

Summary

Restructuring of the Swedish Armed Forces
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Restructuring of the Swedish Armed Forces

The National Audit Office has examined whether the Armed Forces' restructuring has been clear and transparent. The National Audit Office finds that the Swedish Armed Forces has been the subject of fundamental change. The clarity and transparency of this transformation has, however, been obstructed due to several reasons.

Audit background

Reasons: Clarity and transparency in Swedish state administration is important. This involves establishing credibility for how state funds are utilised. Among other things, this means that objectives and results must be clear when important decisions are to be made. The Armed Forces is a central part of the state administration and of Swedish society. During the last fifteen years, the Armed Forces has undergone major restructuring. The National Audit Office therefore sees merit in further investigating whether this restructuring has been clear and transparent by examining how the Armed Forces and the Government have followed up and reported on important elements of the restructuring.

Aim: The aim has been to review how the Armed Forces has changed since the turn of the millennium, and whether or not this has been accounted for in a clear way. An important part of the audit has been to more closely examine how the Armed Forces has changed.

Scope of the audit: The audit has focused on the steering of the restructuring, and how the Government and the Armed Forces have reported and followed up on the restructuring. The audit has focused on the possibilities for the Parliament and the public to follow the process of the Armed Forces' restructuring. The National Audit Office has gone through the restructuring and examined if, in the context of public and open publication, the results of this have been presented. We have reviewed the objectives and requirements of defence and policy decisions, and how the Armed Forces has interpreted its mandate. We have investigated the transformation of the Armed Forces' wartime and basic organisation, as well as how the Armed Forces mission-based operations have been developed. Furthermore, the Government's reporting and follow-up activities have been examined, along with the Armed Forces' reporting activities.

The overarching question has been:

- Has the Armed Forces' restructuring been clear and transparent?



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Audit results

The National Audit Office ascertains that the Armed Forces has been subject to a fundamental transformation. The former invasion-based defence, led and designed to defend the country against the threat of an armed attack, has largely been phased out. Instead, there has been and still is, a trend towards a mission-based defence with flexibility and usability as catchwords, which can carry out national and international missions on short notice.

The National Audit Office's overall picture is that a lot of information and results regarding this change have been presented through reports and follow-ups. However, in several important respects, there are gaps in terms of clarity and transparency. The audit also shows that, in addition to the Armed Forces' structure and resources having changed, the direction of the Armed Forces has shifted quite substantially over time. It is the opinion of the National Audit Office that this reinforces the importance of clarity and transparency in the reporting of results, so that there is solid foundational data for future decisions on the development of the government agency.

Among other things, the audit reveals that the objectives of the Government's bills to the Parliament on the Armed Forces (the so called defence decisions) that have constituted the basis for the reform have consistently been broad and open to interpretation. This means, in turn, that it has been important to clearly explain the intention of the objectives. This has been a problem in terms of reporting, as the Government and the Armed Forces' clarification of the detailed intention of the established objectives and requirements has been limited.

According to the assessment of the National Audit Office's, there has been a gradual shift of power from the Parliament to the Government as a result of the three defence decisions. The Parliament's decision concerning objectives and requirements for operational capacity has become more overarching in nature. This in turn has left a larger space for the Government to administer the decision through its steering of the Armed Forces. The consequences of this include making it more difficult to clearly report and follow up on the decision of the Parliament, which makes it more difficult for the Parliament to evaluate the Armed Forces. According to the assessment of the National Audit Office, hindered transparency and clarity also have a negative impact on the conditions for efficiency and economic administration.

Because the governing initial values from defence decisions have been very broad, the Armed Forces has interpreted its mandate within the framework of the Government's and the Parliament's decision. At the same time, less obvious differences in the Parliament's decision have been followed by major changes in the direction of the Armed Forces. This speaks to the importance of clarity and transparency in terms of results and follow-up.

According to the assessment of the National Audit Office, clarity and transparency would have increased if the Government, between different defence decisions, had clearly explained the intention of the new objectives and requirements in its reporting. This detailed explanation of new



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defence decisions and modified task formulations is only partially presented in government bills. This also applies to the Armed Forces.

The Government's assessment of the Armed Forces' capability has, according to the National Audit Office, been dubious in many respects. An overarching problem is that the Government, in its assessment, reflects on the past year without comparing it to any extent to capacity assessments of previous years. This means that the assessment is difficult to relate to.

However, in the capacity assessments, the Government and the Armed Forces have increasingly referred to the fact that the government agency has accomplished its tasks, which only partly answers the question of the Armed Forces' operational capability. A central element of the government agency's existence is about constituting an insurance, rather than being constantly deployed. The ongoing activities therefore only function to a limited extent as a measure of what the Armed Forces is capable of.

Furthermore, it appears that the Government and the Armed Forces, in connection with the assessment of the Armed Forces' capability, place great importance on referring to various global situations. This gives rise to ambiguity because the Parliament, in current policy decisions regarding established operational requirements, does not refer to global assessments in this way. This makes it unclear how the capacity assessment relates to the Parliament's decision. Further confusion arises because there is no detailed description of the national security assessment itself. It is also unclear whether or not the Government and the Armed Forces have worked from the same national security assessment.

The National Audit Office finds that, over time, it is difficult to get a comprehensive picture of the development of the Armed Forces' mission-based organisation. There is no cumulative reporting based on each defence decision, making it difficult to get an overall picture of their implementations in the mission-based organisation. With regards to the transformation of the Armed Forces' basic organisation, there are also weaknesses in the Government's information to the Parliament. The Government has accounted for the structural changes in a summative way that has focused more on whether or not the restructuring has occurred according to plan.

It is the opinion of the National Audit Office that the overall central monitoring of the Armed Forces' restructuring has been limited in relation to the scope and importance of the reform which has occurred. It has not been comprehensive, neither over time in relation to respective defence decisions, nor in its coverage of the full content of decisions. In this way, the Government's ongoing reporting has only been partly offset by more comprehensive follow-ups. This suggests a need for the designation of responsibility for the overall monitoring of the Armed Forces' development, as a complement to the other reporting that currently occurs.



Recommendations to the Government

It is the opinion of the National Audit Office, in keeping with what the Swedish Parliament's Committee on Defence has expressed, that generally maintained objectives affect the conditions for monitoring, among other things. The National Audit Office takes no position regarding the objectives and requirements per se, but argues that the prospects for governance and for the Parliament's insight could be strengthened if the objectives and requirements were clarified. The National Audit Office therefore submits the following recommendation:

- Clarify the objectives for the military defence and the requirements for operational capability, for example, through sub-requirements, thereby creating clearer conditions for steering and monitoring.

Furthermore, the National Audit Office's assessment is that the Government should look into the possibility of using comparisons and more coherent information with relevant explanations linked to the Parliament's decision to a greater extent. This involves providing more explicit information about the development of the Armed Forces. The Government can also, to a greater extent, ensure that comprehensive follow-ups are performed. The National Audit Office therefore recommends the Government to:

- Provide more explicit information with an evident link to the Parliament's decision, with an increased degree of comparability between different years and in relation to the Parliament's decisions. This could involve the development of the Armed Forces' mission-based organisation, basic organisation and capability, for example.
- Formulate the assessment of operational capability so that there is no confusion about what has been assessed. This involves clarifying whether the assessment is performed based on the parliamentary requirements or based on the requirements to accomplish the past year's tasks. It also involves further explanation of the relationship between references to national security circumstances and the assessment of capability.
- Explain in more detail the significance of any changes made to objectives and requirements, in relation to previous objectives and requirements, and particularly in connection with the transition between defence or policy decisions.
- Strengthen central and comprehensive monitoring of defence decisions by submitting a proposal in the next governmental defence bill for a clearer designation of responsibility regarding the regular and comprehensive monitoring of the Parliament's defence or policy decisions and the further development of the Armed Forces.

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Recommendations to the Armed Forces

In addition to its reports being directed towards the Government, the Armed Forces also contributes to the Parliament's insight and the public's understanding of the Armed Forces through its open reporting. This issue is important particularly in light of the major restructuring of the Armed Forces which features a new staff provision system based on voluntary participation, one which does not provide the same natural public insight as the previous conscription system. The National Audit Office therefore recommends the Armed Forces to:

- More clearly relate its information to the significance of the modified objectives and requirements in connection with previous objectives and requirements, and particularly in connection with the transition between defence or policy decisions. The Armed Forces' reports can also, to a greater degree, include comparisons and descriptions over longer periods of time.
- Clarify the relationship between the capability level of the government authority, given established requirements, and the tasks accomplished by the Armed Forces during the year. This also involves a further explanation of the relationship between national security issues and the assessment of capability.

