



COUNTERING TRANSNATIONAL CORRUPTION GRAND CHALLENGE FOR DEVELOPMENT: PARTNERSHIP OPPORTUNITIES

ABOUT GRAND CHALLENGES FOR DEVELOPMENT

USAID's Grand Challenges for Development initiative was launched in 2011 to provide a model to mobilize a diverse range of stakeholders, including governments, companies, and foundations to bring in new voices to solve development problems and to source and scale novel and proven innovations, solutions, and ideas. Grand Challenges stakeholders range from small and medium enterprises to multinational corporations, from local community groups to global networks, and include women-, youth-, minority- and locally-owned and serving businesses and organizations.

Since the Grand Challenge program's inception, USAID has invested \$138 million and launched eleven Grand Challenges around critical development challenges from powering agriculture to fighting Ebola. These programs - which have leveraged \$396 million in partner funding and an additional \$972 million in funding from external investors - have resulted in 786 innovations and solutions from at least 84 countries. With the focus on utilizing a range of instruments, Grand Challenges provide an ideal format for engaging a wide range of stakeholders in tackling thorny problems like transnational corruption, for which there are no easy answers.

ABOUT THE COUNTERING TRANSNATIONAL CORRUPTION GRAND CHALLENGE FOR DEVELOPMENT

THE PROBLEM. Transnational corruption strips countries of their wealth that should be used to lift people out of poverty and deliver much-needed social services.

As Administrator Samantha Power explained in laying out her <u>vision for USAID in November 2021</u>, corruption is development in reverse. When money gets diverted from public coffers to private bank accounts, roads and schools do not get built. When politicians use their positions of power to extort and demand payment for basic health services—like vaccines—citizens suffer. And when high-level government officials are persuaded to do the bidding of foreign nations through bribery or coercion, entire ministries are repurposed to advance the needs of another country, over the needs of their own citizens, eroding faith in democracy itself.

THE APPROACH. In support of the Biden-Harris Administration's elevation of corruption to a national security priority and call to meet the significant and evolving challenge of corruption, USAID is developing a suite of bold new programming to transform the fight against corruption.

As the vanguard of USAID's suite of anti-corruption programs in the <u>Presidential Initiative for Democratic</u> <u>Renewal</u>, the *Countering Transnational Corruption Grand Challenge for Development (CTC Grand Challenge)* will **leverage innovation and collaboration** to prevent corrupt actors from siphoning off critical resources that should be used for the public good by:

- Harnessing the power of both novel and proven approaches, tools, and technologies;
- Leveraging and mobilizing the private sector;
- Partnering with local solvers and influencers; and
- Fostering collective action through diverse networks.

Grand Challenges leverage the knowledge and expertise of diverse stakeholders to support collective problem solving and identification of new solutions. By mobilizing their convening power and networks, Grand Challenge partners draw global attention to a development problem and bring new voices to the table – building a coalition that is diverse, powerful, and agile. The CTC Grand Challenge will detect and disrupt **illicit finance and trafficking in commodities**; strengthen transparency and accountability in **global supply chains**; and promote standards, practices, and norms that **enhance integrity** in the public and private sectors.

The five-year CTC Grand Challenge provides an overarching umbrella for engaging a diverse range of stakeholders to counter transnational corruption. Fundamental to the Grand Challenge is the ability to utilize a range of instruments to develop, test, and scale-up solutions, including pay-for-results prize competitions or challenge calls to source and pilot technologies and other innovations that reduce corruption risks and detect and disrupt illicit finance and trafficking of commodities; mentorship on aspects of business integrity; partnership brokering and matchmaking to connect partners from across sectors and regions; and capacity-building activities. The Grand Challenge will develop a broad cohort of partners from across the globe, leveraging their strengths and networks to curb the threat of transnational corruption.

PARTNERSHIP LEVELS

Supporting the Grand Challenge can be done in different capacities, depending on the type of support and expertise you are able to provide. For the *CTC Grand Challenge*, three levels of partnerships have been designated: *Foundational, Operational, and Outreach*. The expectation is that with an expanded network, the Grand Challenge will create a common virtual marketplace where a diverse array of expertise and stakeholders connect and where risk is shared, but also common interests are met. With partnerships, solutions will be able to be scaled up and innovative ideas made reality Below is a more detailed explanation of what the different types of partnerships entail.

Foundational Partners: Foundational Partners commit at least \$3 million over five years in funding to support the CTC Grand Challenge. In addition, Foundational Partners leverage in-kind assistance and networks, conduct technical and operational outreach through their networks, and contribute to CTC Grand Challenge strategy, oversight, and management.

Operational Partners: Operational Partners commit financial or in-kind assistance that is critical to one or more components of the CTC Grand Challenge or that support a specific activity, such as a prize competition, a call for innovations, or an event or workshop. Operational Partners may also provide targeted technical assistance, mentorship, or matching funds as needed to support the growth and scaling of innovative solutions sourced through the CTC Grand Challenge. Operational Partners also conduct outreach (as described below) and may contribute in a limited capacity to management and strategic decision-making around the activity to which they contributed.

Outreach Partners: Outreach Partners support awareness-raising, visibility, outreach, and advocacy by creating and sharing Grand Challenge promotional materials (blogs, articles, op-eds, videos, multimedia) with their networks through social media and communications platforms, publications, events, and other channels.