

# United States

## U.S. International Development Finance Corporation (DFC)



**TYPE OF TOOL:**  
*Institutional reform*



**MAIN SECTOR:**  
*All sectors*



**THEME:**  
*Green*



**INFRASTRUCTURE GOVERNANCE PILLARS:**  
*Fiscal sustainability, affordability and value for money*

### In a nutshell:



**OBJECTIVE:** The United States International Development Finance Corporation (DFC), America's development finance institution, partners with the private sector to find solutions to the most critical challenges facing the developing world today.



**Agency in charge**  
**DFC**



**Levels of government**  
**National**



**Year of implementation:**  
**2019**



**Current status:**  
**Fully operational**

### Overview:

The United States International Development Finance Corporation (DFC) is America's leading development finance institution. DFC collaborates with the private sector to finance projects that address the most critical challenges facing the developing world today. DFC catalyses private sector investment by providing tools for commercially viable investments when the private sector is unwilling or unable to do so alone. Its services include debt financing, political risk insurance, investment funds, equity investment and technical assistance to promote viability and impact. DFC's Office of Development Policy (ODP) strives to produce positive development impacts and apply best practices in terms of environmental and social safeguards. The ODP works to ensure projects produce positive developmental impacts and to apply best practices with respect to environmental and social safeguards. The ODP carries out environmental and social risk assessments as well as evaluations of economic impacts on both the international and domestic plain. Each project passes through a screening process that involves an application from the project sponsor, an environmental, social and economic review and due diligence checks. Approved projects are then monitored and evaluated transparently through DFC's annual Development Outcome Survey. To measure impact, the DFC uses "Impact Quotient" (IQ), its development impact management system. An IQ score is calculated based on a project's expected and actual contribution to economic growth, inclusion and innovation. The IQ Score helps inform decision-making during the project approval process. It classifies projects based on development performance, reflects both the positive and negative impacts of the investment, considers the relevance of the impacts within the country context, and creates mechanisms to maximise the development impact of all supported investments.

#### REFERENCES:

- U.S. International Development Finance Corporation (DFC), <https://www.dfc.gov/>