Powering a Just Energy Transition Green Minerals Challenge
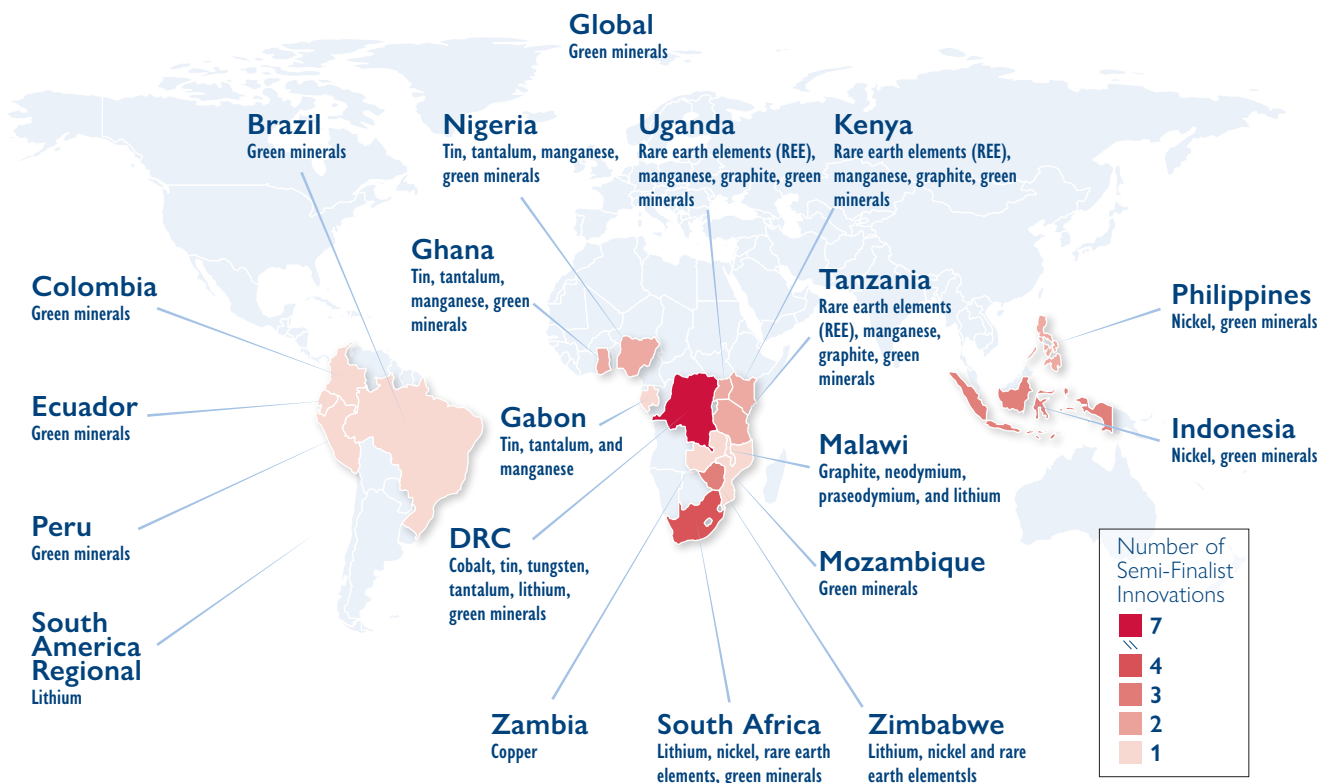
Rooting out corruption in green mineral supply chains

USAID · **amazon** · **CHANDLER FOUNDATION** · **BHP Foundation**

In 2022, USAID, in partnership with Amazon, BHP Foundation, and Chandler Foundation, announced its first activity under the Countering Transnational Corruption Grand Challenge for Development (CTC Grand Challenge): the Powering a Just Energy Transition Green Minerals Challenge (JET Minerals Challenge). The JET Minerals Challenge catalyzes the development, application, and scaling of innovations to counter corruption and strengthen transparency, accountability, and integrity in the global rush to meet unprecedented demand for green minerals. This open call for innovation welcomed problem solvers from around the world to submit new ideas as well as proven approaches to reduce corruption in green mineral supply chains. Of the nearly 60 concepts submitted, USAID, with the help of industry experts, narrowed it down to 20 semi-finalists.

At an event kicking off the week of the second Summit for Democracy, **USAID was proud to announce and honor the 20 JET Minerals Challenge semi-finalists**. The selected concepts represent significant diversity, geographically, sectorally, and in terms of the type of organization - including thirteen women-led lead organizations. More than half of the innovative concepts propose global or regional initiatives to address transnational corruption, while eight focus on a single country. Covering 18 unique geographies, some concepts address green mineral supply chains generally, whereas others target specific green minerals supply chains – ranging from lithium and tin, tungsten, and tantalum (known as the 3T's) to manganese and rare earth elements.

Global
Green minerals

Brazil
Green minerals

Nigeria
Tin, tantalum, manganese, green minerals

Uganda
Rare earth elements (REE), manganese, graphite, green minerals

Kenya
Rare earth elements (REE), manganese, graphite, green minerals

Ghana
Tin, tantalum, manganese, green minerals

Colombia
Green minerals

Tanzania
Rare earth elements (REE), manganese, graphite, green minerals

Philippines
Nickel, green minerals

Ecuador
Green minerals

Gabon
Tin, tantalum, and manganese

Malawi
Graphite, neodymium, praseodymium, and lithium

Indonesia
Nickel, green minerals

Peru
Green minerals

DRC
Cobalt, tin, tungsten, tantalum, lithium, green minerals

Mozambique
Green minerals

South America Regional
Lithium

Zambia
Copper

South Africa
Lithium, nickel, rare earth elements, green minerals

Zimbabwe
Lithium, nickel and rare earth elementsls

Number of Semi-Finalist Innovations
7
4
3
2
1

Powering a Just Energy Transition Green Minerals Challenge

JET Minerals Challenge semi-finalist innovations focus on the three objectives established in USAID's Anti-Corruption Policy:

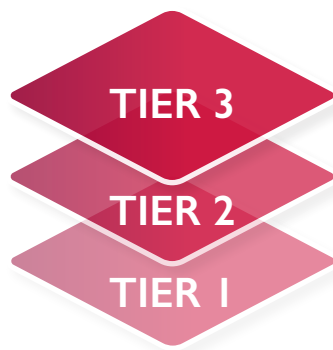**Constraining Opportunities for Corruption**

Raising the Costs of Corruption

Incentivizing Integrity in the Public and Private Sectors

These three vectors are not mutually exclusive. Although the semi-finalists are categorized among them, many of the concepts work on more than one of the vectors.

20 semi-finalist concepts and 3 tiers

TIER 3

9 Tier 3 organizations looking to **scale** (seeking $200,000 – $400,000)

TIER 2

8 Tier 2 ready to **prototype** (for $50,000 to $200,000)

TIER 1

3 Tier 1 solvers at the **ideation** stage (seeking up to $50,000)

Introducing the JET Minerals Challenge Semi-Finalists

Constraining Opportunities for Corruption

▸ In the Philippines, Bantay Kita, Inc. proposes the Open and Green Mining Initiative to scale up the provision of tools and technical assistance to empower small mining communities, resulting in a more transparent, accountable, and well-governed mining industry.

▸ In the Democratic Republic of Congo (DRC), Ecuador, and the Philippines, Sustainable Development Strategies Group proposes a Community Development Agreement (CDA) Digital Innovation Hub to facilitate public access to CDAs, increase transparency, and over time, enable communities and companies to ensure equitable management of mining impacts and benefits.

Raising the Costs of Corruption

▸ In the DRC, Kenya, Tanzania, and Uganda, BASIS International Limited proposes scaling an existing digital integrated anti-corruption whistleblowing platform to the Great Lakes Region. The platform will be tailored to combat corruption in the minerals supply chain.

▸ In the DRC, Ghana, Nigeria, and Mozambique, the Centre for Journalism Innovation and Development

proposes combining data aggregation tools; media and civic engagement; and capacity building for journalists, civil society, and anti-corruption practitioners on the use of data to enable transparency and accountability in the green minerals sector.

▸ In Malawi, Perekezi ASM Consultants proposes mobilizing civil society organizations, media, elected government officials, traditional leaders, and

government officials to oversee licensing, contracting, mining, and trading in the mining sector.

▸ Globally, Ethic Alliance, Inc. proposes scaling its established process combining an online reporting platform, global and local partnerships, public education, information sharing and public-private partnerships to raise the costs of corruption.

▸ In South Africa, Global Financial Integrity proposes implementing its risk assessment tool for trade invoicing in the South African Revenue Service, Central Bank, and Financial Intelligence Unit to reduce corruption and illicit flows and increase correct invoicing at customs.

▸ Globally, the Initiative for Responsible Mining Assurance proposes developing and piloting resources to directly engage affected communities, non-governmental organizations (NGOs), and workers, enabling them to understand the value of and prepare to contribute to an independent third-party audit, conduct their own assessments of a mine or mineral processing site, and use audit reports to protect their rights.

▸ In South Africa and Zimbabwe, Green Governance Zimbabwe and its partner proposes capacity strengthening activities like training and whistleblower protection for youth in mining communities, enabling them to engage duty bearers and mining companies to promote sustainable and mutually rewarding benefits from mining projects.

▸ In Brazil, Indonesia, and South Africa, the Global Initiative against Transnational Organized Crime proposes conducting an organized crime threat assessment of the green minerals sector, developing a tool that trains other stakeholders to conduct similar assessments, and providing training on utilizing the assessment and implementing appropriate responses.

▸ In the DRC, Resource Matters proposes providing documentation on emblematic cases of corruption to support sanction authorities' efforts in fighting transnational corruption in mining, particularly in the cobalt and lithium sectors.

Incentivizing Integrity

▸ In the DRC, IMPACT and its partners propose a three-part solution to increase transparency and monitoring among cobalt supply chain actors and state agents, including mapping and publishing all legally required payments, developing an anti-corruption index, and a digital tool to motivate upstream supply chain actors.

▸ In the DRC, The Impact Facility and its partner proposes reducing corruption in the cobalt mining and trading industry by developing and deploying incentives for the adoption of digital payment systems to bring more transparency to trade and establish a technical barrier to corrupt and fraudulent behavior.

▸ In Indonesia, Zambia, and Zimbabwe, Transparency International Australia and its partners propose refining and implementing its existing, online *Responsible Mining Business Integrity* tool, which offers companies involved in green minerals

extraction a flexible, effective, and systematic approach to understanding corruption risks in their operations.

▸ In Kenya, Tanzania, and Uganda, Adaptive Resources LLC and its partners propose disrupting corruption through their Adaptive Application's integrative set of services, including tailored Know Your Customer and Anti-Money Laundering tools, where users can assess, screen, and manage risks related to good governance and corruption in mineral supply chains.

▸ The Center for International Private Enterprise (CIPE) proposes establishing a Green Mining Transparency Scorecard to celebrate good governance and monitor and rank the transparency and accountability of different actors in the mining sector, incentivizing integrity and encouraging long-term, inclusive economic growth.

Focus of semi-finalist concepts:

1	**11**	**8**
Global	Multi-country	Single country

▶ In Gabon, Ghana, and Nigeria, MINEXX LTD and its partners propose a digital platform to facilitate access to financing and international markets for miners and traceability services for buyers. The platform partners with governments and private entities to spearhead the adoption of transparent systems in the mining supply chain.

▶ In Tanzania, Phimona Limited proposes scaling the Temisite application, an online platform connecting suppliers with buyers that aims to improve transparency and efficiency of the mineral supply chain, reducing corruption and poor governance.

▶ In the DRC, Datastake OU proposes to continue implementing an interactive database platform that classifies supply chain information and incentivizes information sharing to stimulate transparency, generate accountability, and constrain corruption opportunities.

▶ Talisman International proposes developing a dashboard collating publicly available but hard-to-find data on patterns of corruption relating to lithium extraction in South American source countries to inform the due diligence activities of companies procuring lithium for green technology.

Next on the Horizon for the JET Minerals Challenge

JET Minerals Challenge semi-finalists will join an in-person two-day innovation bootcamp, hosted alongside the OECD Forum on Responsible Mineral Supply Chains, in April 2023.

You can follow their journey and receive updates on the successful finalists by visiting the **CTC Grand Challenge website** or joining our CTC Grand Challenge network by emailing us at **challengecorruption@usaid.gov**.