USAID ANTI-CORRUPTION POLICY

September 2022
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WELCOME MESSAGE

Corruption stymies development and crushes faith in democracy, upending the entire notion of a government acting on behalf of the people. It impacts the most vulnerable in society, and has far-reaching implications for us all. Corruption stands in the way of citizens receiving essential services – from health to education. It undermines elections as well as trust in public officials. With its linkages to trafficking in timber, wildlife, and other natural resources, corruption accelerates deforestation, the loss of biodiversity, and the risks of climate change. And it exacerbates humanitarian emergencies and food insecurity due to the diversion of life-saving resources.

While corruption is a long-standing challenge, the stakes have grown higher than ever – enabled by vulnerabilities in the global financial system, facilitators in key industries, and authoritarians who weaponize corruption as a means of foreign domination. Yet historic opportunities also exist for rewriting the social contract. Corruption is the Achilles’ heel of authoritarian regimes, which are threatened by the global surge in peaceful protests against graft. Corrupt officials are struggling to contain pandemics and respond to natural disasters, exposing their bankrupt model of development. At the same time, citizens, governments, and investigative journalists are building regional and global networks like never before – to follow the money, expose wrongdoing, hold the corrupt accountable, and spur reform.

To meet both the challenges and the opportunities of this moment, I am pleased to release the USAID Anti-Corruption Policy. This Policy firmly establishes anti-corruption as a core Agency priority – to be brought out of the shadows and confronted squarely as the menace to development and democracy that it is. It promulgates a new definition of corruption that emphasizes the inherent nature of corruption as a system in which the powerful subvert the public good in service of their own personal, economic, and political interests. And it solidifies USAID’s emphasis on transnational corruption, grand corruption, and kleptocracy, consistent with the U.S. Strategy on Countering Corruption. This Policy is rooted in deep bipartisan consensus and founded on a recognition that addressing corruption abroad enhances the well-being of Americans, safeguards taxpayer funds, and creates a more level playing field for U.S. businesses and workers.

USAID’s Anti-Corruption Policy is not merely aspirational. This Policy commits the Agency to a bold array of actions, building on decades of work on this topic. Our flagship Transforming the Fight Against Corruption Initiative will bring together existing programming to tackle corruption and kleptocracy within countries alongside groundbreaking efforts to tackle corruption across borders. Through this work, we will constrain opportunities for corruption, raise the costs of engaging in corruption, and incentivize integrity in the public and private sectors. We are also catalyzing new commitments – across climate, humanitarian assistance, global health, peace and security, gender equality, democracy, food security, and other arenas – to protect public goods from diversion and build democracies’ resilience to foreign cooptation.
To enable our continued leadership, this Policy modernizes USAID’s approach to anti-corruption, including through increased programmatic resources, strengthened staff capacity, and a permanent organizational home. We will leverage the full range of USAID capabilities – from our programming to our policy voice and public platforms, from collaboration across the interagency to our convening power with other donors. This work will be complemented by a renewed focus on safeguarding our own assistance, to ensure it meets its intended purpose rather than inadvertently fueling corruption.

Just as we adapt our approaches to address today’s corruption, we know the threat will continue to evolve. To keep pace, we are committing to learning, consulting, and iterating as we go. This includes revamping our toolkit to more nimbly respond to historic windows of opportunity for uprooting kleptocracy, as well as preparing for the backlash that often comes from confronting corrupt networks. Through it all, we invite partnership with local reformers, activists, business leaders, other donors, and all those committed to ensuring that public resources deliver for the public good.

[Signature]

Shannon Green
Executive Director, Anti-Corruption Task Force, USAID
ACRONYMS

E&L  Evidence and Learning
EITI  Extractive Industries Transparency Initiative
GBV  Gender-Based Violence
GH  Global Health
ICF  Illicit Capital Flight
MEL  Monitoring, Evaluation, and Learning
NSSM-1  National Security Study Memorandum-1
OGP  Open Government Partnership
OP  Operational Plan
PIDR  Presidential Initiative for Democratic Renewal
PPR  Performance Plan and Report
PRC  People’s Republic of China
RAS  Risk Appetite Statement
TFAC  Transforming the Fight Against Corruption
USAID  United States Agency for International Development
UNDERSTANDING CORRUPTION TODAY AND WHY IT MATTERS

U.S. Commitment to Countering Corruption

For decades, USAID has been a pioneer in the anti-corruption arena. From its groundbreaking 2004 Anti-Corruption Strategy to its widely-referenced 2015 Practitioner’s Guide for Anti-Corruption Programming to its cutting-edge work at the country-level, the Agency has consistently brought thought leadership and development expertise to global efforts to curb corruption.

In 2021, this work received a major boost. Recognizing corruption as a fundamental threat to “economic equity, global anti-poverty and development efforts, and democracy itself,” President Joseph Biden released National Security Study Memorandum-1 (NSSM-1) in June 2021, establishing the fight against corruption as a core national security interest. NSSM-1 initiated a review of existing approaches and led, in December 2021, to the release of the first-ever U.S. Strategy on Countering Corruption (“the U.S. Strategy”).

The U.S. Strategy is groundbreaking in its breadth. It lays out a comprehensive, whole-of-government approach for how the United States will prevent, limit, and respond to corruption and related crimes, domestically and internationally. The U.S. Strategy places special emphasis on the transnational dimensions of corruption, acknowledging the ways in which corrupt actors have exploited legal and regulatory deficiencies in the U.S. and other financial systems to launder their ill-gotten gains. It also confronts how corruption has been weaponized by foreign actors to undermine sovereign states and advance narrow geopolitical interests. The U.S. Strategy identifies new actions to hold perpetrators accountable and strengthen the multilateral architecture to decrease the prevalence of corruption. Finally, it reinforces the importance of foreign assistance as a key lever in preventing and combating corruption, especially when combined with diplomacy.

Across all of these efforts, the U.S. Strategy commits the interagency to consultation and collaboration with a diverse array of partners and continuous assessment and refinement of our approach. This Strategy, building on the United States’ longstanding leadership in the global fight against corruption, aims to enshrine anti-corruption as a central plank of our foreign policy and development agenda.
Defining Corruption

There is no single, widely-accepted definition of corruption. Historically, USAID has defined corruption as the misuse of entrusted authority for personal gain. Given new global dynamics – including the multiplicity of actors engaged in corruption, their motivations, and the cross-border networks that facilitate their abuses – this definition no longer suffices. For instance, USAID’s prior definition focuses exclusively on the behavior of public officials; yet it is clear that corruption often relies on not just elected officials and public sector employees, but also private sector entities, financial institutions, service providers, and ordinary citizens. Similarly, the prior definition’s focus on economic gain belies the increasingly political, strategic, and transnational nature of corruption, including its linkages to internal actors who seek to retain their hold on power and to external actors who seek to co-opt the democratic institutions and processes of other countries as a tenet of their foreign policy.

USAID’s New Definition of Corruption
Corruption is the abuse of entrusted power or influence for personal or political gain. Whether corruption is perpetuated by public officials or external actors, its defining characteristic is the exploitation of power and access to subvert the public good in service of narrow personal, economic, or political interests.
As such, this Policy promulgates a new definition of corruption: *the abuse of entrusted power and influence for personal or political gain*. At the heart of this definition is the exploitation of power – both formal and informal – to divert, misappropriate, or capture resources, goods, and access that should be used in service of the public good. This definition recognizes that corruption can take multiple forms, all of which carry significant societal and human costs.

Updating our understanding of corruption requires that we shift our conception of corruption from a purely country-level matter to one enmeshed in and exacerbated by transnational dynamics. This has considerable implications for USAID’s approach, as outlined in this Policy. While systemic corruption remains a pervasive challenge in countries around the world, it has also metastasized into a global malignancy, beyond the purview of individual countries or communities. A number of factors are at play: corrupt actors have learned how to exploit deficiencies in anti-money laundering systems, as well as in other critical transparency, oversight, business, and tax regimes, to stash the proceeds of their graft in the United States and other financial centers; an industry of professional “enablers” has emerged to help corrupt clients launder their dirty money and reputations; and corruption has converged with transnational criminal networks engaged in trafficking of persons, arms, drugs, conflict minerals, and other illicit goods. Consequently, corruption today amounts to a massive transfer of resources from developing to developed countries.¹

While corruption can take different forms, it is important to note what corruption is not. There are many illegal or undesirable acts with negative social effects that do not meet the definition of corruption. For example, selling narcotics on the street is typically illegal, but unless it is facilitated by a public official for personal or political gain, it is not corruption. Likewise, ineffective and perhaps even negligent public service delivery may result in bad outcomes and may even be driven by bad intentions (bias or apathy), but unless it is due to the exploitation of power for personal or political gain, it is not corruption. Separating corrupt acts from more benign (yet problematic) forms of public mismanagement or even public misfeasance can be complex. Yet, it is necessary in order to identify entry points and adopt approaches that address the heart of the problem.

Corruption’s Impact on Development and Democracy

Corruption is a major impediment to equitable, inclusive, and sustainable development and democracy. As Administrator Samantha Power explained in laying out her vision for USAID in November 2021, corruption is development in reverse: it deters quality private investment, depletes health budgets, diverts life-saving humanitarian assistance, accelerates environmental devastation and climate change, and robs children of a quality education. Rampant graft fuels public outrage with predatory institutions, aggravating state fragility and enabling armed groups to present themselves as a better alternative to corrupt governments.

While corruption inflicts grave damage on political systems and societies, it is also a profound personal injustice. Women and marginalized communities bear the brunt of these harms, as corruption exacerbates unequal power relations and reinforces political, social, and cultural exclusion.2 Administrative corruption places a particular burden on the poor, making their situation even more precarious, while women and girls face egregious forms of abuse, including sexual exploitation, when seeking public services.

Corruption has always existed. However, as corrupt actors and kleptocrats have become more adept at abusing weaknesses in the global financial system, they have been able to siphon off even larger shares of a country’s wealth. The World Economic Forum estimates that corruption costs a shocking $3.6 trillion annually; or 5% of the world’s GDP. Likewise, the United Nations Conference on Trade and Development (UNCTAD)’s Economic Development in Africa Report has noted that every year an

### Sectoral Impacts of Corruption

Corruption diverts resources from investments that could save lives and accelerate locally-led development. It also undermines trust in government and fuels crime.

- **In the economic growth sector**, 30% of businesses surveyed experienced bribery and corruption, with an estimated financial impact exceeding $42 billion.[1]
- **In the water and sanitation sector**, corruption siphons off almost a third of public resources, equaling annual losses topping $75 billion.[2]
- **In the health sector**, over 80% of people in low income countries have experienced corruption—including requests for informal payments or bribes, ghost workers and absenteeism, referrals made on the base of personal profit, and counterfeit pharmaceuticals—at an estimated loss of $500 billion per year.[3]
- **In the environment sector**, corruption facilitates poaching, the illegal timber and fisheries trade, and wildlife trafficking, generating billions in illicit income every year.[4]
- **In the education sector**, governments in Africa with high rates of illicit capital flight (ICF) spend 58% less on education than those with low rates of ICF.[5]
- **In the democracy, human rights, and governance sector**, 98% of the 331 murders of human rights defenders in 2020 occurred in countries with high levels of public sector corruption.[6]
- **In the peace and security sector**, police are often perceived to be the most corrupt governmental institution, with over one-third of survey respondents in 34 countries reporting having to pay a bribe to get help from the police or avoid problems.[7]

For more information about the sectoral impacts of corruption — and entry points to address it — see USAID’s Anti-Corruption Integration Guide.

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estimated $88.6 billion — equivalent to 3.7% of Africa’s GDP — leaves the continent as illicit capital flight. These are resources that should be used to lift people out of poverty and deliver much-needed social services. In fact, with the resources lost to illicit capital flight each year, Africa could almost halve the $200 billion shortfall in annual financing needed to achieve the Sustainable Development Goals by 2030.

In recent years, corruption has also taken a greater toll on democracy, governance, and the rule of law. From paying off election officials to bribery of policymakers to collusion in public procurement, corruption upends both the mechanics of democracy and the outcomes citizens seek. Against this backdrop, dissatisfaction with democracy, especially among youth, has reached an all-time high. The prospects for accountability, to help overcome these obstacles, are often scuttled by corruption in the judiciary and capture of the media sector. Corruption’s stranglehold on democracy has grown even tighter as authoritarians learned to combine the old playbook of stealing public funds to pay off would-be dissenters with newer techniques: information warfare to malign anti-corruption champions, technological tools to surveil them, and legal harassment to silence them.

The threat corruption poses to democracy has been further exacerbated by the weaponization of corruption as a means of foreign domination. Authoritarians increasingly deploy “strategic corruption” to capture powerful individuals — politicians, judges, and the like — in target countries, buying their loyalty with covert campaign donations, sweetheart procurement deals, or other corrupt enticements. By inducing public officials to prioritize corrupt foreign interests above the interests of their own people, strategic corruption shatters the social contract that is meant to bind a government to its citizens.

Translocal Action Against Kleptocracy

Bringing kleptocrats to justice can be a long, arduous, and uncertain process. In countries where assets are stolen by the powerful, accountability is often lacking, and pursuing justice can be dangerous. Against this backdrop, translocal coalitions are finding new avenues for recourse, including working together to gather evidence across borders and pursuing legal action in countries where stolen funds are laundered and spent. In the Biens Mal Acquis case, an international coalition of organizations and activists used strategic litigation to pursue assets acquired on French soil by the leaders of Congo-Brazzaville, Gabon, and Equatorial Guinea. In 2017, Vice President Teodoro Obiang from Equatorial Guinea was tried and convicted in French courts on charges of diverting corruptly acquired funds into investments on French territory. As a result, French courts confiscated Obiang’s $120 million mansion in Paris, along with $5.6 million worth of luxury cars. The civil society organizations engaged in this fight scored another victory in 2021, when the French National Assembly passed asset repatriation legislation that would ensure assets seized in international corruption cases, such as the Biens Mal Acquis trials, would return to the country from which they were stolen. This example powerfully demonstrates what is possible when local civil society groups, who have critical information necessary for litigation and are most directly affected by kleptocratic rulers, collaborate with international and diaspora groups, who are in a position to support legal processes and media campaigns that highlight the extent to which “safe haven” countries are implicated in transnational corruption and kleptocracy.


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6 Ibid.
These trends have undercut development progress. Corruption has substantially contributed to the rise in extreme poverty for the first time in over 20 years\(^8\) and to 16 consecutive years of global democratic decline.\(^9\) Yet, it is also an Achilles’ heel for authoritarian regimes. In warping government institutions to work for the exclusive benefit of the wealthy and well-connected, corruption inflames popular resentment and mobilizes citizens like few other issues. With this Policy, USAID is confronting these challenges and opportunities with urgency and resolve, durably placing anti-corruption at the top of its development agenda.

ADAPTING TO A CHANGED CORRUPTION LANDSCAPE

As described above, corruption has transformed. So must we. This Policy represents both an elevation and reorientation of USAID’s anti-corruption efforts. It shifts the types of corruption the Agency will emphasize, the outcomes we will pursue, and the tools and capabilities we will bring to bear on this problem set.

Emphasizing the Most Pernicious Forms of Corruption

USAID has historically concentrated on exposing, preventing, and mitigating administrative corruption, especially through transparency and e-governance initiatives. This work has had a demonstrable impact in specific sectors and communities, and should continue where it poses a direct threat to USAID’s mission and is prioritized by local actors. However, given the drivers and manifestations of corruption today and the perils facing global development and democracy, going forward, USAID will enhance its focus on transnational corruption, grand corruption, and kleptocracy. To curb transnational corruption, the Agency will adopt new modalities and approaches at the global, regional, and country levels, especially to confront the rising dangers of strategic corruption and kleptocracy. We will connect our anti-corruption efforts with those targeting fragility and transnational organized crime, including by understanding the ways in which corrupt and criminal networks overlap, detecting and disrupting illicit finance and trafficking in high-value commodities, and improving information sharing across the U.S. government and with civil society. USAID will take particular aim at corruption that is undermining the functioning or legitimacy of democracy, such as high-profile grand corruption or electoral corruption. We will also prioritize the types of large-scale and high-level corruption that most profoundly limit development progress over the long-run.

Establishing Objectives to Guide USAID’s Work

With these contemporary corruption threats in focus, USAID’s anti-corruption work will advance the overarching goal of protecting resources crucial for development and restoring the promise of democracy as a system that works in the public interest. Our interventions at the global, regional, and country\(^{10}\) levels will advance this goal by pursuing three mutually-reinforcing objectives:

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\(^{10}\) USAID’s work at the country level includes national-level interventions as well as sub-national activities.
● **Constrain opportunities**: USAID will reduce opportunities for those with entrusted power to engage in corrupt behavior, launder the proceeds of their crimes, and enjoy their ill-gotten gains by addressing legal and procedural deficiencies; strengthening disclosure requirements for public officials and political candidates; digitizing government services; introducing open procurement systems; and improving fiscal transparency.

● **Raise the costs**: USAID will impose consequences on corrupt actors – both as a means of accountability and as a deterrent – and increase the stakes of inaction by bolstering exposure of corruption, supporting advocacy and coalition-building, boosting oversight bodies and functions, and improving investigation and enforcement capacities.

● **Incentivize Integrity**: USAID will create positive inducements for controlling corruption and improving governance in the public and private sectors by publicly recognizing integrity and cultivating a race-to-the-top in high-risk industries, promoting adherence to global norms and standards, and driving investment towards environments experiencing historic anti-corruption openings.

In advancing these objectives, USAID should look beyond technical or institutional fixes and consider the attitudes, beliefs, and norms that perpetuate corruption, within countries and transnationally. For instance, nascent research reveals how social norms in organizations and communities – especially a desire to belong – may encourage individuals to act in ways that are contrary to their own belief systems and interests.\(^\text{11}\) Thus, as we strengthen institutions, policies, laws, procedures, and other means of curtailing corrupt behavior, USAID will also address the formal and informal incentives molding individuals’ and groups’ actions.

\(^\text{11}\) Social norms are the mutual expectations held by members of a group about the right way to behave in a particular situation. For more, see Scharbatke-Church, C. and Chigas, D., “Understanding Social Norms: A reference guide for policy and practice,” Leir Institute, Tufts University, September 2019, https://www.corruptionjusticeandlegitimacy.org/_files/ugd/0379c5_f6f60113cb70443daf96b83b4cf47f27.pdf.
Modernizing USAID’s Approaches

To confront today’s corruption challenges and achieve our objectives, we must update our toolkit. With a presence in over 100 countries, USAID’s comparative advantage is our ability to counter corruption in a way that is locally rooted and globally connected. For decades, USAID has engaged in the fight against corruption by strengthening the effectiveness, independence, and accountability of public-sector institutions, especially specialized oversight bodies and justice sector institutions. We have provided significant support to civil society groups and journalists leading investigations against corruption and calling for an end to impunity for corrupt acts. And we have partnered with private sector allies, reformers in government, and members of parliament to improve the business enabling environment in order to attract high-quality investment and promote economic growth. These interventions are critical and must continue — and in fact, be expanded. Yet, these domestically-focused approaches are not sufficient given the scope and scale of modern corruption.

This Policy calls on USAID to shift its approaches in order to address the transnational dynamics that are driving and exacerbating corruption. USAID should seek out opportunities to augment and adapt existing efforts focused on addressing corruption within a nation’s boundaries to also address counter corruption that cuts across borders. Interventions and entry points will always need to be context-specific and tailored based on in-depth analysis. Yet, because global corrupt actors exploit country-level weaknesses, there are methodologies and approaches USAID is using to combat corruption at the country level that can be modified to also target transnational corruption. Similarly, strategies currently targeted toward administrative corruption can be revamped to target grand corruption and kleptocracy. For example:

➢ **Current Approach:** strengthening institutions and supporting government officials to prevent, detect, investigate, and prosecute corruption that is confined within national boundaries
**Augmented/Adapted Approach:** helping institutions and reformers detect the inflow of covert campaign contributions or other forms of corrupt influence, disrupt the outflow of plundered resources, and build corruption cases that cross international borders

➢ **Current Approach:** empowering change agents in civil society and the media to expose corruption and demand reform to domestic laws, systems, or procedures

**Augmented/Adapted Approach:** catalyzing global, regional, and translocal coalitions of journalists and activists to uncover complex cross-border corruption schemes and advocate for reforms in the global financial system that reduce the ability of corrupt actors to offshore their countries’ wealth

➢ **Current Approach:** partnering with like-minded business leaders and associations to promote anti-bribery provisions, norms of transparency and accountability in the public and private sectors, and reforms that will level the economic playing field within a particular country

**Augmented/Adapted Approach:** mobilizing private sector leaders across high-risk industries and sectors to root out corruption in global supply chains and crowd-in quality investments in reform-minded countries

➢ **Current Approach:** preventing administrative corruption, such as a low-level official extracting a bribe in exchange for service provision or stealing a small amount of health commodities to supplement their income

**Augmented/Adapted Approach:** uncovering and disrupting grand corruption, such as collusion between senior officials, criminal rings, and private sector entities to capture an entire stream of investment or assistance (e.g., infrastructure or humanitarian) or pilfer a massive amount of medical supplies or pharmaceuticals to sell on the black market

To catalyze new programs and partnerships across all sectors and lift up existing interventions, USAID is launching the *Transforming the Fight Against Corruption* (TFAC) Initiative. TFAC will combine regional and global programs USAID announced at the first Summit for Democracy with our scaled up and revamped anti-corruption work to block corrupt actors from siphoning off their nation’s wealth and shield democracies from corrupt internal and foreign influence. It will unify the Agency’s anti-corruption efforts around three objectives – constraining opportunities for corruption, raising the costs of corruption, and incentivizing integrity in the public and private sectors – in order to protect resources from diversion and build democracies’ resilience to corruption and co-optation.
Applying a Progress Beyond Programs Mindset

Thoughtfully designed and executed programming has, and will remain, the bedrock of USAID’s work. However, USAID also knows that programs alone will not transform a problem as vast, pernicious, and intractable as corruption. To drive meaningful and durable change, we must use all of the tools at our disposal, in partnership with other U.S. departments and agencies. In that spirit, this Policy applies a “progress beyond programs” mindset to USAID’s anti-corruption efforts. This includes maximizing our policy voice, our strategic communication platforms, and our convening power to disrupt the networks and dynamics that sustain corruption.

USAID will achieve this vision by elevating and embedding anti-corruption throughout the Program Cycle, USAID’s operational model for planning, delivering, assessing, and adapting development programming in a given region or country. Missions, Bureaus, and Independent Offices (IOs) are expected to prioritize anti-corruption efforts, especially those focused on tackling transnational corruption, grand corruption, and kleptocracy, and affirmatively seek to mitigate corruption risks. USAID operating units should align their strategies, policies, programs, and practices, as appropriate, with the goal and objectives set out in this Policy and embodied in the TFAC initiative.
MOBILIZING FOR IMPACT: USAID’S LINES OF EFFORT

This section captures what the U.S. government’s elevation of anti-corruption means for USAID in concrete terms: the specific priorities we will pursue, the actions we will take, and how we will hold ourselves accountable. It “brings to life” the objectives and shifts discussed above, and is organized around six lines of effort:

1. Expanding USAID’s efforts to address contemporary corruption threats to keep pace with the drivers, enablers, and manifestations of today, especially as relates to transnational corruption
2. Exercising holistic and responsive leadership to marshal our range of capabilities during pivotal moments for anti-corruption reform and backsliding
3. Countering corruption across sectors to counter corruption that impedes development progress and tackle corruption from multiple angles
4. Forging new partnerships and coalitions to spur and sustain anti-corruption progress
5. Institutionalizing anti-corruption as a priority, elevating anti-corruption across the U.S. Government’s and Agency’s strategy, policy, and planning processes and frameworks
6. Safeguarding foreign assistance, to improve upon USAID’s already robust system of safeguards to prevent, detect, report, respond to, and mitigate the risk of corruption in U.S. foreign assistance

The commitments below were developed in close collaboration with stakeholders across the Agency and reflect the latest research and practice. Our hope is that sharing these plans publicly will invite exchange and partnership with outside stakeholders, as we collectively wrestle with the global
scourge of corruption. The priorities below reflect a three-year time horizon: a down payment on what is intended to be robust implementation of this Policy for many years to come.

**Evidence-Based Programming**

USAID held its first-ever Anti-Corruption Evidence and Learning Week (E&L Week) in January 2022. Anti-corruption experts and practitioners from the U.S. government, academia, think tanks, and civil society came together to discuss the evidence base on anti-corruption, share sectoral learning, and identify knowledge gaps. This Policy reflects the key lessons and takeaways from E&L Week, which include:

- Whole of U.S. government collaboration and information sharing is critical to advancing the U.S. Strategy on Countering Corruption and curbing transnational corruption.
- In-depth context analysis is essential for identifying entry points and prioritizing anti-corruption interventions. Anti-corruption programs should use tools like political economy analysis frameworks and learning questions to understand the political dynamics and incentives within countries and sectors.
- Informal movement and coalitions, especially with local actors in the lead, are often the most effective change agents.
- Recent experimental research points to the effectiveness of combining top-down corruption auditing and bottom-up social accountability practices, along with sanctions for wrongdoing.
- Emerging evidence highlights the influence of social norms on corruption and the need to shift cultures within institutions to affect lasting reform.
- Transnational corruption has significant connections with transnational organized crime and is pervasive in key sectors (e.g., extractives); beneficial ownership standards and other transparency measures can help.
- Responding rapidly and decisively – using a variety of tools and approaches – when reform windows open is vital for delivering on the promise of change and sustaining the window.

1. Expanding USAID’s Efforts to Address Contemporary Corruption Threats

*USAID will broaden the scale and scope of its assistance in order to better tackle transnational corruption, at the country level, regionally, and globally. USAID will place particular emphasis on addressing the weaponization of corruption by authoritarian regimes – a form of transnational corruption that has a particularly devastating impact on sovereignty, democracy, and sustainable development.*

**Planned Actions**

- **Activating innovative programming to counter transnational corruption:** USAID announced a bold suite of programs at the Summit for Democracy, under the umbrella of the Presidential Initiative for Democratic Renewal (PIDR) to address the different dimensions of transnational corruption. In furtherance of this Policy and as part of the TFAC initiative, USAID will deliver on these programmatic commitments:
The Empowering Anti-Corruption Change Agents Program, which will support civil society and media leaders in building the capacity and coalitions they need to demand change and engage in collective action. The program will enhance protection for whistleblowers, civil society watchdogs, journalists, and others at risk for their work on corruption. Through the new insurance mechanism Reporters Mutual, USAID will support liability coverage to help defend journalists and their organizations from defamation claims and allow them to continue their critical work;

The Countering Transnational Corruption Grand Challenge, which will build coalitions and source novel solutions to curb the threat of transnational corruption in four main areas: illicit finance, trafficking of high-value commodities, global supply chains, and public and private integrity;

The Global Accountability Program, which will surge support to high-vulnerability countries to prevent, detect, and mitigate corruption and build regional networks to take joint action against transnational corruption, kleptocracy, illicit finance, money laundering, and strategic corruption; and

The Anti-Corruption Response Fund, which will allow the Agency to identify and experiment with innovative anti-corruption approaches, support locally-led change, and mobilize in response to either windows of opportunity or situations of increased risk for corruption.

**Regional Commitments**

USAID will foster ties between government reformers and expand strategic communications assistance in Europe and Eurasia. In the Middle East, USAID will assist with the development and implementation of national anti-corruption plans and accelerate public financial management reform. USAID will expand support for investigative journalism focused on corruption in Latin America, while bolstering regional civil society and media networks to track illicit finance in Asia. And in sub-Saharan Africa, USAID will commission new research to inform a robust response to transnational and strategic corruption and kleptocracy.

- **Countering strategic corruption:** Corruption is a critical tool that external actors, particularly the People’s Republic of China (PRC) and the Russian Federation, use to undermine and gain influence over government institutions and markets. Other autocracies are increasingly engaging in these corrupt tactics as well. USAID will address this growing threat in creative ways, in partnership with the interagency.
  - **PRC:** As part of our affirmative development agenda, USAID seeks to create alternatives to PRC “gray zone” approaches and investment models that exacerbate corruption, threaten natural resources, contribute to debt dependency and distress, threaten host country businesses, and may not meet country development needs. Anti-corruption will be incorporated into each pillar of USAID’s approach to the PRC and an Analytical Brief will synthesize for USAID practitioners the linkages between PRC finance and corrupt activity. In addition, new attention will be paid to anti-corruption in the context of the Partnership for Global Infrastructure and Investment, including seeking alignment, where relevant, with Blue Dot Network\(^\text{12}\) standards for transparent and accountable investment. This new way of doing business will be communicated to public audiences, including via trusted local partners, in order to address PRC disinformation and build

12 “Blue Dot Network,” U.S. Department of State, [https://www.state.gov/blue-dot-network/](https://www.state.gov/blue-dot-network/).
resilience to strategic corruption. We will also seek to leverage implementation of the Indo-Pacific Strategy, including the Indo-Pacific Economic Framework for Prosperity, which includes a dedicated chapter on Anti-Corruption and Tax, as a means of facilitating peer learning and incentivizing high standards.

○ **Russian Federation:** USAID will encourage missions facing the brunt of the Kremlin’s strategic corruption to formulate objectives or results on this topic in their Country Development Cooperation Strategies or Strategic Frameworks, as USAID’s Mission in Ukraine has done. Execution of these strategies can be informed by the recently released USAID Dekleptification Guide, which collates lessons from countries that have confronted strategic corruption deployed by the Russian government and others. More broadly, as part of USAID’s Countering Malign Kremlin Influence work, USAID will confront the Kremlin’s instrumentalization of corruption by expanding our support for procurement transparency and digitalization, investigative journalism, and the resilience and communications capacity of civil society. USAID will also expand its support to the region through the European Democratic Resilience Initiative, with a focus on strengthening frontline anti-corruption bodies’ and actors’ ability to detect and deflect Kremlin-led strategic corruption. In addition, as part of the U.S. Government Strategy for Central Asia, USAID supports citizen-centered governance, independent media, rule of law, and other efforts to increase the resilience of Central Asian countries to corrupt influences, including those directed from the Kremlin.

2. Exercising Holistic and Responsive Leadership

*USAID will exert policy leadership and embrace agility and adaptation, to respond decisively to often fleeting windows of opportunity for reform – as well as backsliding. To help anti-corruption champions deliver on their promises and sustain windows of opportunity, USAID will mobilize resources, technical expertise, political support, strategic communications, and other forms of assistance from across the U.S. government and donor community. In situations where anti-corruption reforms are stalling or being reversed, USAID will mount a diplomatic and programmatic response, drawing in our partners from the interagency, civil society, philanthropic community, and multilateral organizations. Our development diplomacy and responses will be rooted in cutting-edge research and innovation.*

- **Establishing an Anti-Corruption Response Framework:** USAID will improve how it mobilizes to support fast-moving anti-corruption openings and/or backsliding situations. Through the creation of an *Anti-Corruption Response Framework*, the Agency will be better positioned to launch a decisive, networked, and nimble response that can be scaled to meet changing contexts and needs when an “anti-corruption moment” arrives. The Framework will emphasize the importance of:
  - conducting or synthesizing in-depth analysis of corruption dynamics and networks;
  - identifying opportunities to combat corruption, including by leveraging USAID’s political influence, public platforms, and convening power;
  - unlocking and aligning resources within the U.S. government and USAID to surge support to frontline actors at all stages of response – which includes laying the groundwork before a window opens, ensuring a timely response when the moment arrives, and pivoting quickly when it starts to close;
ensuring USAID adapts to changing conditions and is positioned to support civil society advocates, investigative journalists, policy reformers, and accountability institutions; and

- connecting local needs to flexible resources, support, and engagement from other bilateral donors, foundations, and the private sector.

To operationalize this Framework, we will:

- bring to scale USAID’s Anti-Corruption Response Fund, designed to support countries experiencing a reform opening, backsliding, or an opportunity for experimentation;
- widely disseminate and support application of USAID’s new Dekleptification Guide on seizing windows of opportunity for uprooting entrenched corruption – including through targeted engagement and donor coordination in countries experiencing a dekleptification opening;
- expand USAID’s ability to quickly program new funding; and
- surge programmatic and staffing support to Missions experiencing a historic opening for anti-corruption reform.

- **Sharpening and regularizing political analysis:** To respond effectively and agilely to new corruption threats and reform opportunities, it is imperative for USAID staff and operating units to maintain a fresh and detailed understanding of corruption dynamics, networks, and actors, both locally and transnationally. A number of resources exist to aid in this analysis, such as a “screening tool” included in USAID’s Anti-Corruption Program Cycle Guide; an integrated framework and methodology to conduct tailored anti-corruption assessments found in USAID’s Anti-corruption Assessment Handbook; and an analytical approach that elucidates why actors behave the way they do as reflected in Thinking and Working Politically (TWP) through Applied PEA: A Guide for Practitioners. Nuanced analysis is always critical for effective anti-corruption work; it is especially important when windows of opportunity open for dekleptification.

- **Deepening bilateral policy engagement:** USAID will use its policy voice in the interagency to highlight anti-corruption as a foreign policy imperative and exercise thought leadership in crafting anti-corruption strategies. This engagement will be informed by USAID’s long-term understanding of the political and social dynamics that fuel corruption. In dekleptification windows, we will align programming with diplomacy, informed by past lessons learned. In environments in which anti-corruption champions are threatened, we will advocate for protection measures and the strategic use of sanctions, as relevant.

- **Enhancing strategic communications for anti-corruption impact:** USAID will craft anti-corruption messages and products that staff across the Agency can use to lend solidarity to reformers, spur anti-corruption progress, and relay the vision and commitments embedded in this Policy. We will encourage USAID Missions and Agency communicators to tailor these messages so that they are solutions-oriented, align with local priorities, and resonate with key audiences. In fast-moving environments, we will leverage our public platforms to lift up reformers, sideline spoilers, and galvanize public support for sustained anti-corruption reform.

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13 See [https://www.usaid.gov/anti-corruption/dekleptification](https://www.usaid.gov/anti-corruption/dekleptification)
Advancing groundbreaking research and innovation: USAID will work across operating units, including Missions, to improve access to and operationalization of cutting-edge research, evidence, and data on corruption to inform experimentation, programmatic expansion and pivots, policy engagement, analytic work, and resources allocation. For example, USAID’s *State of Innovation Analysis on Countering Transnational Corruption* provides an overview of innovative approaches that can be leveraged by USAID Missions. Being on the cutting edge includes fostering Mission-to-Mission peer learning and implementing an analytic research agenda that will address emerging priority topics by commissioning and disseminating research. Initial topics include: applying social norms and behavioral change insights to anti-corruption, opportunities for impact in low political will environments, addressing corruption in the COVID-19 response, gray zone challenges in Asia, and responses to the challenges posed by transnational and strategic corruption and kleptocracy in sub-Saharan Africa. In addition, USAID will support the integration of economic analysis and behavioral economic approaches into programming, including building staff capacity to identify the drivers of corruption, the ways in which corruption might be enabling key government functions in a particular context, and potential responses. USAID will also exchange learning from research and innovation efforts with other U.S. government agencies, foreign government partners, and non-governmental partners.

3. Countering Corruption Across Sectors

*USAID will integrate anti-corruption approaches and considerations across our assistance portfolio in order to improve sectoral outcomes and counter corruption from multiple angles. USAID will also rally other donors to incentivize anti-corruption reforms and make game-changing investments in transforming the country systems that will be required for partner governments to lead development across key sectors with integrity, transparency, and accountability.*

Planned Actions

- **Identifying and acting on integration opportunities:** Building on successful experiences with integrated programming, USAID will identify points of entry for anti-corruption activities, such as addressing corruption risks in procurement across sectors or the promotion of open government and social accountability approaches to public service delivery. We will also support the integration of anti-corruption across USAID sectoral and regional strategies. To support these efforts, USAID is developing a suite of new resources and tools to support missions, bureaus, and independent offices in identifying and acting on integration opportunities. This includes a topline *USAID Anti-Corruption Integration Guide* to assist in the analysis, design, and measurement of cross-sectoral programming, as well as targeted Anti-Corruption Integration Handbooks for Global Health; Water and Sanitation; Economic Growth; Democracy, Human Rights, and Governance; Climate and Energy; and Environment sectors, among others. USAID’s Anti-Corruption Task Force will disseminate these products broadly across the Agency, and supplement the guidance with technical support to Missions and staff seeking to deepen integration at the programmatic level.

- **Advancing cross-sectoral anti-corruption action:** USAID Bureaus, Independent Offices, and Missions will take affirmative steps to deepen work on grand corruption and kleptocracy –
which can devastate development outcomes – as well as transnational corruption – given the importance of integrity in global supply chains. Notable examples include:

- **Climate, Energy, and the Natural Environment**: USAID will safeguard against corruption risk in climate finance by promoting high standards of transparency and oversight for both public and private financing. USAID will also continue strengthening energy transparency and promoting implementation of the Extractive Industries Transparency Initiative standard to contribute to reduced corruption in the extractives and energy sector. Additionally, USAID will continue its work to target natural resource corruption and promote legal and responsible sourcing of natural resources, with an expanded focus on reducing corruption in the supply chain of green energy minerals.

- **Humanitarian Assistance**: USAID will strengthen the capacity of national emergency response institutions and National Disaster Management Authorities to react to sudden crises in a manner that is more transparent and accountable to affected populations and underserved communities. In addition, we will better safeguard humanitarian assistance by:
  - Engaging with multilateral institutions to promote internal transparency, accountability, and anti-corruption standards
  - Coordinating across U.S. government humanitarian and disaster recovery agencies to enhance learning on anti-corruption best practices
  - Identifying areas for digital modernization in supply chain management and logistics procedures, both for USAID and our partners, to allow for greater transparency and accountability in the distribution of humanitarian resources
  - Continuing to enhance internal controls and risk mitigation measures, building on our robust suite of compliance tools for humanitarian assistance in non-permissive environments.

- **Global Health**: USAID has established an intra-bureau anti-corruption working group in the Global Health (GH) Bureau to advance evidence-based approaches to promote good governance, transparency, and accountability and to reduce the impact of corruption in the health sector. Given USAID’s significant investments in health commodities and the potential impact of corruption, we plan to expand our emphasis on risk management and efforts to increase transparency and accountability, particularly through GH’s NextGEN suite of redesigned supply chain contracts with increased Mission participation in risk surveys for analytics and assessments. USAID GH will also advance efforts to reduce corruption in the health sector through improvements to public financial management, strengthening the health workforce, and strengthening health systems. USAID will promote and disseminate technical guidance and tools for addressing corruption across these areas. Through these increasingly integrated, targeted, and deliberate interventions, GH will support Missions in reducing corruption where it has

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**Energy Transparency**

Power Africa, coordinated by USAID, commits to supporting transparent procurement practices for energy projects in Sub-Saharan Africa, both via technical assistance to governments and direct support as part of negotiations with the private sector.
the greatest impact, including working with select Missions to develop country-level plans for combatting the risk of supply chain related corruption. Furthermore, USAID will expand multilateral engagement on the need to better address corruption in the health sector through new partnerships with key international public organizations such as the World Health Organization. These partnerships will increase collaboration—facilitating the exchange of best practices on the ground to reduce corruption—and leverage complementary programs and activities across organizations.

- **Peace and Security**: USAID’s Center for Conflict and Violence Prevention will utilize its new Violence and Conflict Assessment Framework to ensure the meaningful analysis of corruption risk in countries affected by conflict and violence. Drawing from that analysis, USAID will advance conflict-sensitivity across its work, including a “do no harm” approach, to mitigate the risk that assistance could bolster corrupt actors locally. USAID will also integrate corruption considerations into implementation of the Global Fragility Act (GFA)—including analyzing and identifying opportunities to advance transparency and accountability for all GFA countries and incorporating anti-corruption into corresponding implementation plans where appropriate.

- **Gender Equity and Equality**: We will integrate considerations of the corruption/gender nexus into USAID’s program cycle, including as part of guidance for Agency gender analyses. As part of this process, USAID will develop a resource of anti-corruption programming ideas that would also meet USAID’s Gender Attribution requirements. This could include work on understanding and disrupting the links between illicit finance and anti-gender equality movements, accelerating political finance reform, increasing women’s meaningful participation in peace and political processes, building the capacity of women leaders to advocate for open governance, and deepening understanding of the connection between corruption and gender inequality. In addition, the impact of corruption on women’s meaningful political participation will be assessed in ten focus countries and findings incorporated into activity design. USAID will also review existing portfolios to identify where gender-based violence (GBV) and anti-corruption programming are concentrated in the same geographies or targeting overlapping populations, and explore new ways to address corruption as a driver of GBV and impunity. Through the implementation of the Women, Peace, and Security Act, the Agency will support policies and activities that examine corruption as it undermines the equity and equality of women and adolescent girls in areas of conflict and crisis, including in some of the ten countries referenced above.

- **Democracy, Rights, and Governance**: USAID will pursue a number of emerging opportunities to advance anti-corruption objectives through DRG programming, especially through new efforts being launched through the PIDR. This will include convening the international election integrity community and supporting Mission-led efforts to improve electoral integrity and to counter corruption in political party finances. Through the Media Viability Accelerator, USAID will focus on the development of market-based solutions to increase the financial viability of independent media, ensuring they have access to the resources needed to ensure public oversight and

accountability and expose corruption. Within USAID’s efforts to build resilience to dis-, mal-, and misinformation, the Agency will bolster the information ecosystems needed to detect and expose corruption, including access to information, while ensuring respect for human rights - including the right to expression. USAID’s civil society programming will redouble efforts to convene activists, reformers, and scholars to share successful practices, strengthen their protection measures, and collaborate to improve the efficacy and impact of social movements and collective action to counter corruption and advance reform. USAID’s Global Labor Program and Counter-Trafficking in Persons activities will work to identify and deter corrupt corporate and state practices that knowingly benefit from labor abuses in business operations and supply chains through the promotion of labor rights and greater accountability for nefarious actors. Within its rule of law work, USAID will deepen its focus on directly addressing corruption challenges within the justice sector (including through vetting senior officials and strengthening personnel practices for staff); strengthening the capacity of justice institutions (particularly the judiciary) to enforce open government practices and freedom of information requirements; and enhancing the capacity to investigate, prosecute, and adjudicate corruption cases. USAID will continue its proven public financial management and good governance interventions to reduce opportunities for corruption and strengthen public institutions.

- **Food Security and Water Security**: USAID will initiate dialogue with agribusinesses to focus on how corruption is accelerating the spread of counterfeit seeds and other inputs, while undermining meaningful regulation. We will explore a multilateral convening on this topic, and will support the use of digital technology through our programming that can reduce or eliminate corruption. USAID will incorporate anti-corruption principles into water security, sanitation, and hygiene (WSSH) sectoral guidance.

- **Exerting donor leadership to promote integrity in development**: As new initiatives take shape – particularly the Partnership for Global Infrastructure and Investment and our expanded work on climate finance – USAID will play a leadership role in advocating for concrete transparency and anti-corruption expectations for recipient countries, drawing from relevant components of the Blue Dot Network. To enshrine this approach, USAID could adopt and rally other donors around a *Statement of Principles*, articulating our shared commitment to transparency, accountability, and local ownership in key development sectors to promote long-term sustainability. In addition, USAID will encourage international and regional development banks, including through its seat on the board of the U.S. International Development Finance Corporation, to align their investment practices and priorities with the Administration’s anti-corruption agenda. The prospect of additional funding could be used to reward high performance and/or to motivate partner countries to undertake necessary anti-corruption and governance reforms.

4. Forging New Partnerships and Coalitions

*USAID will deepen its collaboration with other U.S. departments and agencies, Congress, multi-stakeholder bodies, and other donors to spur and sustain anti-corruption progress. USAID will also*
*seed purpose-driven partnerships with a diverse array of anti-corruption champions, especially in the private sector, civil society, and grassroots organizations.*

**Planned Actions**

- **Leveraging multilateral, donor, and multi-stakeholder bodies:** USAID will leverage its significant technical leadership at the multilateral and donor level to engage partners in countering corruption. As co-lead of the Summit for Democracy Financial Transparency and Integrity Cohort, USAID will promote the effective implementation of ambitious new global and bilateral commitments to tackle transnational corruption, illicit finance, and money laundering, including enhancing adoption and effective implementation of beneficial ownership standards, and financial detection, oversight, and investigation. We will continue championing the Open Government Partnership (OGP) as a vehicle for developing locally-owned commitments, including by encouraging the accession of new countries to OGP and deepening OGP implementation in target countries. USAID will increase support for implementation of the Extractive Industries Transparency Initiative (EITI) in order to pursue increased country membership and surge targeted support to priority sectors (such as the green energy transition). Leveraging its role as Co-Chair of the Anti-Corruption Task Team within the Organisation for Economic Co-operation and Development’s Development Assistance Committee, USAID will encourage bilateral donors to increase their focus and coordination around addressing transnational corruption and corruption’s impact on development. As part of the wider interagency team, USAID will work closely with other U.S. government stakeholders to maximize the opportunities to advance coalition-building and donor alignment through the United States hosting of the International Anti-Corruption Conference (2022) and the UN Convention Against Corruption Conference of States Parties (2023).

- **Mobilizing diverse partners:** USAID will cultivate a broad and diverse partnership base for countering corruption. For example, as part of the Countering Transnational Corruption Grand Challenge, USAID will mobilize a wide range of partners including businesses, associations, technologists, philanthropists, humanitarians, development practitioners, labor organizations, academia, civil society organizations, governments, and media. At the country level, USAID will develop new partnerships with the private sector, including supporting multi-stakeholder platforms between government, civil society, and the private sector to enhance collective action; increasing private sector engagement on and advocacy for government and business integrity, anti-corruption, and anti-bribery safeguards; incentivizing private companies to adhere to international standards of integrity and accountability; and calling on global enterprises to root corruption and illicit activity in their supply chains. Engagement with entrepreneurs will also be expanded given their crucial role in reform efforts.

- **Advancing localization:** As part of the Administrator’s localization agenda, USAID will expand engagement with, and support to, locally based – and particularly community-level – actors, whose insights and action are essential to anti-corruption progress. We will engage regional and local think tanks and experts in order to better understand the corruption context and explore creative grantmaking approaches to extend support to non-traditional partners while maintaining tailored corruption safeguards. In parallel, we will continue developing a resource for guiding USAID operating units in managing their fiduciary responsibilities while increasing partnership with local partners.
• **Improving coordination**: USAID will sustain agency-wide coordination groups on anti-corruption at both the working and leadership levels. The Asia Bureau also plans to launch a community of practice to exchange regional lessons learned. In parallel, we will strengthen engagement across the interagency, including on bilateral policy decisions, alignment of programming, public diplomacy, and development of holistic anti-corruption action plans for key countries. USAID will also engage with interagency counterparts to maximize the impact of U.S. government anti-corruption sanctions in order to improve the enabling environment for USAID programming and to support partners eager to pass actionable information to relevant authorities. USAID will proactively engage with Congressional colleagues to advocate for the resources and flexibility needed to exercise anti-corruption leadership and address corruption’s impact on development writ large. All of this work will be enriched by sustained external consultation with a range of local and global practitioners.

5. Institutionalizing Anti-Corruption as a Priority

*USAID will institutionalize anti-corruption as a priority through increased programmatic resources, strengthened capacity among an expanded cadre of staff, recognition of exceptional commitment and ingenuity, and a robust organizational home within the Agency. In doing so, USAID will elevate anti-corruption across U.S. Government and USAID strategies and policies.*

**Planned Actions**

- **Expanding resources**: USAID is committed to improving the scale, flexibility, and consistency of funding available to counter corruption in order to enable more robust, cross-sectoral, and responsive programming.
  - We will expand global and country-level anti-corruption programming, to enable new responses to transnational corruption and scale what works in confronting corruption within countries. This will involve Mission, Bureau, and Agency resource requests that reflect the increased prioritization of anti-corruption. Overall, we will advocate for increasing USAID resources for anti-corruption from $107 million in FY 2021 to $250 million in FY 2024. Actual resources are contingent on the availability of appropriated funds.
  - To complement an expansion in dedicated resources for anti-corruption, we will generate and disseminate a funding primer that highlights available flexibilities in the use of existing earmarked funds for addressing corruption in climate, health, and other sectors, consistent with legal and policy requirements and in response to corruption issues that inhibit the achievement of the goals underlying the earmarks. Further, we will engage across Missions to share effective practices to work within and across earmarks to address corruption challenges that address multiple sectors.

- **Bolstering staffing and structure**: USAID will establish a permanent and independent home for anti-corruption within USAID, with the human, technical, and programmatic resources and capacity required to support the continued prioritization of anti-corruption and responsiveness to openings (or backsliding). We will equip USAID with the human capital to support a robust anti-corruption agenda, both in Washington and at Missions, via direct-hire and program-funded positions. This will involve Mission, Bureau, and Agency resource requests that reflect the increased prioritization of anti-corruption and is contingent on the availability of appropriated
funds.

- **Building anti-corruption capacity:** USAID will cultivate and cross-train a network of USAID staff – in Washington and the field and across all technical areas and functions – to build a diverse cadre with anti-corruption proficiency. As part of this effort, USAID will develop a rigorous training curriculum, culminating in an anti-corruption certificate. We will also incorporate new anti-corruption guidance into staff orientation and ongoing trainings, including for Mission Directors and other USAID staff; support Foreign Service National staff in bolstering their expertise on corruption and enhancing their leadership role in advising on anti-corruption within Missions; and host rotations of Foreign Service Officers and Foreign Service Nationals from various backstops in the new anti-corruption unit to bring a wide range of experience to USAID’s anti-corruption efforts and increase staff knowledge, skills and abilities to identify and address corruption within their sectors. USAID will also explore opportunities to forward-deploy anti-corruption specialists in select USAID Regional Missions to enhance timely response, including to address transnational corruption dynamics and foster regional learning and capacity building across Missions.

- **Integrating anti-corruption into global, regional, and thematic strategies and policies:** We will work with the interagency to enshrine a focus on anti-corruption in core Administration strategies and USAID policy documents, including the USAID Policy Framework. USAID will ensure robust anti-corruption components are included in the development and implementation of a new USAID Democracy, Human Rights, and Governance Policy; the U.S. Transnational Organized Crime Strategy; the 2023 revision of the Women, Peace, and Security Strategy; the forthcoming Rule of Law Policy; and development of other sectoral and regional strategies.

- **Rewarding anti-corruption leadership:** USAID will support and empower Mission Directors and other USAID leadership in flexing USAID’s policy voice to advance anti-corruption. USAID will consider establishing an Award to recognize excellence in combating corruption at Missions and in Washington. Other actions under this banner include presenting on anti-corruption at USAID Mission Directors’ conferences and other convenings, and sustaining USAID’s Mission Champions Circle – a platform for peer learning and dialogue with Washington.

- **Strengthening Monitoring, Evaluation, and Learning (MEL) systems:** USAID will improve our ability to capture the totality of what the Agency is doing to combat corruption – including via more widespread use of Key Issue reporting – as well as how well USAID’s approaches are working on topics of shared interest like grand corruption. This will involve developing better standard indicators that more accurately capture the range of our work and the impact we seek, while encouraging the adoption of more anti-corruption indicators in non-DRG sectors. To strengthen our evidence base about what works, we will conduct more timely, iterative and robust program evaluations, with fit-for-purpose methodologies and longer time horizons to capture sustainability. Where feasible, we will commission more external impact evaluations of
USAID’s anti-corruption work, looking across sectors, regions, and/or modalities (i.e., programming as well as policy engagement, donor coordination, etc.). To cultivate learning from successful (and less successful) anti-corruption approaches, USAID will facilitate peer-to-peer learning across Missions, Bureaus, and Independent Offices. In this vein, USAID will issue new MEL guidance as part of forthcoming technical guidance. Throughout, we will apply USAID’s collaborating, learning, and adapting approach to anti-corruption programming, especially in politically fluid environments and when piloting experimental approaches.

6. Safeguarding Foreign Assistance

USAID will improve upon its already robust system of safeguards to protect the integrity of individual programs, safeguard development resources from corruption risk, and ensure that our overall assistance does not enable grand corruption. USAID will ensure that these safeguards are fit for purpose – including enabling USAID’s localization agenda – while increasing dialogue with interagency counterparts, implementing partners, and other donors to cultivate a common understanding of corruption risks and a safe space to discuss and develop creative strategies to reduce risks.

**Planned Actions**

- **Operational safeguarding**: USAID is committed to protecting the integrity of foreign assistance efforts and stewardship of taxpayer funds, in line with the [USAID Anti-Fraud Plan](#). Our operational safeguarding architecture includes risk management systems, acquisition and assistance controls and regulations, partner vetting, award management, monitoring and oversight, and capacity building and training, among others. By the end of FY 2022, USAID will issue a Safeguarding Reference Guide to highlight operational safeguards, risk management, and internal controls throughout the Program Cycle. This Reference Guide is part of a suite of tools being developed by USAID to facilitate uptake and mainstreaming of anti-corruption safeguards and processes throughout the program cycle. For example, USAID is exploring ways to improve third-party monitoring efforts by strengthening monitoring and oversight of financial controls and performance of USAID programs. USAID is ramping up capacity building of USAID staff through increased fraud awareness training.

- **Strategic safeguarding**: USAID will identify and address corruption risk at the strategic level and within the Agency’s programs, policies, and practices, while expanding efforts to ensure that foreign assistance and engagement do not inadvertently contribute to corrupt practices. This includes ensuring USAID’s strategies, plans, and interventions are fully informed by local context and carefully analyzed, designed, and implemented to, at a minimum, not inadvertently fuel
...In the absence of nuanced analysis of local political, economic, and social dynamics, adequate risk management measures, and alignment with other U.S. Government priorities, foreign assistance can be diverted or inadvertently reinforce corrupt power structures. To safeguard its assistance dollars, the U.S. Government must therefore assess the absorptive capacity of prospective partners, rationalize investments across the interagency, operate its programming with the utmost transparency, and ensure that its assistance efforts fully align with broader policy goals.

-United States Strategy on Countering Corruption, December 2021

corruption in a country and, ideally, to target the core drivers of grand corruption and kleptocracy. To bolster this work, USAID will develop a menu of risk mitigation measures for responsible programming in environments with severe corruption. We will also seek to develop a “common operating picture” of corruption risk with interagency partners alongside a unified approach to mitigating risk and reconciling competing policy priorities. As part of USAID’s engagement with international financial institutions and other donors, we will encourage reflection and action on these dynamics, to advance greater collective impact.

MEASURING OUR PROGRESS

USAID is committed to robust implementation of this Policy – demonstrating results, adapting where needed, and harnessing learning to inform future planning. The Anti-Corruption Task Force, and its successor unit, will be responsible for coordinating implementation of this Policy, in collaboration with counterparts across the Agency and interagency.

Rather than creating new reporting requirements, USAID will rely on information that is already mandated to assess alignment with and progress against this Policy. In particular, all USAID operating units are required to describe “activities that strengthen the overall ecosystem for combating corruption, including the capacity of countries to prevent, detect, investigate, prosecute, and sanction it” under the Anti-Corruption Key Issue in the Operational Plan (OP) and the Performance Plan and Report (PPR). It is critical that all bureaus, missions, and independent offices, regardless of sector, report their plans through this key issue so the ACTF, and its successor unit, can form a comprehensive picture of what USAID is doing to counter corruption.

Three years after this Policy’s release, the Agency will produce a progress report for the Administrator and the public, which will be shaped by an external evaluation and information furnished through the OP and PPR. Monitoring of and reporting against this Policy – and the concrete actions it commits to – will be complemented by USAID contributions to an annual report to the President regarding progress toward implementing the U.S. Strategy, as informed by quarterly interagency progress updates. USAID will also offer a briefing to Congressional committees on progress made in implementing this Policy at least once a year.

In addition, as a learning organization USAID will build opportunities to pause, learn, and adapt the approaches in this plan. This may involve consultations with USAID operating units and Mission stakeholders, aimed at assessing progress and identifying growth areas, drawing from existing
indicators. This process will be informed by a stocktaking exercise conducted in 2021, which provides a baseline for the Agency’s anti-corruption activities.
Commitments in this Policy also advance implementation of the U.S. Strategy on Countering Corruption, as summarized in the chart below.

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<td>2 - Exercising Holistic and Responsive Leadership</td>
<td>Enhancing strategic communications for anti-corruption impact</td>
<td>I. Modernizing Coordinating and Resourcing U.S. Government Efforts to Better Fight Corruption</td>
<td>1.2 improve information sharing domestically and internationally</td>
<td>V. Improving Diplomatic Engagement and Leveraging Foreign Assistance Resources to Advance Policy Objectives</td>
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<tr>
<td>2 - Exercising Holistic and Responsive Leadership</td>
<td>Advancing groundbreaking research and innovation</td>
<td>I. Modernizing Coordinating and Resourcing U.S. Government Efforts to Better Fight Corruption</td>
<td>1.1 enhance corruption related research, data collection, and analysis</td>
<td>V. Improving Diplomatic Engagement and Leveraging Foreign Assistance Resources to Advance Policy Objectives</td>
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<td>3 - Countering Corruption Across Sectors</td>
<td>Identifying and acting on integration opportunities</td>
<td>I. Modernizing Coordinating and Resourcing U.S. Government Efforts to Better Fight Corruption</td>
<td>1.5 integrate anti-corruption considerations into regional, thematic, and sectoral priorities</td>
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<td>3 - Countering Corruption Across Sectors</td>
<td>Advancing cross-sectoral anti-corruption action</td>
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<td>3 - Countering Corruption Across Sectors</td>
<td>Exerting donor leadership to promote integrity in development</td>
<td>IV. Preserving and Strengthening the Multilateral Anti-Corruption Architecture</td>
<td>4.2 redouble our efforts in multilateral fora</td>
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<td>4 - Forging New Partnerships and Coalitions</td>
<td>Leveraging multilateral, donor, and multi-stakeholder bodies</td>
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<td>4 - Forging New Partnerships and Coalitions</td>
<td>Mobilizing diverse partners</td>
<td>I. Modernizing Coordinating and Resourcing U.S. Government Efforts to Better Fight Corruption</td>
<td>5.3 leverage innovation in the fight against corruption</td>
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<td>Improving coordination</td>
<td>V. Improving Diplomatic Engagement and Leveraging Foreign Assistance Resources to Advance Policy Objectives</td>
<td>5.1 elevate and expand the scale of diplomatic engagement and foreign assistance</td>
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<td>5 - Institutionalizing Anti-Corruption as a Priority</td>
<td>Expanding resources</td>
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<td>5 - Institutionalizing Anti-Corruption as a Priority</td>
<td>Bolstering staffing and structure</td>
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<td>1.4 organize and resource the fight against corruption</td>
<td>V. Improving Diplomatic Engagement and Leveraging Foreign Assistance Resources to Advance Policy Objectives</td>
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<td>5 - Institutionalizing Anti-Corruption as a Priority</td>
<td>Building anti-corruption capacity</td>
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<td>1.4 organize and resource the fight against corruption</td>
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<td>5 - Institutionalizing Anti-Corruption as a Priority</td>
<td>Integrating anti-corruption into global, regional, and thematic strategies and policies</td>
<td>I. Modernizing Coordinating and Resourcing U.S. Government Efforts to Better Fight Corruption</td>
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<td>Rewarding anti-corruption leadership</td>
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<td>5 - Institutionalizing Anti-Corruption as a Priority</td>
<td>Strengthening Monitoring, Evaluation, and Learning (MEL) systems</td>
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<td>5.4 improve consistency and risk analysis across foreign assistance</td>
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