

Testimony of Conor Coleman
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U.S. International Development Finance Corporation
House Committee on Appropriations Subcommittee on National Security, Department of State and
Related Programs
September 16, 2026, at 10:00 am

Thank you, Chairman Diaz-Balart, Ranking Member Frankel, and distinguished Members of the Committee, for the opportunity to appear before you today on behalf of the hundreds of dedicated professionals at the U.S. International Development Finance Corporation (DFC) who advance our mission every day. Since our establishment in 2019, DFC has benefited from strong bipartisan support, and we remain grateful to this Committee for its enduring partnership as we pursue our dual investment mandate to (i) advance U.S. foreign policy priorities and (ii) drive meaningful economic development for our allies and partners.

This is a time of unprecedented global competition. As America's adversaries weaponize economic tools against us, President Trump and Congress have called on DFC to restore U.S. economic security and make an impact globally. December's reauthorization empowered DFC to mobilize capital with the discipline and scale this moment demands: it raised our investment capacity to \$205 billion, opened strategically significant sectors across nearly all international geographies, and equipped us to deploy a comprehensive suite of financial products to aid in our mission of mobilizing private capital at scale.

DFC's FY 2027 Budget

We are grateful for the Fiscal Year 2027 resources provided to DFC in the House bill that further our ability to responsibly use our investment authorities, execute our pipeline, and steward our growing portfolio. DFC offers a cost-effective approach to achieving significant impact. Our unique subsidy model allows DFC to leverage discretionary program funds to implement private-sector-driven solutions.

The President's budget also proposes \$3 billion in mandatory funds to support the vision in DFC's reauthorization to enable the use of DFC's equity tool for strategic investments. Structured as a revolving fund and score on a cash basis, DFC's authorization permits reinvestment of any realized returns from its initial investments. While we note it here, we recognize that this mandatory funding request would go through our authorizing committees.

Under the Trump Administration and CEO Black's leadership, DFC is transforming into a best-in-class financial institution that can deliver the underwriting rigor and speed of a top-tier commercial investor in service of America's foreign policy and economic development priorities – an approach reflected in the transactions under review by our Board of Directors this morning, which we look forward to sharing with the Committee after approval. In parallel, we are building out the sophisticated internal infrastructure to match our elevated investment mandate. These efforts are multi-year in scope, and we are already seeing larger, more strategic, and more economically consequential deals close. Fiscal Year 2027 discretionary administrative funds will support these efforts.

Advancing American Interests Through Disciplined Investments

Over the last 19 months, DFC has built a pipeline of hundreds of investment opportunities totaling approximately \$100 billion across agriculture, healthcare, financial services, energy, technology and telecommunications, logistics and infrastructure, and critical minerals in the geographies most vital to U.S. interests. Every transaction is sourced and screened against consistent standards, which include confronting adversary influence in strategic sectors, connecting scaled projects to American and allied markets, promoting economic development, and catalyzing private capital through sophisticated financial design.

Our approach to critical minerals is a prime example. Our \$565 million financing package for Serra Verde anchors the only large-scale producer of heavy rare earths outside Asia and secures a Western-aligned source of the materials most critical to American defense and advanced industry. DFC's \$600 million contribution into our \$1.8 billion Critical Minerals Consortium with Orion Resource Partners attacks the same vulnerability at scale by confronting China's 70 percent grip on critical minerals refining through a durable public-private partnership.

The U.S.-Ukraine Reconstruction Investment Fund applies a similar playbook to a different context. As the first-of-its-kind joint bilateral fund, URIF mobilizes private investment for Ukraine's recovery while creating openings for American firms to lead the rebuild. A key pillar of the Trump Administration's economic partnership with Ukraine, URIF targets investments that strengthen supply chain resilience and advance the shared economic security and prosperity of both nations.

DFC transactions translate directly into tangible outcomes for our partners. We measure success not just by the number of deals we execute, but by the economic and development impact of each transaction. In

2025, DFC-supported projects delivered 276,807 new energy connections in Kenya, improved sanitation for 2.2 million Indian households, and created hundreds of thousands of jobs across Nigeria, Brazil, Ecuador, Egypt, and Vietnam. Looking ahead, our \$1.5 billion commitment to South and Southeast Asian energy infrastructure will bring reliable electricity to millions more. Together, these results demonstrate that industrialization abroad is best built on American and allied capital, equipment, and standards.

Matching Generational Investments with Operational Sophistication

Simultaneously, DFC has modernized its investment process to mirror best-in-class peers, accelerating decision-making timelines while sharpening diligence processes at every stage. In parallel, we have launched an independent valuation of our portfolio and are actively right-sizing exposures where appropriate, which offers DFC a clear view of risk and performance to guide capital allocation for decades to come.

To support this elevated standard, we continue to recruit top-tier investment professionals to ensure DFC has the necessary underwriting depth and market fluency. Notably, we have begun the buildout of our Office of Global Business Development, with coverage organized around the capital providers, geographies, and corporate sectors most critical to our mission. This office will allow DFC to create maximum leverage for both existing and new relationships, fortifying us as a preferred lending partner globally.

With the resources this Administration has requested and Congress have generously provided, DFC is positioned to deliver on its mandate: advancing U.S. foreign policy priorities and driving meaningful economic development and impact for our allies and partners. Our adversaries have spent decades embedding themselves across strategic sectors, supply chains, and regions; countering them demands sustained budgetary support and the deliberate, decisive capital allocation DFC is built to provide. Thank you for your support. I look forward to your questions.