



July 30, 2025

The Honorable Jim Risch, Chairman  
The Honorable Jeanne Shaheen, Ranking Member  
Committee on Foreign Relations  
U.S. Senate  
Washington, DC 20510

Dear Chairman Risch and Ranking Member Shaheen:

On behalf of the membership of the bipartisan Modernizing Foreign Assistance Network (MFAN), I write to urge the Committee to preserve and strengthen the U.S. International Development Finance Corporation's (DFC) core development mandate as part of legislation to reauthorize the Better Utilization of Investments Leading to Development (BUILD) Act of 2018.

MFAN has long championed the DFC as a vital tool of U.S. development and foreign policy for leveraging private capital to advance development outcomes in the world's most challenging markets. To fully realize its potential, the agency's reauthorization should reinforce the foundational purpose of the BUILD Act: to prioritize investment in low- and lower-middle-income countries (LICs and LMICs), where limited access to capital remains a significant barrier to economic growth. In these contexts, DFC's marginal dollar can have an outsized impact by crowding in private financing and helping to deliver meaningful development benefits.

MFAN recognizes that U.S. foreign policy priorities will continue to shape investment decisions. The BUILD Act already provides flexibility for investments in upper-middle-income countries (UMICs) if certified to further U.S. economic or foreign policy interests and deliver significant development impact or benefits to the country's poorest. Regarding this certification process, we believe it can be more effectively managed by the DFC CEO or Board — which already includes senior Administration officials such as the Secretaries of State, Treasury, and Commerce — rather than requiring separate action from the State Department. To enhance this process and minimize delays, we also recommend:

- Adding a third certification criterion: that UMIC projects be structured to maximize private capital mobilization.
- Directing DFC's Board to develop clear guidance for UMIC investments, emphasizing the continued presence of poverty in these countries and the need to avoid crowding out private capital. Guidance should focus on ensuring these investments deliver strong development returns and align with the agency's original mission.

- Requiring DFC to report to the relevant committees if more than one-third of its annual project commitments are in UMICs or high-income countries. This would help preserve appropriate balance and accountability while maintaining flexibility to manage risk.

Thank you for your leadership on reauthorizing the DFC and for your consideration of these recommendations. MFAN stands ready to serve as a resource as the Committee proceeds with updates to the BUILD Act in the coming weeks.

Sincerely,

A handwritten signature in black ink, reading "Tod Preston". The signature is fluid and cursive, with the first name "Tod" and last name "Preston" clearly distinguishable.

*Tod Preston*  
*Executive Director*  
*Modernizing Foreign Assistance Network*