



**Office of Inspector General  
U.S. International Development Finance Corporation**

**Semiannual Report to Congress  
October 1, 2023 – March 31, 2024**



*The photos above are examples of the various types of DFC-funded investments: Clockwise: the top right photo depicts a facility supported by Quadria Capital Fund, an Asian healthcare-focused equity fund; the bottom right photo (also on the cover of this report) depicts the Husk Power Systems in Sub-Saharan Africa; the bottom left photo depicts Ukraine's non-profit Superhumans Center, backed by political risk insurance from DFC; and the top left photo depicts Yilport Terminal located in Ecuador's El Oro province.*



## Message from the Inspector General



I am pleased to present the U.S. International Development Finance Corporation (DFC), Office of Inspector General's (OIG) Semiannual Report to Congress for the reporting period, October 1, 2023, through March 31, 2024, in accordance with the Inspector General Act of 1978, as amended ([IG Act](#)). DFC OIG is an independent and objective oversight office created within DFC by the Better Utilization of Investments Leading to Development Act of 2018 ([BUILD Act](#)). In accordance with the IG Act, we conduct audits and investigations of DFC programs and operations to prevent, detect, and deter fraud, waste, and abuse. DFC OIG has grown to 13 full-time staff since I started as Inspector General in August 2020.

This Semiannual Report showcases our oversight efforts in India, where the United States has sought to deepen its security and economic relationships as the U.S.-China rivalry intensifies. India remains a vital partner in the U.S.'s Indo-Pacific strategy and is DFC's largest country exposure at approximately \$3.16 billion. DFC has more than 100 active projects that support development in the world's most populated country of 1.4 billion people. This reporting period, we completed an audit which focused on 17 DFC-funded renewable energy and finance projects located in India.

This was our first audit where we had “boots on the ground” and visited DFC-funded projects. The investment of our oversight resources yielded several significant findings, the details of which can be found in the audit section of this report.

A major finding was that DFC did not adequately support a waiver of environmental and social standards for one of the projects, resulting in \$54.91 million in unsupported questioned costs. Also, DFC did not have a method to track, report and monitor significant environmental and social events, particularly fatalities and serious injuries. Notably, three fatalities and two serious injuries occurred on one of the reviewed projects. We would not have identified this finding if we had not visited eight of the 17 sites in person. Overall, the audit produced 13 recommendations that will further strengthen the integration and efficiency of DFC policies, procedures, and processes regarding renewable energy and financing investments.

**“WE HAD BOOTS ON  
THE GROUND IN INDIA”**

We also highlighted some positive findings in our audit report, as we were able to see the impact DFC-funded investments have firsthand. For example, we visited a school in rural India that received solar power and internet access from a DFC project sponsor as part of the sponsor's corporate social responsibility program. This was not only a great example of development impact, but also demonstrated the challenges DFC faces in quantifying its impact through its investments in the local community. In another example, DFC provided a \$250 million loan to a company specializing in pre-

**SOLAR PANEL  
MATERIALS WERE  
NOT CONNECTED TO  
FORCED LABOR**

owned vehicle financing, and the audit team met with one such individual who was able to obtain a loan to purchase a pre-owned vehicle. He used the loan to start his own business and currently uses the vehicle for ridesharing and tourists. Last, we were cognizant that Congress voiced concerns about whether any of



DFC's investments in solar energy used goods or materials from Xinjiang, China or were connected to the use of forced labor from Xinjiang. Thus, during the fieldwork phase of this audit, we inspected solar panels financed by DFC. Fortunately, we did not find any panels from prohibited sources. These are all examples of OIG oversight efforts verifying and confirming the development impact of DFC's renewable energy and finance projects in India, as well as compliance with DFC policies.

On the investigative front, we completed an investigation into allegations of unfair and illegal debt collection practices against an Indian lender that received financing from DFC. While our investigation did not find wrongdoing as a legal matter, it did reveal a concern about DFC's ability to protect sub-borrowers from aggressive debt collection practices. This investigation is described in detail in the investigations section. While DFC has taken steps to address this issue, we look forward to working with DFC and Congress to strengthen DFC's consumer protection and monitoring requirements.

## UNFAIR DEBT COLLECTION PRACTICES

During this reporting period, we have advanced our oversight mission as follows:

- Our Office of Audits issued three audit reports: DFC's Consolidated Financial Statements for FYs 2022 and 2023; DFC Can Improve Oversight of Renewable Energy and Financing Projects in India; and the FY 2023 DFC Federal Information Security Modernization Act of 2014 (FISMA) Audit.
- We had an additional four audits in progress. These included an audit of DFC's financial statements, DFC's compliance with the Payment Integrity Information Act of 2019 (PIIA), DFC's compliance with FISMA for FY 2024, and an audit assessing DFC's management of goods and services contracts.
- Our Office of Investigations closed four investigations, including one on the collection practices by a lender located in India as noted above.
- We published an investigation primer which outlines how the OIG conducts investigations and protects whistleblowers and provided briefings on this document to both DFC union members and executive management. We are currently developing a similar audit primer, which will include how monetary impact is calculated. Both primers will be included in DFC's standard operating procedures to educate current and future DFC staff about the OIG's roles, responsibilities, and authorities.
- We have provided assistance and suggestions for the new Director of DFC's Office of Accountability and look forward to working closely with his office in the future. Working closely with outside stakeholders, I presented at the Auditor's Alliance during the Organization for Economic Cooperation and Development's (OECD) 2024 Global Anti-Corruption and Integrity Forum, where I shared lessons, we have learned in conducting audits and investigations here at DFC.
- We engaged our congressional and industry stakeholders, as well as DFC's Board of Directors, on our current and future audit and investigative work and ideas for reauthorization to improve our oversight efforts.



## OIG NEEDS LAW ENFORCEMENT AUTHORITY

Last, I want to highlight the impact of not having law enforcement authority. As we have stressed with stakeholders, not having law enforcement authority has dramatically impacted our ability to recruit and retain experienced investigators. With the recent departure of our Assistant Inspector General for Investigations (AIGI), our Office of Investigations consists of only one investigative analyst and two attorneys (who have other responsibilities). Without the ability to offer law enforcement and retirement benefits, our recruitment options for investigators who have a financial background and law enforcement experience abroad are severely constrained. Indeed, the primary reason our AIGI gave for his departure from DFC OIG was the lack of law enforcement authority. Further, not having law enforcement authority limits the tools available to us to efficiently conduct investigations, including access to vital databases which restrict access only to law enforcement entities. Our request for this authority – granted to our predecessor (USAID OIG) and the vast majority of OIGs – has been pending at the Attorney General’s office since December 2020. We look forward to working with Congress to obtain this authority via legislation and are grateful to Representatives Joaquin Castro and Brian Fitzpatrick for sponsoring legislation<sup>1</sup> to improve oversight and accountability of U.S. foreign aid and investment programs.

I am grateful for the steadfast commitment of OIG staff in conducting our mission to oversee DFC operations and programs around the world. Their dedication and hard work have made possible the significant achievements outlined in this report and are critical to our continued success in producing high-impact work that meets the most stringent oversight standards. I remain committed to working closely with DFC, our Board of Directors, and Congress to share insights about DFC-funded investments and projects through the results of our audits and investigations.

Sincerely,

Anthony “Tony” Zakel  
Inspector General



<sup>1</sup> [H.R. 7943](#), Enhancing Development Finance Corporation Oversight Act of 2024, introduced April 11, 2024

# U.S. International Development Finance Corporation Office of Inspector General

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## Our Mission

The U.S. International Development Finance Corporation (DFC), Office of Inspector General's (OIG) mission is to prevent, detect, and deter fraud, waste, and abuse in DFC's programs and operations around the world by conducting audits, investigations, inspections, and evaluations of DFC's projects, systems, employees, and contractors.

## Our Core Values

The OIG commits to carrying out its mission in accordance with the following values:

### Accountability

Is the heart of the OIG's work. We provide accountability, through independent and fair audits and investigations that seek to ensure that DFC is accountable for its results and the resources the public invests into it.

### Integrity

Is the OIG's foundation. The OIG maintains the highest standards of integrity for the American people, Congress, the DFC Board of Directors, Chief Executive Officer, and senior officials, and strives to set the example for objectivity, accuracy, and transparency.

### Respect

Is central to the OIG's identity. We have a deep respect for DFC's mission, and we strive to promote a fair and professional work environment to maintain the highest standards of conduct.



# Contents

**Message from the Inspector General..... 3**

**About DFC ..... 8**

**Top Management Challenges Facing DFC in FY 2024..... 9**

**About DFC OIG..... 10**

**DFC OIG Hotline ..... 11**

**Office of Audits ..... 14**

**Office of Investigations..... 17**

**Outreach and Other Activities..... 22**

**Appendix A: Required Reporting ..... 26**

**Appendix B: Audit Tables ..... 28**

**Appendix C: Metrics for Audit Reporting..... 29**

**Appendix D: Metrics for Investigative Reporting ..... 30**

**Appendix E: Testimony/Legislation & Regulations ..... 32**

**Appendix E: Acronyms, Definitions, DFC Products ..... 34**

**Ukraine Oversight..... 37**



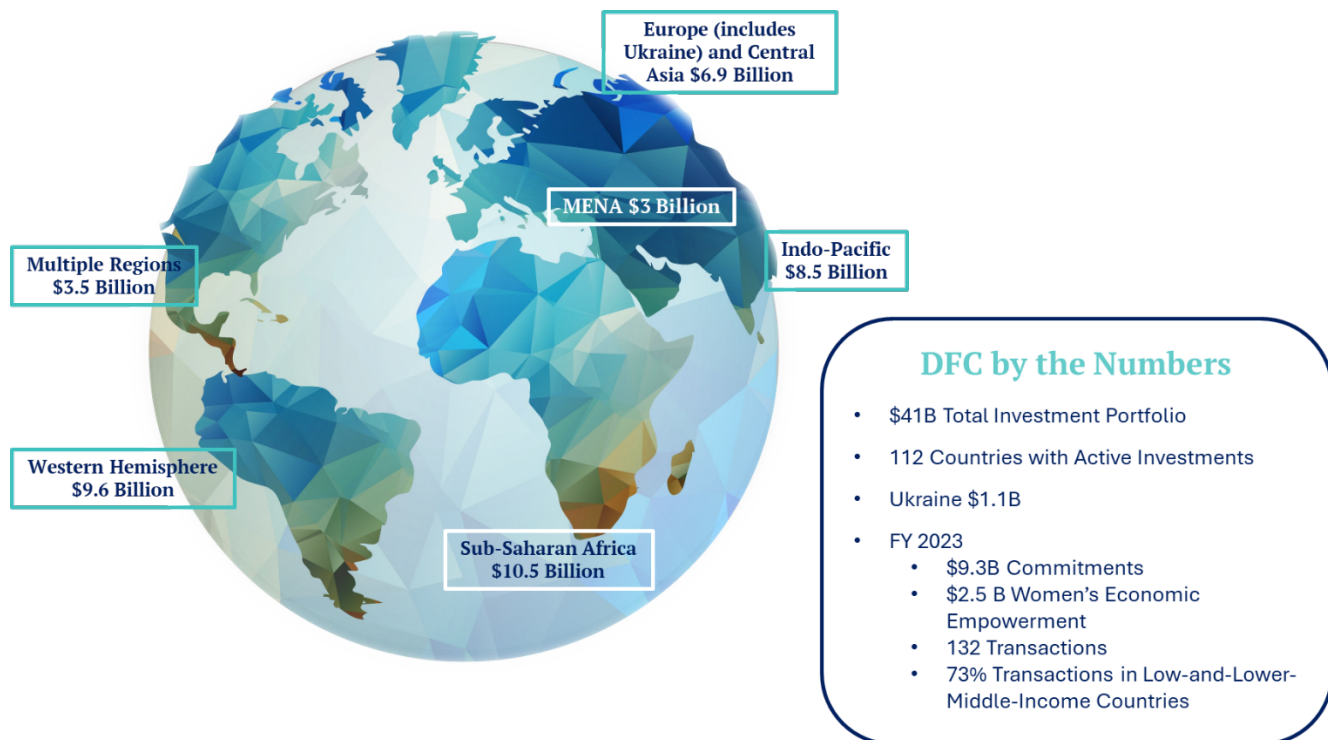
## About DFC



DFC is America’s development finance institution and offers debt financing, equity investments, feasibility studies, investment funds, political risk insurance, and technical assistance.<sup>2</sup> DFC partners with the private sector to invest in projects across sectors including energy, critical minerals, food security, healthcare, infrastructure, technology, and small business and financial services. In addition, DFC currently has an active portfolio in Africa, the Middle East, Latin America and the Caribbean, Indo-Pacific, and Europe. The European Energy Security and Diversification Act of 2019 also authorizes DFC to support certain energy and energy-related investments in eligible European and Eurasian countries without regard to host-country income classification.

At the end of FY 2023, DFC’s development portfolio reached more than \$41 billion, bringing it closer to reaching its \$60 billion exposure ceiling. During that same period, DFC had active investments in 112 countries with 73 percent of those investments in low-and lower-middle-income countries. DFC has also invested more than \$1 billion in political and war risk insurance, equity investment, and debt financing to support Ukraine.<sup>3</sup> DFC funds are flowing quickly, with urgency to mobilize private capital to meet U.S. strategic and foreign policy objectives in economies that may not have adequate safeguards to address fraud and corruption.

### DFC Investments Around the World & FY 2023 Investment Highlights



<sup>2</sup> See [www.dfc.gov](http://www.dfc.gov) and Appendix E to learn more about DFC products.

<sup>3</sup> [DFC 2023 Annual Report](#)





## Top Management Challenges Facing DFC in FY 2024

As required by the Reports Consolidation Act of 2000 ([Public Law 106-531](#)), DFC OIG published [Top Management Challenges Facing DFC in FY 2024](#), which discusses four challenges facing DFC that we expect will continue over the next several years.

- 1. Improve Monitoring and Evaluating Actual Development Impact.** Project monitoring and measuring actual development impact are continued areas of improvement for DFC. Effectively measuring development impact is critical to ensuring DFC meets the intended purpose of its investments. The BUILD Act requires DFC to develop standards and methods for ensuring development performance, including measurement of the projected and actual development impact of a project. DFC must continue to take action to ensure actual development impact is measured.
- 2. Improve Performance Management, Traceability, Accuracy, and Availability of Project Data as DFC's Commitments Grow.** The BUILD Act requires DFC to assess the development performance of its portfolio. A weakness in this area is that DFC does not have formal procedures for the systematic collection and storing of documentation from site visits, which inhibits enterprise level tracking against strategic goals.
- 3. Balance Heightened Expectations of Congress and Stakeholders While Managing Reputational Risks.** DFC has many stakeholders, in the United States and around the world, who are interested in what it does and how it achieves its goals. The BUILD Act requires DFC to consider factors relating to environmental and social impact, worker rights, and human rights, among other considerations, when evaluating development projects. DFC faces difficult choices in making investments that balance the competing interests of development impact, foreign policy, and financial performance. Finding the proper balance between these competing priorities presents a significant challenge. DFC OIG believes DFC will face significant challenges in the constantly evolving global environment to advance development through its investments while meeting the expectations of Congress and other stakeholders.
- 4. Maintain Efficient Growth and Development.** Maintaining efficient growth and development has been a challenge for DFC since its inception. Now that DFC has a Chief Executive Officer (CEO), Deputy CEO, Chief Risk Officer (CRO), and Chief Development Officer (CDO), DFC has the leadership capability to make major improvements in this area. In many ways, DFC is still a new organization and accordingly, DFC OIG has identified efficient growth and development as a top management challenge for the past three years. This challenge is a significant element in DFC's plan to ensure it efficiently and effectively accomplishes its goals and objectives. This plan should include building a mission-critical workforce, developing an ideal organization structure, growing its support staff, and managing potential budgetary constraints.

The OIG previously published [Top Management Challenges Facing DFC in FY 2023](#), which can be found on the DFC OIG website, [www.dfc.gov/oig](http://www.dfc.gov/oig).



## About DFC OIG



*A DFC OIG auditor (right) and a recipient (left) of a DFC-funded loan to expand the women-owned business enabling it to provide cement for the construction of a new hospital in Mumbai, India.*

DFC OIG was established by the BUILD Act ([22 U.S.C. § 9652](#)) and gets its authority from the [IG Act](#). The OIG was created to promote the integrity, transparency, and efficiency of DFC programs and operations. Through its audits and investigations, the OIG prevents, detects, and deters fraud, waste, and abuse affecting DFC’s investments, projects, systems, employees, and contractors. DFC has an important mission that benefits many people around the world. Accordingly, it is imperative that DFC OIG continue to build an effective and efficient oversight agency. DFC OIG is one of the smallest of more than 70 federal Offices of Inspector General and is leanly staffed. The DFC Inspector General is appointed by and reports to the DFC Board of Directors. Although the OIG is located within DFC, it conducts its work within the framework of the IG Act and independent of DFC. The OIG consists of the Office of Audits and the Office of Investigations, supported by the General Counsel.

**The Office of Audits** conducts a variety of independent statutorily mandated and discretionary audits of DFC programs and operations and makes recommendations to improve efficiencies and address internal control weaknesses.

**The Office of Investigations** conducts criminal, administrative, and civil inquiries and investigations into allegations of fraud, misconduct, corruption, and other illegal activity, which may result in criminal convictions, fines, or other sanctions.

**The General Counsel** provides legal support for audit and investigative work and oversees matters involving legislative and public affairs efforts, ethics, and Freedom of Information Act (FOIA) requests.

### *DFC OIG Administrative and Operational Activity*

The OIG has made significant strides toward building an organization with the expertise, tools, resources, and support needed to accomplish its mission. The OIG’s administrative and operational efforts provide critical tools that support our audit and investigative work. During this reporting period, OIG administrative and operational activities included increasing the staff to 13 FTEs and 2 paid Pathways interns.

The OIG publishes all audit reports on its website: [www.dfc.gov/oig](http://www.dfc.gov/oig). There, you will find information about our mission and vision, as well as how to contact the DFC OIG Hotline. In addition to audit reports, the OIG website contains semiannual reports to Congress, written and oral testimonies to Congress, press releases, open audit recommendations, a FOIA reading room, and strategic plans.



# DFC OIG Hotline

OIG’s confidential hotline receives allegations of fraud, waste, abuse, and other misconduct.

- Federal employees must disclose fraud, waste, abuse, and corruption to appropriate authorities, such as the OIG.
- Contractors and recipients of U.S. funds must report allegations of fraud and misconduct based on mandatory disclosure requirements in Federal and agency-specific rules.
- Others, including beneficiaries of investment programs and employees of federal contractors and recipients, may report allegations to the OIG directly.

## Report Fraud, Waste, Abuse, Corruption DFC OIG Hotline

	<p><b>Submit Hotline Complaint Online</b>  <a href="https://www.dfc.gov/oig/hotline">https://www.dfc.gov/oig/hotline</a></p> <p><b>General Information</b>  <a href="http://www.dfc.gov/oig">www.dfc.gov/oig</a></p>		<p><b>OIG Hotline Toll-Free</b>  +1 833 OIG-4DFC  (833-644-4332)</p> <p><b>General Information</b>  202-312-2172</p>
	<p><b>Mailing Address</b>  U.S. International Development  Finance Corporation  ATTN: Office of Inspector General  1100 New York Avenue, NW  Suite 270 West (2<sup>nd</sup> Floor)  Washington, DC 20527</p>		<p><b>In-Person</b>  U.S. International Development  Finance Corporation  Office of Inspector General  1100 New York Avenue, NW  Suite 270 West (2<sup>nd</sup> Floor)  Washington, DC 20527</p>



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# Audits & Investigations



# Office of Audits

The Office of Audits (OA) conducts and supervises a variety of independent statutorily mandated and discretionary performance audits assessing controls of DFC programs and operations to detect and deter waste, fraud, abuse, and mismanagement. Audits include evaluating the efficiency and effectiveness of DFC development finance investment programs and operations at headquarters and around the world. These audits lead to recommendations that may result in policy and programmatic changes to help DFC better accomplish its mission.

## Audit Activity

During the reporting period, October 1, 2023 – March 31, 2024, OA completed three audits and had four audits in progress. A summary of audit statistics followed by a summary of completed audit report findings and recommendations are below. Each audit report summary includes a link to the report located on the OIG’s external website. Appendix B provides additional statistical details, and Appendix C provides the definitions for audit metrics.

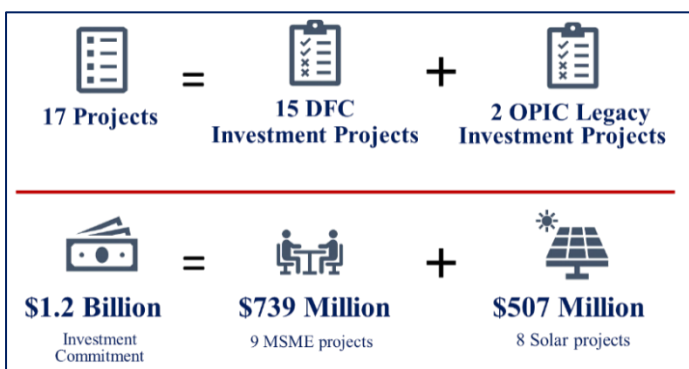
### Summary of Audit Statistics October 1, 2023 – March 31, 2024

Audits Completed	3
Recommendations	15
Audits in Progress	4
Recommendations Closed	18
Opened / Unresolved Recommendations	9

### Summary of Completed Audit Reports October 1, 2023 – March 31, 2024

- DFC Can Improve Oversight of Renewable Energy and Financing Projects in India** ([DFC-24-002-C](#), issued November 13, 2023).

The OIG engaged a contractor RMA Associates, LLC (RMA) to support this audit of DFC’s renewable energy and financing projects in India, which is the DFC’s largest country exposure at approximately \$3.6 billion. DFC’s Office of Accountability (OOA) was consulted for the audit due to an internal report issued in 2018 that assessed whether the use of client-reported data, supplemented by selected site visit monitoring, was adequate in achieving program goals.



The audit objectives included: (1) determining if DFC involved the U.S. private sector and supported local country development in alignment with its mission; (2) assessing the inputs, data, and analyses used to assess and approve the projects; and (3) assessing the process and internal controls DFC used to identify and mitigate certain risks. We evaluated 17 projects—8 renewable energy projects and 9 financial intermediary projects consisting of financing micro, small, and medium enterprise

(MSME) businesses. We conducted site visits at four renewable energy and four financial intermediary projects located across India.

The audit revealed DFC supported local country development in alignment with its mission and BUILD Act requirements. However, DFC did not adequately support a waiver of environmental and social standards for one of the projects reviewed, resulting in \$54.91 million in unsupported questioned costs. DFC also did not develop sufficient internal controls to support the approval process for projects financed through subordinated debt. In addition, DFC's records management system was unreliable when compiling a complete set of documents for individual projects. Finally, DFC did not develop a risk-based assessment to determine which sites to visit or a method to track, report and monitor significant environmental and social events, particularly fatalities and serious injuries. Three fatalities and two serious injuries occurred on one of the reviewed projects.



*The top two photos depict well maintained grounds at one of the solar panel fields the OIG reviewed, while the bottom two photos depict unkempt grounds that could create hazards.*

The audit made thirteen recommendations to DFC's CEO that will further strengthen the integration and efficiency of policies, procedures, and processes regarding renewable energy and MSME financing investments in India.

2. **FY 2023 DFC Federal Information Security Modernization Act of 2014 Audit** ([DFC-24-001-C](#), issued October 2, 2023).

We evaluated the effectiveness of DFC's information security program and practices and determined the maturity level DFC achieved for each of the core metrics outlined in the FY 2023 - 2024 IG FISMA Reporting Metrics. DFC's information security program and practices were effective for FY 2023, as DFC's information security program met the criteria required to be assessed at a maturity level of Managed and Measurable (Effective). The tests of the information security program identified two findings, one with configuration management and the other with information security continuous monitoring domains. DFC made considerable progress from the prior year, in which the maturity level was Defined (Ineffective). We made two recommendations to DFC's Chief Information Officer that will help further strengthen DFC's information security program.



3. **DFC's Consolidated Financial Statements for FYs 2023 and 2022**  
([DFC-24-003-C](#), issued November 15, 2023).

This audit was performed in accordance with U.S. generally accepted auditing standards, OMB audit guidance, and the GAO and CIGIE financial audit manuals. The audit revealed the following:

- the consolidated financial statements were fairly presented, in all material respects, in accordance with U.S. generally accepted accounting principles;
- no material weaknesses and no significant deficiencies in internal control over financial reporting; and
- no reportable noncompliance with provisions of laws tested and other matters.

RMA was contracted to conduct this audit and is responsible for the auditor's report and conclusions expressed. DFC OIG does not express opinions on DFC's consolidated financial statements or report on internal control over financial reporting or on compliance and other matters.

## *Significant Audits in Progress*

The Office of Audits has the following four significant audits in progress.

1. **DFC's Management of Goods and Services Contracts.** For this audit, OIG is working with a contractor, RMA to determine whether DFC complied with applicable goods and services contract regulations, policies, and procedures.
2. **DFC's FY 2024 Financial Statement.** RMA has been engaged to report on DFC's FY 2024 consolidated financial statements, which comprises the consolidated balance sheets as of September 30, 2024, and 2023, and the related consolidated statements of net cost, changes in net position, and combined budgetary resources, for the years ended, and the accompanying notes to the consolidated financial statements.
3. **DFC's FY 2024 Federal Information Security Modernization Act (FISMA) of 2014.** FISMA requires Federal agencies to conduct an annual independent assessment of their information security program and practices to determine the effectiveness of such programs and practices and report the assessments' results to OMB. RMA has been engaged to determine whether DFC implemented an effective information security program that supports the FISMA and will test the group of core metrics, which represents a combination of administration priorities and other highly valuable controls selected by OMB that must be evaluated annually.
4. **DFC's Compliance with the Payment Integrity Information Act (PIIA) of 2019.** RMA, under the oversight of the DFC OIG, is reviewing DFC's compliance with the payment integrity / improper payments requirements and the applicable reporting requirements set forth by the PIIA.





## Office of Investigations

The Office of Investigations (OI) conducts inquiries and investigations of suspected fraudulent, illegal, or unethical activities, which may result in criminal, civil, or administrative sanctions. Administrative investigations typically involve DFC employees or contractors and usually result in a report to DFC management. Civil investigations typically involve contractors and may result in a civil lawsuit brought by the U.S. Department of Justice (DOJ) to recover money and/or impose monetary penalties. Criminal investigations typically involve contractors or third parties (but may involve DFC employees) and may result in criminal prosecution brought by DOJ or referral to a foreign prosecutor. OIG investigations can originate from hotline or whistleblower complaints, congressional inquiries, or proactive initiatives. OIG investigations protect whistleblowers and address critical and sensitive issues affecting DFC’s programs and investments, as well as U.S. foreign policy objectives and national security interests.



**Law Enforcement Authority.** To investigate allegations of fraud in a portfolio the size and complexity of DFC, the OIG must attract and retain skilled, experienced investigators, attorneys, and related professionals. Attracting and retaining experienced investigators requires having law enforcement authority. The OIG requested this authority from the Attorney General in December 2020, as is still pending. Prior to the BUILD Act, DFC’s predecessor, the Overseas Private Investment Corporation (OPIC), was overseen by USAID OIG, which has law enforcement authority. Compared to OPIC, DFC has a significantly larger portfolio, a larger staff, expanded investment authority (including equity), and increased focus on development impact and promoting U.S. national interests. DFC OIG cannot efficiently oversee DFC without the same law enforcement authority that its predecessor OIG – and almost all other OIGs – have.

### Investigative Activity

During this reporting period, October 1, 2023 – March 31, 2024, OI continued to investigate a broad spectrum of allegations ranging from internal complaints of abuse of authority to external criminal fraud against DFC. The OIG engaged in substantial investigative activity in multiple cases, including with interagency partners. A summary of investigative statistics is provided below, and Appendix D provides definitions for investigation metrics. We currently have 17 open investigations.

#### Summary of Investigation Statistics October 1, 2023 – March 31, 2024

Complaints Received	9
Cases Initiated (Opened)	6
Cases Open at the Beginning of the Reporting Period	7
Cases Closed During the Reporting Period	4
Cases Opened at the End of the Reporting Period	9
Investigative Reports Issued	1
Persons Referred for Criminal Prosecution (DOJ)	1
Persons Referred for Criminal Prosecution (State, Local, and Foreign Authorities)	0
Cases Referred to Agency Management for Administrative Action	1



## Summary of Select Closed Investigation October 1, 2023 – March 31, 2024

### **Alleged Unfair and Illegal Debt Collection Practices**

The OIG received a complaint alleging that a DFC-funded lender in India had engaged in unfair and illegal debt collection practices. The complainant alleged that the lender filed lawsuits against delinquent sub-borrowers in a distant city in India that had no apparent connection to the lender or sub-borrowers. The complainant further alleged that the lender obtained arrest warrants against the delinquent sub-borrowers.

The OIG investigation revealed that the lender had filed more than 5,000 lawsuits against sub-borrowers in 2021 and 2022, including 12 DFC-funded sub-borrowers. These lawsuits were filed in a single, distant jurisdiction with no discernable connection to the lender or sub-borrowers. The investigation confirmed that the lender obtained arrest warrants against many of the defendants in these lawsuits, including DFC-funded sub-borrowers.

Through research and consultation with local Indian counsel, the OIG learned that the lender's debt collection practices, although very aggressive by American standards, were legal in India and common in the industry. Further, the investigation found no evidence that any of the lender's customers had been arrested or incarcerated due to its collection practices. Therefore, the OIG concluded that the allegations of unfair and illegal collection practices were unsubstantiated.

Notwithstanding this conclusion, the OIG reported to DFC management its concerns about the policy implications raised by the investigation. The OIG noted that, under Indian law, individuals who miss a single loan payment can have criminal charges brought against them by a private party – punishable by up to two years' imprisonment – with a burden of proof that amounts to strict liability. Further, lenders can file a lawsuit in any jurisdiction in India, regardless of whether there is a connection to the lender or borrower, and regardless of the burden imposed on borrowers to travel to a distant court, provided they use a bank account in the jurisdiction to process payments. Thus, while the OIG's investigation did not find legal wrongdoing, it nonetheless revealed a concern about DFC's ability to protect sub-borrowers from aggressive debt collection practices.

DFC responded to OIG's report of investigation, noting that it had been working to address these underlying concerns, both before and after the OIG investigation, through: a client protection framework based on international best practices; revising legal language in project agreements to address the new client protection framework; including client protection risk as a formal criterion for monitoring site visit selections; and amending DFC's policy to better assess client protection risk in financial intermediary projects.

We look forward to working with DFC and Congress to strengthen DFC's consumer protection and monitoring requirements to ensure aggressive debt collection practices are prevented moving forward.



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## *Senior Executive & Whistleblower Reprisal Investigations*

DFC OIG investigates allegations of improprieties by DFC staff and contractors—including DFC senior executives. DFC OIG also takes seriously and investigates allegations of reprisal against whistleblowers. We review all such complaints in a timely and thorough manner, in accordance with applicable law. Ensuring individuals' right to report wrongdoing without fear of reprisal is essential to our mission. DFC OIG prioritizes assessing and responding to allegations of whistleblower reprisal by DFC management or DFC's partners and contractors.

### **OIG Mandate to Investigate Whistleblower Complaints**

DFC employees, as well as DFC contractors, subcontractors, and partners, have the right to report what they reasonably believe to be evidence of wrongdoing, without reprisal for doing so. Retaliation against whistleblowers is a prohibited personnel practice under civil service laws. Managers who retaliate may be subject to disciplinary action up to and including removal. Protected disclosures include the disclosure of information that the employee reasonably believes provides evidence of:

- A violation of law, rule, or regulation
- Gross mismanagement
- Gross waste of funds
- An abuse of authority
- A substantial and specific danger to public health or safety.




A disclosure is protected even if whistleblowers are mistaken in their belief and resulting allegations, as long as the whistleblower believes in good faith that the disclosure is true. Federal law also protects employees of federal contractors, subcontractors, and partners, as well as personal service contractors, from reprisal when they make protected disclosures alleging fraud or abuses involving federal contracts or grants. *See* 41 U.S.C. § 4712. Protected disclosures include information shared with any of the following authorities:

- An Inspector General.
- The Government Accountability Office.
- Members of Congress or representatives of congressional committees.
- A federal employee responsible for contract or grant oversight or management.
- An authorized official of the Department of Justice or other law enforcement agency.
- A court or grand jury.
- A manager or other employee of the contractor, grantee, or personal services contractor who has responsibility for investigating, discovering, or addressing misconduct.

By law, employees of Government contractors, subcontractors, and partners, as well as personal services contractors, who make a protected disclosure about a federal grant or contract cannot be discharged, demoted, or otherwise discriminated against, in retaliation for their good faith protected disclosure.



DFC OIG’s statutorily designated Whistleblower Protection Coordinator educates employees about their right to make protected disclosures and the protections available should they choose to come forward. The Whistleblower Protection Coordinator:

	Educates agency employees on their legal right to disclose fraud, waste, abuse, and other misconduct, free from reprisal.
	Ensures that information about whistleblower protections is presented at each DFC New Employee Orientation, as well as quarterly via an OIG newsletter to DFC employees. During the reporting period, this included four orientations and two newsletters. We also provided DFC’s executive management and Union a presentation on DFC’s employees legal rights and whistleblower protections.
	Works with our Office of Investigations to ensure DFC employees and employees of DFC partners and contractors receive information on whistleblower rights and remedies. The OIG’s General Counsel also works with DFC’s Office of General Counsel to effectively address any personnel or other actions taken or not taken because of whistleblower activity.

DFC OIG also provides information about whistleblower rights and remedies on its public website at <https://www.dfc.gov/oig> and [DFC OIG Whistleblower Rights and Protections](#).



# Outreach & Other Activities



## Outreach and Other Activities

DFC OIG’s outreach and engagement efforts give stakeholders, oversight partners, and the public timely and relevant information about the OIG’s work. The OIG also seeks stakeholder input to inform its work and strengthen partnerships with other oversight offices worldwide. In addition, the OIG engages in ongoing discussions with congressional officials, policymakers, researchers, and high-level government officials on DFC programs and challenges. The OIG also has conducted numerous outreach activities with DFC’s Board of Directors, executives, and other personnel to inform DFC about who we are, what we do, and why we perform audits, investigations, and other reviews.

### Outreach

As DFC OIG continues to perform its oversight role, we recognize that it is important to inform our stakeholders – Congress; DFC’s Board of Directors, CEO, and employees; the international development finance industry; domestic and international law enforcement partners; and the American public – about our mission and work. During this reporting period, we conducted the following outreach efforts, among others.



**DFC Board of Directors.** Inspector General (IG) Zakel held regular briefings with the DFC Board of Directors and attended Risk Committee meetings. The Board was kept informed of OIG activity, including investigations, audit announcements, and reports.

**DFC Chief Executive Officer.** IG Zakel met with either the DFC CEO or Deputy CEO on a regular basis, generally at least bi-weekly.

**DFC Executives and Employees.** In addition to meetings between IG Zakel and DFC executives, the OIG provided Whistleblower Protection training to DFC executives and issued two quarterly newsletters to DFC employees. The newsletter is designed to communicate directly to DFC employees to share who we are and what we do. In addition, it provides contact information for the Hotline and provides fraud awareness tips. The OIG presented information about OIG’s work to new DFC employees, including how to reach us and how we protect whistleblowers. OIG also met with DFC union members and executives to discuss how OIG investigations work and how OIG works with other organizations such as OSC, DOJ, and others to protect whistleblowers.



*Left to right, IG Tony Zakel, DIG Gladis Griffith, OOA Director Mehrdad Nazari, and former OOA Director Bill Kennedy*

**DFC Office of Accountability.** Inspector General Tony Zakel and Deputy Inspector General (DIG) and General Counsel Gladis Griffith met with DFC’s new Director of the Office of Accountability (OOA), Mehrdad Nazari and outgoing OOA Director William “Bill” Kennedy. The Office of Accountability is an independent office within DFC that addresses concerns, complaints, or conflicts about environmental or social issues that may arise around DFC-supported projects. The office provides project-affected communities, project sponsors, and project workers an opportunity to have concerns independently reviewed and addressed. OIG and OOA often coordinate our oversight efforts in reviewing DFC’s operations and programs.



**Congressional Appropriation and Oversight Committee Briefings.** The OIG regularly briefed congressional committee staff on our operations progress, audits, and investigations. During this reporting period we held briefings with the following:

- Senate Foreign Relations Committee and relevant Subcommittees
- House Foreign Affairs Committee and relevant Subcommittees
- Senate Homeland Security and Governmental Affairs Committee
- Senate and House Appropriations Subcommittees
- House Committee on Oversight and Accountability



**Meetings with Other Offices of Inspectors General.** The OIG continues to reach out to other OIGs seeking advice and guidance on many operational and mission-specific topics. During this reporting period, the OIG communicated with the following.

- Export/Import Bank (EXIM Bank) OIG, USAID OIG, and Peace Corps OIG to discuss coordination on matters of mutual interest. DFC OIG assisted the Peace Corps OIG with its hiring efforts.
- USAID OIG on the Complex Emergencies Working Group (CEWG). CEWG is an international consortium of donor and development agencies, non-governmental organizations (NGOs), and oversight bodies that share information and resources to make their response to complex emergencies more effective and efficient. CEWG is currently focused on Ukraine.



**Meeting with the Government Accountability Office (GAO).** DFC OIG discussed ongoing projects related to DFC and OIG projects.

## Other Activities



**Council of the Inspectors General on Integrity and Efficiency.** DFC OIG is an active participant in the Council of the Inspectors General on Integrity and Efficiency (CIGIE), which is a statutorily created, independent entity within the executive branch. Congress established CIGIE to address integrity, economy, and effectiveness issues that transcend individual Federal Government agencies, and to aid in the establishment of a professional, well-trained, and highly skilled workforce in the Offices of Inspectors General. Along with the items below, during this reporting period, the OIG participated in two CIGIE Career Fairs in November 2023 and March 2024.



*DFC OIG staff participated in two CIGIE Career Fairs.*

- The IG participates in CIGIE’s Legislative Committee and the Small/Unique OIG Working Group, reviewing existing and proposed legislation and regulations to make recommendations concerning their impact on the IG community.
- The OIG’s attorneys participate in the Council of Counsels to the Inspectors General (CCIG). CCIG holds monthly meetings and maintains a listserv for attorneys to ensure legal advice in the OIG community is consistent, current, and reflects best practices. CCIG develops training and provides support to new and experienced attorneys. CCIG has many focus groups for specialized assistance, including on investigations, personnel matters, FOIA, and smaller OIGs. DFC OIG attorneys participate in several of these CCIG subgroups, including one that created training modules for attorneys new to the OIG community to guide them on how to advise on investigations.
- The OIG participates in CIGIE’s subgroup for Inspectors General and Deputy Inspectors General reporting to Boards, the Professional Development committee, a mentoring committee, Investigative Attorneys, the Legislative subcommittee, and the GAO-CIGIE Coordination Meeting.
- The OIG’s Office of Audits participated in the CIGIE Inspection & Evaluation Expansion Working Group.

**Suspension and Debarment.** DFC OIG provided official feedback to DFC on its Suspension and Debarment proposed regulation in the Federal Register.

**Overseas Contingency Operations Joint Planning Group (OCO JPG), Ukraine Oversight Interagency Working Group.** OIG participates in this joint group hosted by Department of Defense IG.

**Government Anti-Corruption Efforts in Latin America and the Caribbean.** The Deputy IG and General Counsel served as an expert consultant, which is led by the U.S. Department of Commerce.

**TXF Africa 2023 and OECD’s 2024 Global Anti-Corruption and Integrity Forum.** Inspector General Zakel participated in two events during the reporting period. He was a panelist discussing the importance of the partnership between public and private industry in fighting corruption at TXF Africa 2023. In addition, at OECD’s 2024 Global Anti-Corruption and Integrity Forum, IG Zakel participated in several panel discussions including presenting on the importance of the auditor’s role in helping to help fight corruption, as well as the importance of whistleblowers in our oversight effort.







# Required Reporting

## Appendix A: Required Reporting

The following pages present summary tables and tables containing statistical and other data, as required by the IG Act and other statutes.

IG Act Section	Requirement Definition	Results	Page Number
	Statistical Summary of Audit-Related Accomplishments (October 1, 2023 – March 31, 2024)	~	14
	Statistical Summary of Investigative-Related Accomplishments (October 1, 2023 – March 31, 2024)	~	17
<b>5(a)(1) and 5(a)(2)</b>	Significant Problems, Abuses, and Deficiencies Related to the Administration of Programs and Operations	None	~
<b>5(a)(3)</b>	Significant Recommendations Described in Previous Semiannual Reports to Congress on which Corrective Action has Not Been Completed	None	~
<b>5(a)(4)</b>	Matters Referred to Prosecutive Authorities	None	~
<b>5(a)(5) and 6(c)(2)</b>	Summary of Instances Where Information or Assistance Was Refused or Not Provided	None	~
<b>5(a)(8)</b>	Questioned Costs-Audits and Other Reports with Questioned Cost or Unsupported Cost		14
<b>5(a)(9)</b>	Better Use of Funds-Audit and Other Reports with Recommendations for Better Use of Funds	None	~
<b>5(a)(10)</b>	Unresolved Reports-Unresolved Audit and Other Reports Issued Prior to Reporting Period	None	~
<b>5(a)(10)(B)</b>	Reports for which No Agency Comment was Returned to the OIG within 60 Days of Issuance	None	~
<b>5(a)(10)(C)</b>	Outstanding Unimplemented Recommendations with Aggregate Potential Cost Savings	None	~
<b>5(a)(11)</b>	Significant Revised Management Decisions	None	~
<b>5(a)(12)</b>	Significant Management Decisions with Which the OIG Disagreed	None	~
<b>5(a)(13)</b>	Unmet Intermediate Target Dates Established by the Agency Under the Federal Financial Management Improvement Act of 1996	None	~
<b>5(a)(14)</b>	Peer Review Results	None	~

IG Act Section	Requirement Definition	Results	Page Number
5(a)(17)	Investigative Reports Issued		
	<ul style="list-style-type: none"> <li>Numbers of Persons Referred to the U.S. Department of Justice</li> </ul>		1
	<ul style="list-style-type: none"> <li>Number of Persons Referred to State and Local Prosecuting Authorities</li> </ul>	None	~
	<ul style="list-style-type: none"> <li>Indictments and Criminal Information that Resulted from Prior Referrals to Prosecuting Authorities</li> </ul>	None	~
5(a)(18)	Description of the Metrics Used for Developing the Investigative Data for the Statistical Tables under 5(a)(17)		30
5(a)(19)	Report on Each Investigation Conducted by the OIG Involving a Senior Governmental Employee (GS-15 or above) Where the allegations of Misconduct were Substantiated	None	~
5(a)(20)	Description of Instances of Whistleblower Retaliation	None	~
5(a)(21)	Description of Attempt by Agency to Interfere with OIG Independence	None	~
5(a)(22)(A)	Description of Audits or Inspections Closed but Not Disclosed to the Public	None	~
5(a)(22)(B)	Description of Investigations Involving Senior Government Employees (GS-15 or above) that were Closed but Not Disclosed to the Public	None	~

## Appendix B: Audit Tables

**Table 1: Audit and Other Reports Issued During the Reporting Period**

Report Number	Report Title	Open Significant Recs	Open Other Recs	Value of Potential Cost Savings
<a href="#">DFC-24-001-C</a>	FY 2023 DFC Federal Information Security Modernization Act of 2014 Audit (Issued October 2, 2023)	N/A	2	N/A
<a href="#">DFC-24-002-C</a>	DFC Can Improve Oversight of Renewable Energy and Financing Projects in India (Issued November 13, 2023)	N/A	6	\$54.91 Million
<a href="#">DFC-24-003-C</a>	DFC's Consolidated Financial Statements for FYs 2023 and 2022 (Issued November 15, 2023)	N/A	0	N/A

**Table 2: Recommendations Described in Previous Semiannual Reports on Which Corrective Action Has Not Been Completed**

Report Title Number, and Link	Open Significant Recs	Open Other Recs	Value of Potential Cost Savings
None	N/A	N/A	N/A

**Table 3: Audit and Other Reports with Questioned or Unsupported Costs**

Requirement	Number	Unsupported Questioned Costs	Amount
<b>Inspector General Act, Section 5(a)(8)</b>	<a href="#">DFC-24-002-C</a>	DFC Can Improve Oversight of Renewable Energy and Financing Projects in India	\$54.91 Million

## Appendix C: Metrics for Audit Reporting

Metric	Description
Questioned Cost	A cost that is unnecessary, unreasonable, unsupported, or an alleged violation of law, regulation, and contract
Unsupported Cost	A cost that is not supported by adequate documentation. Unsupported costs are included with the amounts shown as Unsupported Questioned Costs.
Funds Put to Better Use	Funds that could be used more efficiently by implementing recommended actions.
Total Number of Reports Issued	The number of audit reports issued during the reporting period.
Recommendations	Recommendations highlight actions that will improve entity performance when implemented. The appropriate and timely implementation of audit recommendations agreed to by management is an important part of realizing the full benefit of an audit.
Unresolved Recommendations	A recommendation that management has not concurred with and for which a resolution has not been reached between the OIG and management. These recommendations remain open until resolved.

## Appendix D: Metrics for Investigative Reporting

Metric	Description
Investigation Opened	<p>When a complaint or disclosure meets the following conditions:</p> <ul style="list-style-type: none"> <li>• There is identifiable evidence of a potential violation of a law or policy with a nexus to DFC.</li> <li>• The allegation falls within a stated management priority, or an investigation of it can otherwise be justified.</li> </ul> <p>OIG management is committed to expending the necessary resources to fully investigate the matter.</p>
Investigations Closed	When all investigative activity has concluded, all legal and administrative actions have been finalized, and all case results have been recorded in OIG’s case management system.
Total Number of Reports Issued	Referrals of investigative activity are referred to one or more recipients outside of OIG. As part of the referral process, OIG provides referral recipients with a written summary of its investigative findings that inform decision-makers considering potential administrative action.
Prosecutive Referrals	Referrals: Matters referred by OIG to the appropriate entity responsible for initiating criminal prosecution when investigative activity identifies evidence of potential violations of criminal law.
Arrests	Instances in which an individual has been seized pursuant to legal process and taken into custody in connection with an OIG investigation.
Criminal Indictments / Information	<ul style="list-style-type: none"> <li>• <b>Indictment:</b> An accusation in writing found and presented by a grand jury, legally convoked and sworn, to the court in which it is impaneled, charging that a person therein named has done some act, or been guilty of some omission, which by law is a public offense, punishable on indictment. A formal written accusation originating with a prosecutor and issued by a grand jury against a party charged with a crime. An indictment is referred to as a “true bill,” whereas failure to indict is called a “no bill.”</li> <li>• <b>Information:</b> An accusation exhibited against a person for some criminal offense, without an indictment. An accusation in the nature of an indictment, from which it differs only in being presented by a competent public officer on his oath of office, instead of a grand jury on their oath. A written accusation made by a public prosecutor, without the intervention of a grand jury.</li> </ul>
Convictions	An adjudication of a criminal defendant’s guilt; specifically, it is the act or judicial process of finding a criminal defendant guilty of a charged offense.
Sentencings	The formal legal consequences associated with a conviction.
Fines	Monetary penalties are imposed on a defendant as part of sentencing.
Special Assessments	Monetary penalties are imposed on a defendant as part of sentencing. Special assessments are applied on a per-count basis and are collected in the same manner as fines for criminal cases.
Restitution	Monetary penalties are imposed on a defendant as part of sentencing. Restitution serves as recompense to a victim for injury or loss.
Personnel Suspensions	The placement of Federal employees in a temporary non-duty status for disciplinary reasons.
Resignations	Voluntary separation of employees from the Federal agency. Employees who tender their resignations as the result of an OIG investigation typically do so in lieu of removal.

Metric	Description
Removals	The involuntary separation of agency employees from the agency.
Suspensions	The temporary disqualification of firms or individuals from receiving U.S. government awards.
Debarments	Actions are taken by a debarring official to exclude a contractor or grantee, or individual from government contracting and assistance awards for a specified period.
Judicial Recoveries	Monetary amounts are recovered from firms or individuals as part of a criminal or civil sentencing or settlement.
Administrative Recoveries	Funds that were already distributed and for which the agency formally issued a bill of collection or another recovery mechanism after an OIG investigation revealed that the funds were lost, misappropriated, stolen, or misused, and all or a portion of the recovery was paid back.
Funds reprogrammed, disallowed, or saved based on investigative findings.	Funds that were obligated, but not yet distributed, to be spent as part of an agency's investment that were preserved and made available for better uses after an OIG investigation revealed evidence that those funds were vulnerable to fraud or waste and funds that were not yet obligated and subsequently set aside and made available for other uses as a result of an OIG investigation.
Other	<p>Includes several investigative results, the most significant of which are the following, relating to employees and personal services contractors:</p> <ul style="list-style-type: none"> <li>• <b>Reprimand:</b> An official written rebuke, censure, or disapproval of a specific action or actions.</li> <li>• <b>Demotion:</b> A change of status to a lower grade or a position with a lower rate of pay.</li> <li>• <b>Audit Scheduled:</b> An instance in which the responsible organization schedules an audit of the organization or program that OIG's investigation deems to be vulnerable to fraud, waste, or abuse resulting from an investigation.</li> </ul>

## Appendix E: Testimony/Legislation & Regulations



### Congressional Testimony

The DFC OIG might be requested to provide oral or written testimony by Congressional oversight and appropriations committees. During this reporting period, the Inspector General provided written testimony for the record for the U.S. Senate Foreign Relations Committee hearing, [BUILD Act Reauthorization and Development Finance Corporation Oversight](#), held on October 4, 2023.

### Legislation and Regulations

The IG Act directs the OIG to review proposed legislation and regulations relating to the programs and operations of DFC. Although DFC's Congressional Affairs Division reviews all regulations relating to the programs and operations of DFC's activities, the OIG independently reviews proposed legislation that could affect its operations and legislation that relate to waste, fraud, or abuse in DFC's programs and operations. For example, during this reporting period the OIG reviewed legislation related to the [Further Consolidated Appropriations Act, 2024](#), Division F – Department of State, Foreign

Operations, and Related Programs, requiring DFC to staff the Office of Accountability.

In addition to DFC-related legislation, DFC OIG also reviews legislation that supports the Inspector General community and working with the CIGIE Legislative Committee, the OIG has provided comments regarding [H.R. 7532 The Federal AI Governance and Transparency Act](#).





# **Acronyms**

# **Definitions**

# **DFC Products**

## Appendix E: Acronyms, Definitions, DFC Products

### Acronyms







Term	Definition
BUILD Act	Better Utilization of Investments Leading to Development Act of 2018; DFC's authorizing statute
CDO	Chief Development Officer
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CRO	Chief Risk Officer
DFI	Development Finance Institution
FAA	Foreign Assistance Act of 1961, as amended (P.L. 97-195) codified at 22 U.S.C. §2191 et. seq.
HIC	High Income Country
IQ	Impact Quotient (Development Impact Assessment Tool)
LIC	Low Income Country
LMIC	Lower Middle-Income Country
OOA	Office of Accountability
ODC	Office of Development Credit
OPIC	Overseas Private Investment Corporation
SME	Small and Medium Enterprise
UMIC	Upper-Middle-Income Country
2X	DFC's Women's Economic Empowerment Initiative
WBG	World Bank Group
IFC	International Finance Corporation

## Definitions

Term	Definition
Additionality	The quality of DFC provides support that the private sector cannot provide. Please see the full definition in Directive PD-008.
Commitment	A binding offer to provide insurance or financing (i.e., loan or guaranty) under explicit terms and conditions for a specified period of time. The commitment may precede the execution of a loan agreement or insurance contract, but binds the agency to issue the loan, guaranty, or issuance coverage provided the terms and conditions of the offer are met within the specified time period
Country Status	The status of whether DFC can provide support for projects in a given country, which may be subject to certain restrictions.
DFC Policy Requirements	Those policy requirements, preferences, and restrictions are imposed by DFC from time to time on sponsors, investors, and projects. DFC Policy Requirements are imposed as a result of statutory and foreign policy guidance, good corporate governance, and other agency considerations.
Eligible Investor	(1) United States citizens; (2) corporations, partnerships, or other associations including nonprofit associations, created under the laws of the United States, any State or territory thereof, or the District of Columbia, and substantially beneficially owned by United States citizens; and (3) foreign corporations, partnerships, or other associations: Provided, however, that the eligibility of such foreign corporation shall be determined without regard to any shares, in aggregate less than 5 per centum of the total of issued and subscribed share capital, held by other than the United States owners: Provided further, that in the case of any loan investment a final determination of eligibility may be made at the time the insurance or guaranty is issued; in all other cases, the investor must be eligible at the time a claim arises as well as at the time the insurance or guaranty is issued.
Expropriation	One of the types of risks that may be covered under DFC’s political risk coverage.
Financing	DFC investment guaranty, direct loan, and local currency authorities.
Foreign government	“Foreign government” means: (1) Any unit of a foreign government, including any national, State, local, and municipal government, and their foreign equivalents; (2) Any international or multinational organization whose membership is composed of any unit of a foreign government; and (3) Any agent or representative of any such foreign government unit or organization while acting as such.
Internationally Recognized Worker Rights	Defined by section 507(4) of the Trade Act of 1974. Includes: (A) the right of association; (B) the right to organize and bargain collectively; (C) a prohibition on the use of any form of forced or compulsory labor; (D) a minimum age for the employment of children; and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.
ODP Policy Requirements	A subset of DFC Policy Requirements. ODP Policy Requirements are those project-related restrictions and requirements in the areas of the environment, worker rights, human rights, U.S. effects, and developmental benefits. The application of these requirements is handled by ODP. ODP Policy Requirements are imposed because of statutory and foreign policy guidance, good corporate governance, and other agency considerations.

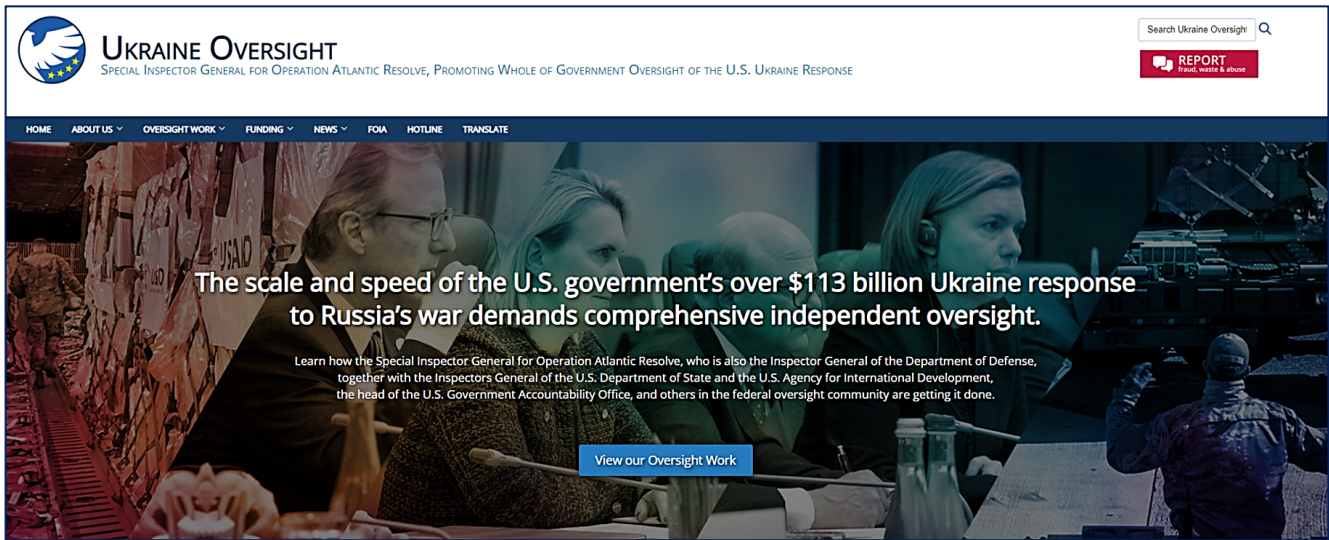
## DFC Products

DFC products include debt financing, equity investments, feasibility studies, investment funds, political risk insurance, and technical assistance. Below is a brief description of DFC products and learn more by visiting its website at [www.dfc.gov](http://www.dfc.gov).

DFC Product Descriptions	
	<b>Debt Financing.</b> Direct loans and guarantees of up to \$1 billion for tenors as long as 25 years, with specific programs targeting small and medium U.S. businesses. DFC provides financing of more than \$50 million to projects in critical infrastructure, energy, and other projects requiring large investments.
	<b>Equity Investments.</b> DFC direct equity investments can provide critical support to companies committed to creating developmental impact. Equity investments can be highly developmental because of their ability to support early and growth-stage companies that would otherwise not be able to take on debt, especially companies in low and lower-middle-income countries.
	<b>Feasibility Studies.</b> Support for the analysis of a potential DFC project. In most cases, grants for feasibility studies and technical assistance will be designed to increase the developmental impact or improve the commercial sustainability of a project that has received or may receive, DFC financing or insurance support.
	<b>Investment Funds.</b> Support for emerging market private equity funds to help address the shortfall of investment capital. DFC can invest debt and equity into emerging market private equity funds to help address the shortfall of private equity capital in developing countries and help these economies access long-term growth capital, management skills, and financial expertise, all of which are key factors in expanding economic development and creating new opportunities for people in low-income and developing nations.
	<b>Political Risk Insurance.</b> Coverage of up to \$1 billion against losses due to currency inconvertibility, government interference, and political violence including terrorism. DFC also offers reinsurance to increase underwriting capacity.
	<b>Technical Assistance.</b> Support to increase the developmental impact or commercial sustainability of existing DFC projects or develop potential DFC projects.

# Ukraine Oversight

The Special Inspector General for Operation Atlantic Resolved now has a website, [www.ukraineoversight.gov](http://www.ukraineoversight.gov). The Federal oversight community, recognized early on that the U.S. Government’s Ukraine response is bigger than any one department or agency. We have been working together to deliver the whole-of-government independent oversight that the scale, speed, and scope of the Ukraine response effort requires. DFC OIG is one of 23 federal oversight agencies in the Ukraine Oversight Interagency Working Group. To report fraud, waste, and abuse of funding related to the United States Ukraine assistance, visit the website’s [Hotline](#).



- |   |   |
|---|---|
|  Department of Defense OIG                     |  Social Security Administration OIG                |
|  Department of State OIG                       |  Export-Import Bank of the United States OIG       |
|  U.S. Agency for International Development OIG |  International Development Finance Corporation OIG |
|  Government Accountability Office              |  Defense Logistics Agency OIG                      |
|  Department of Agriculture OIG                 |  U.S. European Command OIG                         |
|  Department of Commerce OIG                    |  U.S. Army Europe and Africa OIG                   |
|  Department of Energy OIG                      |  Defense Contract Audit Agency                     |
|  Department of Health and Human Services OIG   |  Air Force Audit Agency                            |
|  Department of Homeland Security OIG           |  Army Audit Agency                                 |
|  Department of Justice OIG                     |  Naval Audit Service                               |
|  Department of the Treasury OIG                |  Nuclear Regulatory Commission OIG                 |
|  Intelligence Community OIG                    |   |



OFFICE OF INSPECTOR GENERAL  
U.S. International Development  
Finance Corporation



U.S. International  
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## INSPECTOR GENERAL HOTLINE

# DROP A LINE TO THE OIG HOTLINE



**REPORT CORRUPTION AND OTHER MISCONDUCT TO OIG:**

• FRAUD • WASTE • ABUSE • MISMANAGEMENT • RETALIATION

**Anyone may report directly to the Hotline.**



<https://www.dfc.gov/oig/hotline#no-back>

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