of the effect of corruption on our operations and our efficiency. However, my concern today is the pace at which corruption is evolving from what was a risk or a constraint to a real threat for the Alliance and its Partners, a key inhibitor of stability. It therefore requires more than ever, all our efforts so that we can address these vulnerabilities together.

Some State and non-state actors, in conjunction with criminal organizations are currently using venality as a tool in their hybrid strategies. These strategies fully integrate and coordinate all their political, economic, military and informational or I would say des-informational powers. They look to bribery as an enduring destabilization factor, fuelling grievances between citizens and their governments, undermining societal unity by increasing poverty and inequality and, of course, most importantly as their own source of revenues through trafficking in all manner of goods and human beings.

In many cases, deceit has been one of the main complaints of domestic populations against their governments. Corruption even contributed to the emergence and rise of extremist and terrorist groups to fight against local authorities. Having swiftly grown, these groups have continued to exploit this weakness. They use manipulative communication campaign to discredit local and federal authorities by accusing them, for instance, of recently stealing wages from phantom personnel, obviously which damages their credibility and undercuts support from the population. For instance, let's remember, in Mosul, through a well-coordinated communication plan, Daesh or ISIL as you like, gained one year ago significant influence as it aimed to win the "hearts and minds" of the city's population by fighting such misconduct.





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In fact, these same extremist groups finance themselves and also facilitate their acts of terrorism through criminal means. And we must stress that. To give you one well-known example, in September 2013, Somali group Al-Shabab attacked the Westgate shopping mall in Nairobi, having bribed their way into this normally fully secured area.

Let's turn now to the situation in Ukraine, as inherited from President Yanukovich one year ago. It provides another significant insight, in my perspective, into the potential long-term effect of unscrupulous governance, as it is now widely recognized. Years of deceit weakened the country and impeded the establishment of a fully democratic process. The huge losses and vast sums wasted or stolen during such a long period certainly had insidious effects on physical infrastructure, on military capabilities, and crucially on the people's trust in their authorities.

Recognizing this crisis, President Poroshenko stated in December in Singapore that Ukraine is engaged in two wars at once: one against the aggressor and one against corruption. The second one aims to provide lasting financial stability and attract much-needed European trust and investors to ensure the long-term prosperity and future of his country.

But we must face facts; the Alliance itself may also be exposed to hybrid attacks. While NATO has been very fortunate to rely on military and civilian forces which uphold very high standards of integrity and honesty, they have not been totally exempt of nefarious behaviours which call for rapid, exemplary and transparent treatment. There is no alternative, we have to keep the highest level of probity during our operations as any weakness can and will swiftly move to a full loss of credibility and legitimacy for the Alliance as a whole.

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To cope with this increasing presence of corruption in a complex and volatile security environment, Nations, International Organizations, NGOs have obviously their respective role to play. But the most effective answers will above all result from new innovative, comprehensive, and coordinated approaches from all the stakeholders, which many are represented here.

For that purpose, as you stressed, NATO's Building Integrity Programme is offering many opportunities to foster cooperation. Through that programme, the Alliance is part of a wide





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network gathering together Allies, Partners, IOs, NGOs, and Academia. This conference today is certainly a great example of the diversity of this network. With the Building Integrity collaborative effort, the Alliance is now able to offer to the Nations and Partners an important inventory of tools to ensure our forces are properly prepared to face the reality of today's operations environment

This Building Integrity network has already proved very valuable in operations. In Afghanistan, the strong partnership with Afghan authorities and other stakeholders enabled significant progress in fighting fraudulent activities that were unwanted offshoots, in a certain way, of our presence and our massive funding aid. So, using intelligence gathering, extensive investigations and auditing of contracts, I will just stress that the Task Force 2010 reviewed about 1,200 contracts valued at approximately US \$27 billion, vetted 1,000 contractors and suspended more than 125 local and international workers and companies.

These efforts are ongoing through the Resolute Support Mission in order to support President Ghani's willingness to address this complex problem, as he has stressed on many occasions.

Networking, willingness, expertise and awareness are clear goals of the Civil-Military Cooperation in Building Integrity. Close cooperation between policy makers and commanders is needed to ensure thorough coordination in fighting corruption. In particular, synchronization with organizations which focus on the rule of law is critical as host Nations may not have the ability to prosecute the corrupt entities. This is an important area in which additional synergy between NATO, UN, EU and many other organizations is required.

Those collaborative efforts must benefit those who are willing to act, to promote integrity from inside the national institutions and forces, and there should be no doubt about our full support to their endeavour.

In that sense, Education and Training is a key tool in our inventory. This is why Allied Command Transformation, as you stress Mr Ambassador, has focused since 2012 on the establishment of the Building Integrity Education and Training programme. The BI Education and Training Plan coherently maps training requirements and maximizes the opportunities of training for all members of the network.





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The Plan focuses on two main strands of effort. First, understanding corruption as a threat to peace and stability and secondly strengthening defence institutions and individuals.

It aims to ensure that NATO's leaders and staffs are properly trained and integrate the lessons recently learned in operations.

At the individual level, we benefit today from an impressive course catalogue delivered by the NATO School Oberammergau but also by 7 other institutions dedicated to peace support and promotion of integrity. [And I will quote: the CIDS, the Defence Academy of the United Kingdom, the Geneva Centre for the Democratic Control of Armed Forces, the Naval Postgraduate School, the Peace Support Operations Training Centre, the Turkish Partnership for Peace Training Centre and the United States Institute of Peace and many others perhaps represented here]. So the network is growing, is building itself and this is a good news.

As emphasized by these institutions, the integrity of leadership should receive the highest priority by Nations, by us. First, because as stated by a former Supreme Allied Commander General Dwight D. Eisenhower: *"the supreme quality for leadership is unquestionably integrity. Without it, no real success is possible, no matter whether it is on a section gang, a football field, in an army, or in an office."*

Secondly and more specifically, because leaders are the cornerstone in ensuring that building integrity is fully included in the defence sector's activities. We must foster their ability to assess and minimise adverse impact of impunity on the mission. Particularly, when facing rapidly evolving hybrid threats, as I stressed earlier. They have to learn how to establish a mechanism to monitor continuous risks.

To assist them in their assessment, these leaders need to ensure they can rely on highly trained Subject matter experts in the domain of procurement, contracting, finance, legal and many others. In providing the proper training to military and civilian leaders, they can better understand how their actions, through coordinated approaches, can stress integrity. For that purpose, e-learning should be considered as a very cost-effective approach in providing this





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type of training and Allied Command Transformation, through its vast and successful experience in distance learning is ready to assume its full share of this task.

As of matter of fact, today, with the ambitious training and exercise programme put in place through the NATO Connected Forces Initiative, we are increasingly integrating more and more the new hybrid threats model and its impact on potential future operations. We need to ensure that we put immediately into practice the lessons identified in past and recent operations. Therefore, as of this year, Building Integrity is a discipline embedded into NATO exercises scenarios to provide the adequate training venues and NGOs and other organizations are welcome into these exercises as we will demonstrate during the next high visibility and high intensity exercise TRIDENT JUNCTURE 15 starting in September

NATO's Education and Training Plan is also designed to support the development of institutional capabilities of Partners' forces. It is not a new task for the Alliance as it was able to successfully assist our Eastern Allies to strengthen their defence sectors during NATO's enlargement phases. Today, the Defence Capacity Building Initiative, launched during the Wales Summit, offers a perfect framework to pursue this effort.

For instance, in the coming months, we will especially assist Georgia's request – it was stressed- to establish a School on Defence Institution Building. This Georgian project will be extremely valuable for the Building Integrity Programme. Indeed, one objective of the school is to assist NATO and Partners in promoting integrity, a crucial contribution to good governance that we will certainly stress during the next Strategic Military Partner Conference that we will organize in June in Tbilisi.

In closing, I would say that in light of our recent experiences, we can assess that full success in operations cannot be reached without a strong commitment to promoting integrity, transparency, and accountability. Corruption is becoming more and more a central strategic threat to world stability, to the core of our democratic values. Senator Edward Kennedy said that "*Integrity is the lifeblood of democracy. Deceit is a poison in its veins.*" This Conference represents for me an excellent opportunity to better cooperate, to identify the best remedies





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that we can implement to fight this scourge we continue to face today; and there is no alternative, we must do that together.

Thank you for your attention and thank you for your cooperation.

