

TITLE VII

# U.S. International Development Finance Corporation

Minimum Requirement F.Y. 2022

**\$833.68 million**

F.Y. 2021 Enacted

**\$569 million**

The DFC supports the **growth of markets that benefit U.S. businesses and consumers** overseas while creating a more prosperous global economy.

## DESCRIPTION

The U.S. International Development Finance Corporation (DFC) is the successor agency to the Overseas Private Investment Corporation (OPIC) and USAID's Development Credit Authority (DCA). The DFC partners with the private sector to finance solutions to help meet critical needs in housing, health, energy, infrastructure, water, and more in developing contexts.

## WHAT DOES IT BUY?

Funding for the DFC allows the agency to identify investment opportunities with developmental impact using equity; loans and loan guarantees; technical assistance; feasibility studies; political risk insurance; and other support to projects and companies in low to middle-income countries. Investing in both for-profit and non-profit initiatives, the DFC is designed to generate a return that is either reinvested in new projects or returned to the U.S. Treasury.

## WHY IS IT IMPORTANT?

- In **F.Y. 2018**, in over 800 projects worldwide, the DFC:
  - » Created over 1 million mobile connections.
  - » Provided over 100 billion liters of clean water.
  - » Supported more than 1 million patient visits to health care facilities.
  - » Generated over 190,000 gigawatt-hours of electricity.
  - » Empowered more than 310,000 smallholder farmers.
- A DFC partner, **Global Communities**, has provided more than \$1.4 billion in loans and guarantees for microfinance, small business lending, and housing in ten countries since 2002 to over 335,000 micro and SME businesses.
  - » This created over 80,000 jobs while sustaining over 300,000.
- The DFC worked with Habitat for Humanity's **Terwilliger Center for Innovation in Shelter** to create MicroBuild, the first housing-specific social investment vehicle.

- » The MicroBuild Fund has disbursed a total of **\$136.9 million** to 55 institutions across 32 countries and has served 190,000 households impacting approximately 950,000 individuals.
- Working with private sector partners in India, the DFC financed a mortgage lender \$4.7 million to provide approximately **1,200 home loans** to women in India.
  - » Aviom, which serves female borrowers in predominantly rural areas, provides loans at an **average value of \$4,000**. Affordable mortgages enable women to build homes they could otherwise not afford, secure housing benefits, and establish a credit history.

## WHY SHOULD AMERICANS CARE?

- The DFC supports the growth of markets that benefit U.S. businesses and consumers overseas while creating a more prosperous global economy.
- Complementing traditional overseas development assistance, the DFC provides innovative financing tools to support U.S. foreign policy. It can promote inclusion and economic growth for lower-income countries where the need for support, especially in jumpstarting economies after COVID-19, is crucial.

## COVID-19 IMPACTS

- COVID-19 has hit small and micro enterprises especially hard, and additional investment could allow the DFC to help them with business continuity and buy protective equipment.

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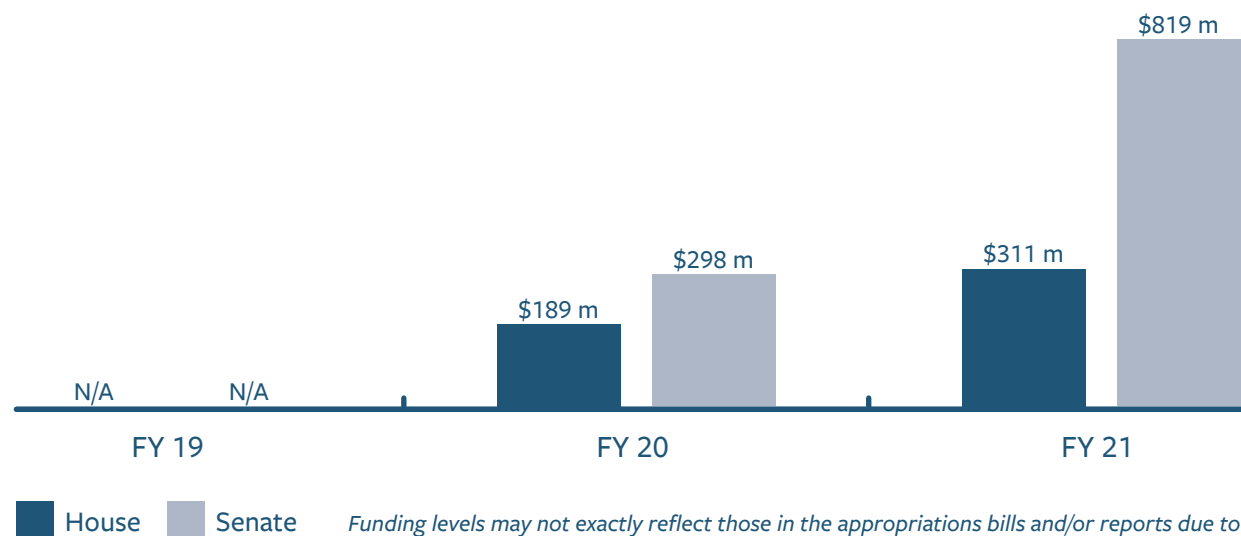
**\$569 million**



## WHAT MORE COULD BE DONE?

- Additional investment would allow the DFC to conduct more projects in lower-income countries—where the need for development is greatest and where economic fragility can lead to political and social instability.
- Funding can provide a remedy for DFC verified unintended project impacts.
- Additional funding for the DFC could support the agency in fully integrating gender into all aspects of the financing cycle.
- With additional funding, the DFC could be a leader in addressing the global climate crisis.

## FUNDING HISTORY



*Funding levels may not exactly reflect those in the appropriations bills and/or reports due to rounding*