

## TIDS general statement PMSCs IGOEWG

2<sup>nd</sup> April 2023- Ara Marcen Naval

“Mr. Chairman rapporteur, distinguished delegates,

I stand before you today at this crucial discussion to bring to your attention, and consideration, the corruption risks linked to the activities of Private Military and Security Companies (PMSCs) with a sense of urgency and resolve. PMSCs can play an important role in government efforts to enhance security, but they often operate in secret and outside standard transparency and accountability structures. This dynamic provides a permissive environment for corruption and conflict to thrive and deprives governments and its citizens of financial resources and security.

The Defence and Security Programme Transparency International welcomes the progress made in the revised draft and the changes made to include references to the UN Convention Against Corruption and UN Convention against transnational crime. These references are important steps towards policy and legal coherence and to ensure that the efforts to regulate the activities of PMSCs align with the international legal obligations in relation to corruption and transnational organised crime.

Corruption and the unchecked actions of PMSCs have far-reaching consequences, eroding the rule of law, undermining human rights and security, and threatening the legitimacy of governments. It corrodes public trust, undermines democratic institutions, and creates a culture of impunity that breeds more corruption. It can also weaken the fabric of societies, divert resources meant for development, and perpetuate inequality and injustice.

TI has identified dozens of cases in which PMSCs are suspected of involvement in corruption and fraud. Some of the most concerning cases involve PMSCs colluding with government officials to inflate threat perceptions to win or sustain contracts. In one case, this action led to excessive use of force against protesters resulting in unnecessary injuries to civilians and security forces.

TI has also raised concerns about some of the practices of PMSCs failing to disclose conflict of interests that could undermine government decisions, or even threaten national security.

In some cases multinational PMSCs have fuelled corruption by requiring local partners to pay kickbacks for participating in government funded contracts.

In these cases, the opaque arrangements prevalent in the sector make it extremely difficult to ascertain chains of command, responsibilities and levels of coordination among the different security actors, and undermine monitoring efforts and accountability. Furthermore, it is usually difficult to find public confirmation of the nature of the contract and the identity of subcontractors in the event that they are hired.

We hope that during the discussions on the potential instrument, the distinguished delegates will confront the implications corruption has and the abuses of PMSCs head-on and work together to prevent, detect, and punish corruption in all its forms. Transparency and reporting are the greatest steps that states can take to allow for effective monitoring and oversight of private military and security companies and other actors providing security services in order to effectively prevent, address and remedy any abuses committed.

Distinguished delegates, the stakes are high. The impact of corruption and the actions of PMSCs are felt by communities around the world, often with dire consequences for the most vulnerable among

us. The fight against corruption and the responsible use of PMSCs requires our unwavering commitment and concerted and holistic action. Thank you.”