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A Report on DFC's First Ye

U.S. International
Development
Finance Corporation

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Our First Year

Investment is essential to lift people out of poverty and advance long-term economic growth, trade, and prosperity.

DFC launched in December 2019 as America's development bank with a mission to mobilize investment in lower income countries, empower women and other underserved communities, while developing the roads, ports, and critical infrastructure that will help build peaceful and prosperous modern societies.

DFC was created through the Better Utilization of Investments Leading to Development (BUILD) Act. Passed in 2018 with broad bipartisan support, this landmark legislation recognized the world needs American leadership in development and that American investment around the world will advance our competitiveness and our national security.

DFC enjoyed a banner first year, launching multiple new initiatives and financing tools, and forming new alliances both within the U.S. government and with our allies around the world, to expand our impact.

December 2019
DFC launched

$232 Million
Amount returned to American taxpayers

79
Projects committed

106
Countries with active projects

$2.5 Billion
Investment committed toward women's economic empowerment

$4.67 Billion
Investment committed

2/3
Share of projects in low-income, lower-middle income countries and fragile states

Changing the Way We Work

Increased investment in lower-income countries. Two-thirds of the projects we approved in 2020 were in low-income and lower-middle income countries as well as in fragile states.

New Equity Tools

The BUILD Act granted DFC authority to provide equity financing to complement debt financing and support early-stage businesses that may not be equipped to take on additional debt.

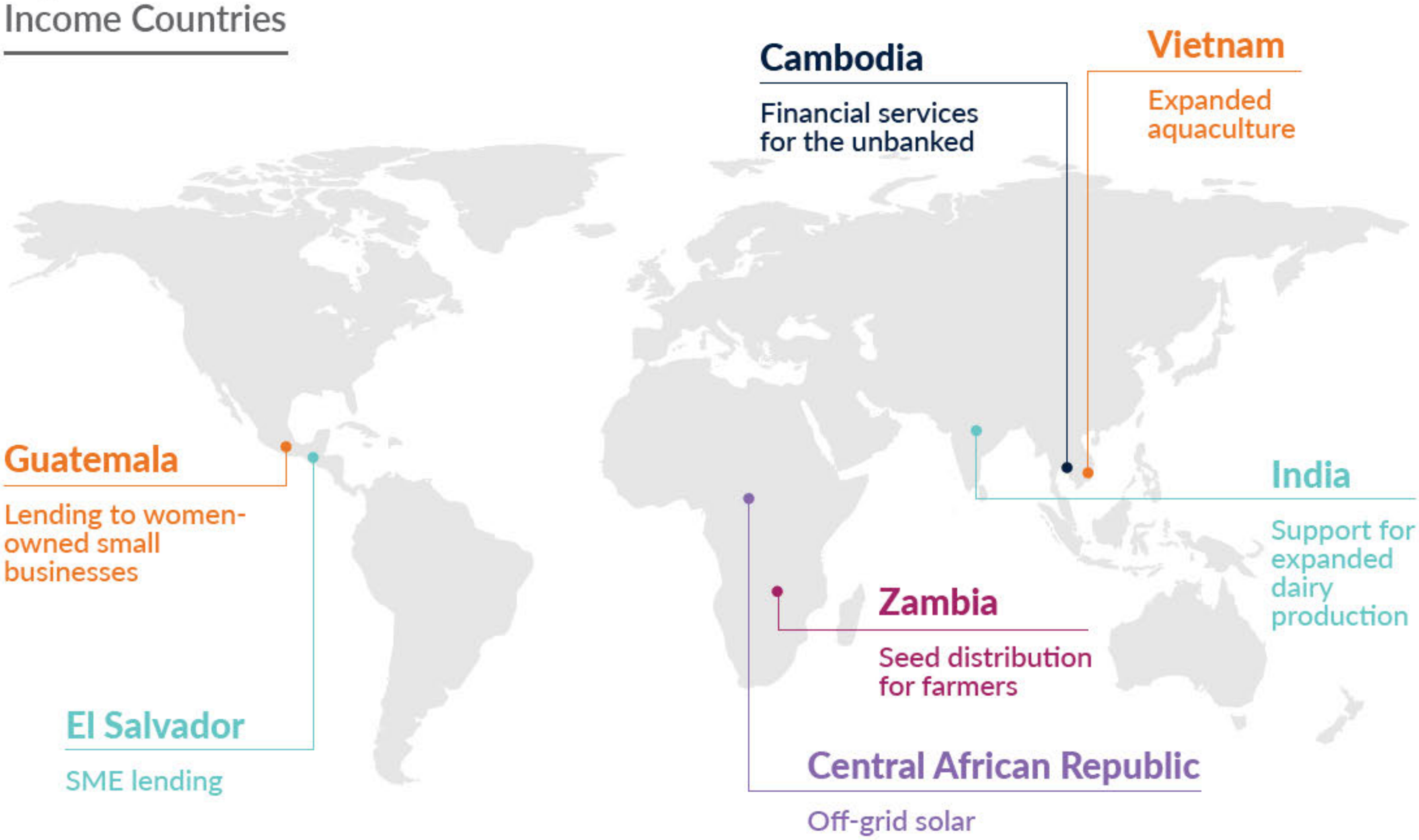
Bolstering India's food security. India is the world's second largest food producer but still suffers from widespread food insecurity, often because the value chains that move food from farm to consumer are weak and result in significant food spoilage. Border closings and lockdowns resulting from COVID-19 have further strained these value chains.

In the first direct equity investment made under its expanded authorities, DFC invested $15 million in Freshtohome Foods Ltd., a Bangalore e-commerce business that sells fresh fish, meat and vegetables in major cities in India. Freshtohome is a five-year-old company built with proprietary technology to connect more than 1,500 fishermen and farmers to its delivery network, while also adding transparency to pricing to help food producers earn higher prices than they typically receive at auction. Freshtohome is also working to introduce modern fish farming practices to help increase yields.

Supporting technology investments in Southeast Asia. DFC also committed over $105 million in equity to four private equity funds investing in growing businesses across the globe: AfricInvest Fund IV LLC, Asia Partners I LP, South Asia Growth Fund II, and SPE AIF I, LP. An investment of up to $25 million in Asia Partners I, LP will support investments in businesses introducing innovative technology platforms in Indonesia, Vietnam, the Philippines, and Malaysia to help reduce costs for small businesses, facilitate trade, and foster innovation.

DFC's first year was marked by increased investment in low-income countries

Expanded Investment in Lower Income Countries



Technical Support

DFC's new authority to provide grants for feasibility studies and technical assistance enabled it to support the development of potential DFC projects and increase the impact of existing DFC investments.

Expanding access to sanitation in Kenya. Two billion people worldwide lack adequate sanitation, which is a major cause of disease. In Kenya, Sanergy introduced a series of modern toilets in the slums of Nairobi that process waste to eliminate pathogens. Sanergy then uses the waste as feedstock for fly larvae, which are sold as animal feed, with the remaining waste composted to create fertilizer.

Sanergy has introduced more than 3,000 toilets in and around Nairobi, serving more than 120,000 people daily. DFC's technical assistance and feasibility study support will help the business produce and sell more feed and fertilizer, develop additional products, and analyze the possible expansion of the company's operations to other parts of Kenya and other countries in Africa.

Major Infrastructure Projects to Support Growing Development Needs

With $60 billion in investing capacity and authority, DFC supported several major infrastructure projects that will be transformational to the host country.

Developing Mozambique's natural gas resources. In Mozambique, one of many low-income countries that lacks investment to develop its resources, DFC approved up to $1.5 billion of political risk insurance to support the commercialization of natural gas reserves. The project has the potential to transform Mozambique into a major energy exporter, increasing its GDP by an average of $15 billion per year.

A Commitment to Early-Stage Social Enterprises

Some of the most innovative and promising solutions to persistent development challenges come from early-stage enterprises that are especially challenged to access the capital they need to introduce a new product or service. In 2020, DFC launched the Portfolio for Impact and Innovation (PI^2) to expand support for these early-stage enterprises. PI^2 will invest up to $10 million per project in early-stage ventures that support development in many of the world's most underserved communities by improving access to services such as clean water, healthcare, education, financial services, and technology.

Improving food value chains in Africa. Twiga, a six-year-old small business supported with DFC financing through the PI^2 program, is working to build a modern and more efficient food distribution system in Kenya and other African countries. Twiga purchases fresh produce from rural farms and transports it to urban vendors, improving access to healthy food, reducing food waste, and increasing earnings for both the farmers who grow it and the vendors who sell it. The project also advances DFC's 2X Women's Initiative by connecting female farmers, who make up nearly half of the agricultural labor force in many African countries, with formal markets. The project also helps a network of mostly female produce vendors increase sales and profits.

A new team of regional advisors in Africa will work to drive investment on the continent.

Partnering with USAID to Expand Access to Credit

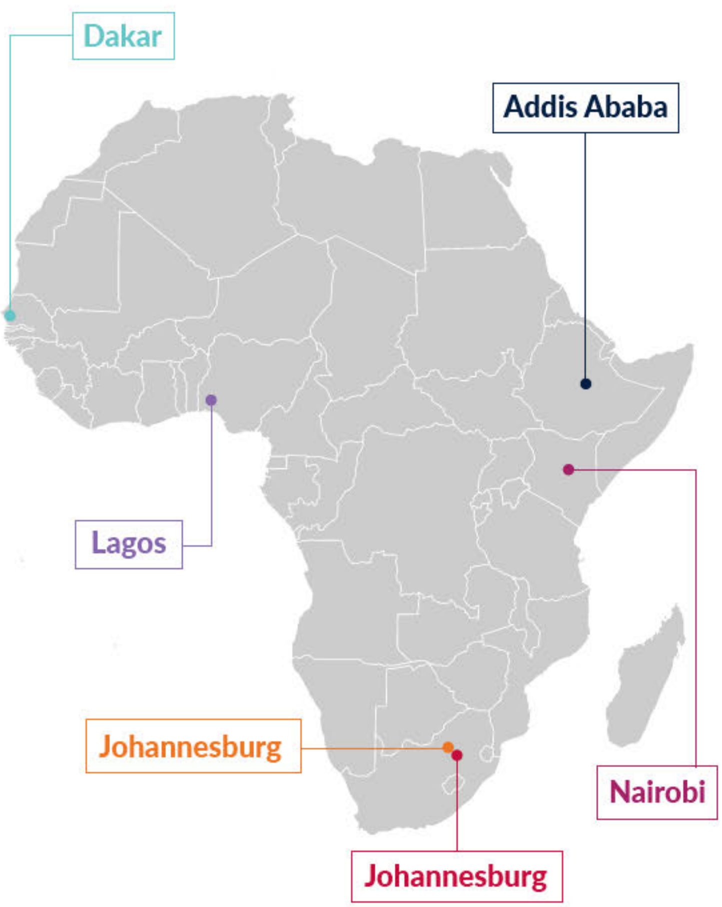
DFC's Mission Transaction Unit works with a network of USAID liaisons to identify credit challenges in developing countries and underwrite guaranties with local banks. These projects encourage banks to lend to projects likely to have a strong positive impact by sharing risk.

Expanding credit to small businesses in the Sahel. Africa's Sahel region south of the Sahara Desert is home to many of the world's least developed countries. In one of the first projects approved through the new Mission Transaction Unit, a DFC guaranty together with a grant from USAID, is helping the nonprofit Cordaid Foundation lend to small and medium enterprises (SMEs) in Burkina Faso, Guinea, Mali, and Sierra Leone. The project is expected to support at least $37 million in loans to 50 SMEs and eight microfinance institutions by 2025, supporting 2,100 new jobs and 8,000 microentrepreneurs.

An Expanded Presence in Africa

DFC CEO Adam Boehler was named Executive Chairman of the Administration's Prosper Africa Initiative, which aims to double two-way trade between the U.S. and Africa. To support the goals of Prosper Africa, DFC launched the Africa Investment Advisor Program, establishing a regional team of six based across Africa. These advisors will work with DFC deal teams in Washington and local embassy staff to help drive investment in Africa and create more opportunities for both American and African companies. In addition to supporting business development, these new advisors will support on-the-ground project monitoring along with due diligence of potential projects. Additionally, DFC's Power Africa team helped advance five transactions valued at $246.4 million in support of Power Africa's goal of doubling access to electricity in sub-Saharan Africa.

DFC's Africa Investor Advisors



An Increased Commitment to Development

To ensure that DFC investments deliver a strong benefit to people in developing countries, DFC launched the Roadmap for Impact, a $75 billion development strategy that aims to bring basic services to more than 30 million people.

A Modernized Energy Policy

After a public comment period showed resounding support, DFC revised its Environmental and Social Policy and Procedures to allow for the support of nuclear power projects as part of its commitment to renewable resources. This change positions DFC to accelerate growth in developing countries with limited energy resources and deliver a reliable source of power to some of the 1 billion people around the world who live without it. Supporting nuclear energy projects in the developing world will also establish the United States as the world leader in best-in-class nuclear energy technology. DFC received more than 800 responses during the public comment period with 98 percent in support of the proposed change.

Increased Oversight

Newly created positions including a Chief Risk Officer, a Chief Development Officer, and an Inspector General will help ensure rigorous project monitoring and appropriate use of government resources.

Confronting a Global Pandemic

In the months after DFC launched, COVID-19 presented an unprecedented health and liquidity crisis that left developing countries particularly vulnerable. While many communities lacked healthcare infrastructure or even running water, stay-at-home orders and border closings made it difficult for businesses to operate and choked supply chains of food and other essential goods.

DFC launched a swift and multi-pronged approach to preserve both lives and livelihoods.

Injecting Liquidity to Existing Clients

DFC launched a $4 billion rapid response liquidity facility and took other steps to provide additional support to portfolio projects impacted by the pandemic.

A $400 million loan to Brazil's Banco Itaú under this liquidity facility will support lending to SMEs with a strong focus on underserved populations, including women and people living in remote parts of the country.

A tier-2 capital loan of up to $250 million will help Africa Finance Corporation (AFC) continue serving new and existing borrowers across the continent as a low-cost source of financing in the wake of COVID-19. This support will help AFC, an African-led development finance institution, continue to prioritize debt and equity investments in critical infrastructure projects, including energy, telecommunications, and transportation.

Expanded Access to Credit

In addition to the emergency liquidity facility, DFC supported multiple projects to expand access to credit.

In Costa Rica, where key industries were hard hit by the pandemic, DFC provided financing to encourage local banks to lend to small businesses.

In El Salvador, the agency approved a $10 million loan to expand access to affordable mortgages.

The pandemic has exacerbated many existing gender inequalities, particularly with regard to access to finance. A $20 million loan will help SEAF COVID-19 Global Gender Lens Emergency Loan Finance LLC deliver critical financing to women-owned businesses that are disproportionately impacted by liquidity crises.

Prioritizing Investments in Healthcare

To support the healthcare response to COVID-19, DFC launched a Global Health and Prosperity Initiative to provide up to $2 billion in financing for health projects and targeting an additional $3 billion in private-sector investment. Investments made under this initiative included…

Supplying durable medical equipment. Many low-income communities in sub-Saharan Africa struggle not only with limited access to healthcare, but also shortages of electricity and modern infrastructure needed to support medical equipment. DFC financing through a Citi framework agreement is helping New York-based Gradian Health Systems, Inc. distribute ventilators and anesthesia machines designed with long-duration battery power for safe and effective use in challenging settings with limited access to electricity and medical oxygen.

Strengthening pharmaceutical supply chains. DFC approved a $4.5 million guaranty to Citibank for its loan to mPharma, which manages a network of 400 pharmacies across Kenya, Ghana, Nigeria, and Zambia and is working to expand access to safe and affordable medicines.

Building Resilient Health Systems

While hospital beds, pharmaceuticals, and personal protective equipment are some of the basic elements of defense against COVID-19, the pandemic also exposed the widespread shortages of clean water and basic sanitation that are critical to disease prevention and treatment.

Expanding access to clean water. In El Salvador, where one-third of the population lacks a reliable source of clean water in their homes, DFC financing to Azure Source Capital is supporting an initiative that mobilizes blended finance to fund the rehabilitation and expansion of small water systems.

DFC's COVID-19 response focused on many low-income communities that lack key resources like electricity and modern infrastructure to operate essential medical equipment.

DFC PARTNERS RESPOND TO COVID-19

Around the world our partners were swift to adapt to the new challenges of the pandemic.

When schools closed in India, education lender ***Varthana*** helped them assemble online lessons accessible from basic flip phones.

Healthcare technology provider ***Dimagi*** launched a pandemic division to support contact tracing in South Africa.

International Rescue Committee worked to mitigate the spread of COVID-19 in regions with limited access to healthcare by introducing telemedicine and educating people about health measures and precautions.

In Africa, ***One Acre Fund***, worked to protect some of the world's smallest farmers by distributing masks and sanitation supplies and shifting from group to remote training.

Maximizing Our Global Development Impact

DFC was built with a commitment to maximize development impact in countries and communities most in need. In 2020, we unveiled our first ever global development strategy as well as a new tool for measuring impact.

Roadmap for Impact

In a bold new strategy for maximizing our development impact, our Roadmap for Impact outlines plans to catalyze $75 billion by 2025. The Roadmap aims to invest $25 billion and mobilize an additional $50 billion across key sectors including energy, healthcare, financial inclusion, food security and agriculture, and WASH (water, sanitation, and hygiene) as well as other projects that will support the COVID-19 response. The Roadmap also establishes specific investment goals and development metrics with the aim of bringing basic services to more than 30 million people.

DFC's new Impact Quotient (IQ) tool was developed to more accurately evaluate the potential impact of proposed projects and monitor current projects.

Measuring Impact to Maximize Impact

DFC's new Impact Quotient (IQ) tool was developed to more accurately evaluate the potential impact of proposed projects and monitor active projects. IQ was developed in consultation with more than 50 stakeholders and was designed to capture the multiple ways projects impact communities, from contributing to economic growth; to supporting underserved groups such as women, smallholder farmers, and refugees; to encouraging innovation through the introduction of new products or services, the transfer of knowledge or technology, and the use of innovative financial structures to mobilize private capital.

Tracking Our Progress: Our First-Year Impact

DFC's Roadmap for Impact outlines multiple targets, published on DFC's **website**, for maximizing our impact over a five-year period.

In FY 2020, DFC committed $4.6 billion to projects that are expected to mobilize an additional $6.8 billion in private capital. This chart shows our progress to date regarding the five-year **projected development impact** of projects DFC committed to in FY 2020, measured against the targets identified in the **Roadmap's** priority themes and sectors[1].

Low-Income Communities

66% Of projects are based in low- and lower-middle- income countries, and fragile states

Financial Inclusion

$2.5 Billion
Committed to 2X Women's Initiative projects

$29.7 Million
Committed in projects that include financial technology

In future years, DFC will seek to track the number companies that will be brought into the formal sector

Women and Underrepresented Communities

Projects are expected to reach **1.7 Million** women and **2.8 Million** underrepresented individuals and SMEs[2]

Innovation and Technology

46%
Of projects are projected to advance innovation[4]

1.2 Million
People are projected to benefit from projects that lead to knowledge and technology transfer

Energy

$1 Billion
Committed

8 Countries
Will benefit from projects that advance energy security through domestic power generation

6,671 Gwh
Of energy per year is projected to be produced. In future years, DFC will seek to track the number of people who will gain access to electricity

Health[5]

$5.9 Million
Committed

3 Projects
Will increase access to health care services in lower-middle- and upper-middle-income countries

50 Patient consultations per year are supported

Sustainable Job Creation

14,000
New local jobs supported[3]

31%
Of projects reported exemplary human capacity-building programs and/or family-friendly benefits that exceed local legal requirements

Technology and Infrastructure

$447 Million
Committed

No project qualified against the Roadmap target to increase internet access

No project qualified against the Roadmap target to expand logistics, warehousing and transportation infrastructure

Water, Sanitation, and Hygiene (WASH)

$101 Million
Committed

2 Projects
Are in lower-middle-income countries

866,000
People are provided with support to gain access to potable water

Food Security and Agriculture

$213 Million
Committed

989,000
Smallholder farmers are supported

93%
Of projects are in lower-middle-income countries

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1 There are projects that cut across multiple Roadmap sectors worth over $400 million not reflected in the chart. In addition to the targets identified, in future years, DFC seeks to track the number of new clients each year and the percentage of clients based in developing countries.

2 Underrepresented populations may include low-income populations, poor populations, smallholder farmers, young adults, women and women-owned enterprises, people with disabilities, indigenous peoples, refugees, and ethnic and religious minorities. "SMEs" are entities that (a) meet the requirements set forth in any applicable law defining a small and medium enterprise in the host country, and (b) for the most recent fiscal year, satisfy at least two of the following three criteria: (i) $15 million or less in annual revenues; (ii) $15 million or less in assets; or (iii) 300 or fewer employees.

3 The estimate includes directly hired individuals and individuals to be hired through third-party agencies as long as those individuals will provide on-site services related to the operations of the client company. The estimate also includes seasonal, contractual and part-time jobs that were converted to full-time equivalent jobs on a pro rata basis.

4 Innovation metric includes percentage of projects that (a) introduce new or uncommon products/services (including renewable energy) to the market or introduce new or uncommon operational techniques that will result in improved costs or product/service quality for end-beneficiaries or (b) are projected to have sector-wide demonstration effects and/or employ an innovative financial structure and/or business models that mobilize private sector participation and capital.

5 DFC's *Health & Prosperity* Initiative drove $325 million in commitments in the health, food security, and WASH sectors.

Investing in Lower-Income Countries

DFC prioritizes investments in low-income and lower-middle- income countries as well as in fragile states, and seeks to conduct 60 percent of its business in these critical areas. In 2020, DFC surpassed that goal with two-thirds of newly approved projects focused in these regions. While lower-income countries are particularly challenged to access critical investment, our investments also serve as a critical stabilizing force in regions that are affected by war or violence or strained by large refugee populations. DFC investment also supports underserved populations such as women and people living in rural areas.

Expanding electricity generation in Malawi. In a country where only 11 percent of the population has reliable access to electricity, DFC financing is supporting construction of a 46 MW solar facility that will reduce blackouts and provide power to homes and businesses.

Introducing financial services in Cambodia. Two new DFC projects are aimed at expanding access to financial services in Cambodia by providing leasing of motorbikes, the primary mode of transportation in the country, and expanding financing to women and small businesses in rural parts of the country.

Supporting refugee communities around the world. DFC financing will help the Kiva Refugee Investment Fund provide microloans for refugees around the world who are often challenged to access traditional financing.

Empowering Women

Women's economic empowerment is mandated in the BUILD Act as a strategic DFC priority. In 2020, DFC invested more in the world's women than during the three prior years combined, investing $2.5 billion and catalyzing over $4 billion in capital to projects that economically empower women. Investments under DFC's 2X Women's Initiative support women as entrepreneurs, leaders, employees, and consumers. Since its inception, 2X has catalyzed $7 billion towards gender-smart investments and has played a key role in advancing the Administration's broader Women's Global Development and Prosperity (W-GDP) Initiative, which has empowered 12 million women worldwide to date. DFC has a deep and unwavering commitment to investing in the world's women and has only strengthened that commitment during the COVID-19 pandemic.

2X WOMEN'S INITIATIVE

32
Projects supported in 2020

$2.5 Billion
Total invested in 2020

$7 Billion
Total catalyzed to date

A DFC loan guaranty is helping the nonprofit social investor Root Capital provide loans, training, and other support to sustain the livelihoods of more than 1 million farmers — more than half of whom are women — in 21 countries in Africa and Latin America.

Preserving jobs in Uganda. In rural Uganda, where unemployment is high and opportunity is particularly limited for women, DFC financing is helping jewelry manufacturer Akola employ 200 women and weather the economic disruptions of COVID-19 by providing steady income through a period of economic uncertainty.

Sustaining farmers. A DFC loan guaranty is helping the nonprofit social investor Root Capital provide loans, training, and other support to sustain the livelihoods of more than 1 million farmers — more than half of whom are women — in 21 countries in Africa and Latin America.

Closing the gender credit gap. DFC, together with USAID, is supporting Women's World Banking. This first-of-its-kind blended fund is investing in projects that empower women across the developing world by expanding access to financial services and narrowing the gender credit gap.

Lending to thousands of female entrepreneurs. DFC financing to Banco Pichincha is expanding lending to micro-, small and medium enterprises in Ecuador that are owned by, led by, or support women. One hundred percent of the total loan proceeds will go to women. The project is expected to reach 53,000 female entrepreneurs in its first five years.

Partnering to expand impact. 2X also formed multiple alliances to help mobilize additional private-sector investment. Under the Global Nutrition Alliance, DFC and the Eleanor Crook Foundation will work to improve global food supply, with a strong focus on reaching women and children. Additionally, DFC signed a memorandum of understanding (MOU) with Microsoft Corporation to collaborate on infrastructure projects that will help close the digital divide. DFC also signed an MOU with Visa Foundation to co-invest in 2X projects.

Building the Infrastructure of the 21st Century

Modern roads, airports, seaports, cellular towers, hospitals, and power plants foster connectivity within cities and trade across borders. DFC supported multiple projects to build modern infrastructure in emerging markets.

Modern port in central Africa. Gabon, where one-third of the population lives below the poverty line, is one of many countries working to build a stronger and more diversified economy. DFC's investment and insurance support for the Meridiam Africa Infrastructure Fund is supporting the development of the Owendo Port, a mineral and specialized bulk terminal port, which will expand the country's import and export capacity.

Bolstering connectivity in Southeast Asia. A $190 million loan to Trans Pacific Networks will support the world's longest telecommunications cable. Connecting Singapore, Indonesia, and the United States, the cable will have the capacity to serve multiple markets in Southeast Asia and the Pacific.

DFC financing is supporting the world's largest telecommunications cable, connecting Singapore, Indonesia, and the United States.

Advancing Energy Security Worldwide

DFC supported 16 projects that are expanding access to energy in energy-scarce regions and promote energy independence.

Developing renewable resources in India. DFC financing to ReNew Power will support the development of a 105 MW solar power plant in Gujarat. DFC is also providing financing to help small and medium enterprises in India invest in renewable energy solutions, including rooftop solar.

Increasing access in rural Mozambique. Up to $200 million in financing will support the development of a 420 MW power plant and 25 km interconnection line in Mozambique. This will help the country use more of its domestic energy supply and reduce the cost of electricity. Power generated at the plant will feed into a 560 km transmission line that is being built by a consortium of development institutions with technical assistance from the U.S. Power Africa Initiative and will support the delivery of electricity to homes and businesses in mostly rural regions of the country that currently lack electricity.

Biomass project will support rural farmers. In Cote d'Ivoire, DFC is providing reinsurance to Chubb European Group in a project to build a 46 MW biomass power plant that is fueled by palm leaf stalk. In addition to expanding the country's energy generation capacity, the project is expected to boost income for rural smallholder farmers.

A Bold Commitment to Food Security

Hunger and malnutrition in many parts of the developing world results not only from insufficient food production but also weak value chains. DFC's new Food Security Transaction Unit will focus on investing in agriculture; infrastructure such as food storage and processing; and essential inputs such as equipment, seeds and fertilizer.

Protecting farmers from natural disasters. A DFC loan will help the InsuResilience Investment Fund provide insurance to support some of the millions of people in developing countries who are pushed into poverty each year because of natural disasters. Managed by BlueOrchard, InsuReslience will help financial institutions develop insurance products for micro, and small and medium enterprises; smallholder farmers; and other climate-vulnerable and poor populations in developing countries. This will help millions mitigate losses caused by extreme weather and other natural disasters.

Distributing seeds. Political risk insurance is supporting the expansion of Zambia Seed Company, which produces and distributes seeds to farmers in Zambia and across sub-Saharan Africa.

Investing in dairy farmers. In India, financing and technical assistance is helping Milk Mantra expand its business sourcing milk from more than 60,000 smallholder farmers and selling milk, cheese and other dairy products throughout eastern India. Milk Mantra will also provide training to farmers, health services to cattle, and digital financial services to small rural farmers, with a strong focus on reaching female farmers.

DFC's new Food Security unit is investing to combat hunger and malnutrition.

Partnering to increase global food supply. The Global Nutrition Alliance is a collaborative new initiative aiming to mobilize $100 million in private-sector investment to reduce malnutrition in developing countries, with a strong focus on reaching women and children. Under the alliance, DFC and the Eleanor Crook Foundation will mobilize their collective resources to improve global food supply.

Advancing American Foreign Policy

DFC is a critical component of the United States national security strategy. Investment in developing countries supports job creation and economic growth, offers an alternative to predatory investment by authoritarian states, and serves as a stabilizing force in the world. DFC supports and complements the work of the State Department, USAID, the National Security Council, the Department of Defense, and other government agencies, particularly in fragile states and those impacted by conflict.

Boosting Economic Development in Kosovo

Following a historic agreement establishing economic normalization between Kosovo and Serbia, DFC led a delegation to the region and committed to work to increase private-sector investment in Kosovo. This investment will help strengthen air, rail, and road infrastructure as well as technology and bolster economic ties and promote durable peace between the two countries.

Bolstering Georgia's Position as a Regional Trade Hub

Georgia sits on the southern border of Russia, less than 200 miles from Iran. It needs private investment to recover from a turbulent past and foster a more secure and prosperous future. In 2020, DFC disbursed the first tranche of a $50 million loan to expand Georgia's Port of Poti. The 100-year-old Black Sea port sits at a critical juncture connecting Europe and Asia but needs additional capacity to berth larger ships and accommodate increased trade throughout the region.

DFC investment serves as a stabilizing force in the world.

[redacted]*

[redacted]

Creating Economic Growth in Central America

This region of Central America, comprising El Salvador, Honduras and Guatemala, requires significant investment to address poverty and violence. DFC has actively committed to investing to build critical infrastructure and expand access to essential services including clean water, electricity, financial services, and housing.

Developing Oil Reserves in Iraq

DFC financing is supporting construction of a new oil processing facility in northern Kurdistan that will introduce U.S. expertise to help improve efficiency in Iraq's oil sector, create jobs, and support the Kurdish regional government's goal to develop oil reserves. The project will generate export earnings from the sale of oil. DFC has also committed to invest $1 billion over four years in private-sector projects in Iraq, with an aim of mobilizing a total of $5 billion in energy, financial services, health, housing, and agriculture. DFC is leveraging this commitment to encourage reforms in Iraq's business-enabling environment.

*Information has temporarily been redacted, including to protect the safety of implementing partners.

Data and Transparency

Outreach to Minority-Owned and Women-Owned Businesses

22 U.S.C. § 9621(i)(2)

"(A)(i) the amount of insurance and financing provided by the Corporation to [minority-owned and women-owned] businesses in connection with projects supported[1] by the Corporation;"

Ownership Type	Amount of Insurance & Financing to DFC Projects Supported
U.S. Minority-Owned Businesses[2]	$53.1 million
U.S. Women-Owned Businesses[3]	$250 million

22 U.S.C. § 9621(i)(2)

"(A)(ii) the involvement of [minority-owned and women-owned] businesses in procurement activities conducted or supported by the Corporation."

Vendor Procurement	DFC FY2020 Actual	U.S. Government FY2020 Goals[4]
U.S. Small Business[5]	62%	23%
U.S. Disadvantaged Business[6]	12%	5%
Women-Owned Businesses	15%	5%

1 "Projects supported" for the purposes of 22 U.S.C. § 9621(i)(2) is defined as finance commitments and insurance contracts executed in fiscal year 2020.

2 "Minority-owned businesses" are businesses owned or controlled by someone from the following group: African Americans, Hispanic Americans, Native Americans, Alaska Native Corporations, Indian Tribes, Native Hawaiian Organizations and Community Development Corporations, Asian Pacific Americans, and Subcontinent Asian Americans; individuals who are not members of one or more of these groups can be considered minority, but they must provide substantial evidence and documentation that demonstrates that they have been subjected to bias or discrimination and are economically disadvantaged.

3 "Women-owned businesses" are a business that is at least 51% controlled by one or more women, who are U.S. citizens.

4 See **https://www.sba.gov/sites/default/files/2020-05/FY20_Small_Business_Goaling_Guidelines_Draft_2020.pdf**

5 "U.S. small business" is defined by the Small Business Administration as: 1) an enterprise with revenues of less or equal to $500 million or less or equal to 500 employees or 2) an individual with net worth less than $100 million; the value reported above includes U.S.-based fund managers.

6 "U.S. Disadvantaged businesses" are at least 51% owned and controlled by a socially and economically disadvantaged individual or individuals including African Americans, Hispanic Americans, Asian Pacific Americans, Subcontinent Asian Americans and Native Americans; other individuals can qualify if they show by a preponderance of the evidence that they are disadvantaged. All individuals must have a net worth of less than $750,000, excluding the equity of the business and primary residence.

Economic and Social Development Impact

22 U.S.C. § 9653(a)(1) "the economic and social development impact, … of projects supported by the Corporation."

DFC supported projects[7] are evaluated by the DFC using its new performance measurement tool, the **Impact Quotient (IQ)**. The IQ tool measures prospective and actual impact throughout the life of the project by analyzing project-specific metrics spanning economic growth, innovation, and inclusion. Using the IQ tool, DFC assesses developmental impact of the project as either highly developmental, developmental, or indeterminant.[8] In FY2020, DFC assessed 61 projects[9] totaling over $6.5 billion[10], 43 of which were categorized as *Highly Developmental* and 18 of which were categorized as *Developmental*. During this reporting period, no projects were assessed as *Indeterminant*.

For more detail See table under Developmental Outcomes reporting for 22 U.S.C. § 9653(b)(1)(A).

Complementary and Coordinated Development Activities

22 U.S.C. § 9653(a)(2) the extent to which the operations of the Corporation complement or are compatible with the development assistance programs of the United States and qualifying sovereign entities;

To facilitate a holistic approach to development finance, DFC has made progress towards ensuring that its operations complement the development assistance programs of other U.S. Government (USG) departments and agencies, in addition to development finance institutions (DFIs), international financial institutions (IFIs), and other sovereign entities. Yet there is more progress to be made. DFC is an active participant in USG initiatives such as Prosper Africa and Power Africa, and the Corporation has strengthened strategic relationships with other DFIs and IFIs. Examples of how the operations of DFC complements USG development programs, as well as other sovereign entities, to ensure a coordinated approach include the following:

ORIGINATING DEALS IN THE FIELD

DFC coordinates directly with USAID missions and their designated DFC liaisons worldwide through DFC's Mission Transaction Unit—composed of staff from USAID's former Development Credit Authority—to originate and operationalize deals in the field. DFC is active, alongside, the Departments of State and Commerce in supporting each U.S. embassy's "Deal Team." In addition, DFC is a member in the State-Commerce-led DC Central Deal Team, which aims to identify potential investment opportunities for coordinated U.S. Government support in developing countries.

ORCHESTRATING RESPONSE TO COVID-19 PANDEMIC

In response to COVID-19, DFC proactively coordinates with USG agencies and regional development banks, as well as DFIs of other countries—grouped under the DFI Alliance[11] of which DFC is a member—to bring liquidity to the market, support companies impacted by the virus, and promote new investment in global health, safety, and economic sustainability. For example, DFC, in partnership with the Dutch development finance institution FMO, established the DFC-MASSIF COVID-19 Response Co-Financing Facility. This first of its kind facility will provide loans for micro, small, and medium-sized enterprises in some of the toughest markets facing COVID-19.

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7 "Projects" for the purposes of 22 U.S.C Ş9653(a)(1) and (3) is defined as finance commitments and contracts executed in fiscal year 2020, excluding sub-projects of frameworks, facilities and investment funds, and projects originated under OPIC that received additional support or workouts. This is to avoid the double-counting of impacts that have already been assessed and reported at the framework, facility, and investment fund level or in a prior fiscal year. The impacts from projects that receive more than one form of DFC support in the same fiscal year are reported once.

8 Impact Quotient's score range is 0-150: Projects that receive a score of 112.5 or higher are categorized as Highly Developmental, projects that score 37.5 or higher are categorized as Developmental and projects below 37.5 are categorized as indeterminant.

9 See footnote 7

10 The $6.5 billion figure includes one project where an estimated $2.4 billion of insurance coverage is expected over the life of the master insurance contract.

11 DFI Alliance: DFC, FinDev Canada, and the Association of European Development Finance Institutions (EDFI*), currently counting 15 "bilateral" member institutions within the field of development finance for the private sector in emerging and frontier markets, formed the "DFI Alliance" in 2019 as a framework for their active cooperative engagement. These DFIs all hold high standards for corporate governance, sustainability and impact management, and seek to act as role models for other investors.

INCREASING COMPATIBILITY WITH DFIS

DFC's authorities and initiatives enhance compatibilities with other entities. Notably, the equity authority enables DFC to participate in DFI- and IFI-backed equity funds. As a result, DFC consulted with other DFIs regarding their use of equity to advance future opportunities. In addition, DFC's 2X Women's Initiative has inspired DFIs around the globe to collaborate through the 2X Challenge, together catalyzing more than $4.5 billion of investment in the world's women to date.

HARMONIZING APPROACH TO MEASURING IMPACT

DFC's metrics are aligned with the Harmonized Indicators for Private Sector Operations (HIPSO) and/or IRIS+ measuring system managed by the Global Impact Investing Network (GIIN) and DFC follows the International Finance Corporation's performance standards. The Department of State, through U.S. Embassies and Consulates, assists DFC with project-vetting, diplomatic engagement, and ad-hoc reporting on project outcomes. And DFC will continue to coordinate with USAID to leverage its global presence and technical expertise to assist in monitoring DFC-funded transactions, which enables DFC to provide a deeper level of monitoring of its development impact.

Linkages with U.S. Government

22 U.S.C. § 9653(a)(3) the Corporation's institutional linkages with other relevant United States Government department [1] and agencies, including efforts to strengthen such linkages;

Over the course of DFC's first year, the Corporation established formal relationships, routine high-level interagency briefings, blended finance mechanisms, and training modules on DFC's products for the interagency to strengthen institutional linkages and to ensure greater cross-fertilization on development. Furthermore, in June 2020, DFC launched the **Development Finance Coordination Group (DFCG)** to bring working-level officials from the interagency together on a monthly basis to identify ways to strengthen and operationalize better interagency collaboration.[12] Examples of ways DFC has strengthened its institutional linkages with the interagency include the following:

ADVANCING USG DEVELOPMENT INITIATIVES

DFC is a critical partner of the Prosper Africa, Power Africa, Asia EDGE, and America Crece initiatives, with DFC's CEO serving as the Executive Chairman of Prosper Africa. USAID is funding Power Africa, Prosper Africa and Food Security deals teams at DFC that will advance the agencies' mutual trade and development goals. For example, DFC's Prosper Africa Deal unit will underwrite and execute transactions that will advance Prosper Africa, an all-of-government initiative to increase investment between the U.S. and Africa. The deal teams will complement DFC's new team of regional investment advisors in Africa, funded by the Department of State.

EMPOWERING ENTREPRENEURS IN AFRICA WITH USADF

DFC and the U.S. African Development Foundation (USADF) announced a program to promote investments in technology, innovation, and entrepreneurial solutions in African countries. USADF and DFC are currently designing the program, which combines DFC's financing tools (loans between $50,000 and $500,000) with USADF's grants ($10,000 to $100,000) and on the ground presence to help build a pipeline of transactions among entrepreneurs focused on technology and innovation in low-income countries.

CATALYZING INVESTMENTS WITH MCC

The Millennium Challenge Corporation (MCC) and DFC announced a formal blended finance mechanism called the American Catalyst Facility for Development. DFC and MCC are working to operationalize the new mechanism which is designed enable coordinated catalytic investments aimed at crowding-in the private sector and maximizing the overall impact of the USG development efforts, thereby furthering American strategic interests abroad. MCC has committed to a portion of its compact and threshold funding to directly support DFC transactions.

[12] DFCG members: Export-Import Bank of the United States; Millennium Challenge Corporation; U.S. Agency for International Development; U.S. African Development Foundation; U.S. Department of Agriculture; U.S. Department of Commerce; U.S. Department of Defense; U.S. Department of Energy; U.S. Department of Labor; U.S. Department of State; U.S. Department of Treasury; U.S. Environmental Protection Agency; U.S. International Development Finance Corporation; U.S. Office of Management and Budget; U.S. Trade and Development Agency; and U.S. Trade Representative

SUPPORTING USG FOREIGN SERVICE OFFICERS

DFC developed a Foreign Service Development Finance Fellows program, in coordination with USAID and the Department of State. The one to three-year fellowship will enable USAID and State Foreign Service Officers develop deal origination skills; once complete, fellows will assume positions as Deal Team leaders in posts around the world.

Environmental and Social Compliance of Supported Projects

22 U.S.C. § 9653(a)(4) "the compliance of projects supported[13] by the Corporation under subchapter II of this chapter with human rights, environmental, labor, and social policies, or other such related policies that govern the Corporation's support for projects, promulgated or otherwise administered by the Corporation."

DFC identified one project supported by the corporation out of compliance with human rights, environmental, labor, and social policies, or other such related policies.

A corrective action was required, and the project engaged with a third-party auditor to review the identified issues. The action was completed, and the project is now in compliance.

Developmental Outcomes

22 U.S.C. § 9653 (b)(1)(A) "the desired development outcomes for projects and whether or not the Corporation is meeting the associated metrics, goals, and development objectives, including, to the extent practicable, in the years after conclusion of projects;"

22 U.S.C. § 9653 (b)(3)projections of—(A)development outcomes, and whether or not support for projects are meeting the associated performance measures, both during the start-up phase and over the duration of the support, and to the extent practicable, measures of such development outcomes should be on a gender-disaggregated basis, such as changes in employment, access to financial services, enterprise development and growth, and composition of executive boards and senior leadership of enterprises receiving support under subchapter II of this chapter;

The Table below provides the projected economic and social development impact of the projects[14] the DFC committed to support in FY 2020, the projected economic and social development impact of DFC's active projects[15], and Actual Impacts as the data becomes available in future years.

Indicator	Definition	Impact Projections of FY20 COMMITTED DFC Supported Projects (by year 5) (Fiscal Year Aggregate)	Impact Projections of ACTIVE DFC Supported Projects (Portfolio Aggregate)	Actual Impact of DFC Supported Projects[14] (Portfolio Aggregate)
ECONOMIC GROWTH PILLAR				
Factors of Production	Increase or improvements in physical infrastructure and critical inputs to economic growth, such as energy, roads, ports, ICT, oil and gas, critical minerals	» 6,671 Gwh of energy to be produced per year	» 1,187 Gwh of energy to be produced per year	NA
		» 15,200 km of fiber optic cable to be installed		NA

[13] "Projects supported" for the purposes of 22 U.S.C. § 9653(a)(4) is defined as finance commitments and insurance contracts executed in fiscal year 2020.

[14] There is no data yet available for actual impacts of DFC supported projects, as projects do not become eligible for development impact data collection until one year after first disbursement or one year after contract execution.

Indicator	Definition	Impact Projections of FY20 COMMITTED DFC Supported Projects (by year 5) (Fiscal Year Aggregate)	Impact Projections of ACTIVE DFC Supported Projects (Portfolio Aggregate)	Actual Impact of DFC Supported Projects[14] (Portfolio Aggregate)
ECONOMIC GROWTH PILLAR				
Human Capacity Development	Number of beneficiaries receiving products and services involving basic human needs, such as healthcare, education, food security, housing	» 5,000 education loan beneficiaries	» 780 education loan beneficiaries	NA
		» 190,000 WASH loan beneficiaries		NA
		» 1,200 housing loan beneficiaries		NA
		» 18,000 housing units to be constructed		NA
		» 50 healthcare patient consultations per year	» 50 healthcare patient consultations per year	NA
Local Income	Increase in income through payments to the host government and domestic purchases of goods/ services[15]	» $833 million in local procurement and payments to local governments (5-year total)	» $1.3 million in local procurement and payments to local governments (5-year total)	NA
Jobs	Increase in the number of full-time equivalent employees[16]	» 14,000 host country jobs supported	» 97 host country jobs supported	NA
Financial Intermediaries	Increase in funding to financial intermediaries for the purpose of investing in local companies through debt or equity	» $4.1 billion in access to credit to local companies made through financial intermediaries	» $405 million in access to credit to local companies made through financial intermediaries	NA
Balance of Trade	Increase in export earnings	» $151 million in export earnings per year		NA
Workforce policies that support human capacity building and families, including initiatives to advance women in the workplace		» 31% of DFC supported projects reported exemplary human capacity building programs and/or family-friendly benefits that exceed local legal requirements	» 44% of DFC executed projects reported exemplary human capacity building and benefit programs	NA

[15] DFC will collect local income and salaries to add to this metric when its new data collection tools are implemented. Payments to the host government include corporate income or profit taxes, sales taxes, net VAT, royalties, dividends and related taxes, management and/or concession fees, license fees, tax on payment of interest, and other material payments net of any direct subsidies received.

[16] The estimate includes directly hired individuals and individuals to be hired through third party agencies as long as those individuals will provide on-site services related to the operations of the client company. The estimate also includes seasonal, contractual and part-time jobs that were converted to full-time equivalent jobs on a pro rata basis.

Indicator	Definition	Impact Projections of FY20 COMMITTED DFC Supported Projects (by year 5) (Fiscal Year Aggregate)	Impact Projections of ACTIVE DFC Supported Projects (Portfolio Aggregate)	Actual Impact of DFC Supported Projects[14] (Portfolio Aggregate)
INCLUSION PILLAR				
Inclusive Customer Base	Number of underrepresented customers to be served[17]	» 1.8 million low-income[18]/microfinance customers to be served	» 126,000 low-income/ microfinance customers to be served	NA
		» 1.7 million women or women-owned[19]/ led enterprises to be served	» 76,400 women or women-owned/led enterprises to be served	NA
		» 989,000 smallholder farmers[20] to be served	» 50,200 smallholder farmers to be served	NA
		» 80,300 SMEs[21] to be served	» 5,170 SMEs to be served	NA
Inclusive Employment	Increase in full-time equivalent jobs held by underrepresented populations	» 8,000 jobs for female workers to be supported/maintained		NA
		» 380 jobs for young adults[22] to be supported/maintained		NA
		» 90 jobs for low-income workers to be supported/maintained		NA
Inclusive Supply Chains	Increase in suppliers from underrepresented populations	» 73,500 smallholder farmer suppliers to benefit		NA
Inclusive governance (including women owned and or led enterprises) and/or inclusive CSR programs		» 33% of the DFC supported projects reported inclusive governance structures	» 44% of the DFC executed projects reported inclusive governance structures and/ or inclusive CSR programs	NA

[17] Underrepresented populations may include low-income, poor, smallholder farmers, young adults, women and women-owned enterprises, people with disabilities, indigenous peoples, refugees, and ethnic and religious minorities.

"Smallholder Farmers" are those that work on farms with less than 2 hectares of unirrigated land that produce a variety of staple crops and livestock primarily for household consumption.

"SMEs" are entities that, together with its majority-owned or controlled subsidiaries, (a) meet the requirements set forth in any applicable law defining a small and medium enterprise in the host country, and (b) for the most recent fiscal year, satisfy at least two of the following three criteria: (i) $15 million or less in annual revenues; (ii) $15 million or less in assets; or (iii) 300 or fewer employees.

[18] "Low-Income" is an individual or household living above the poverty line but below the national median household or individual income, as well as poor individuals or households that live below $3.2 per day (USD PPP 2011).

[19] "Women Owned Business" is an enterprise in which a) 51% or more of its shares are owned by women OR b) female founders represent the majority of the total founders. "Women-Led Business" is an in which a) the percent of senior management who are female meet or exceed the sector specific threshold (Infrastructure, Power, Telecoms: 20%; Financial Services, Manufacturing, Agribusiness and Food, Professional Services, Consumer Services: 25%; Healthcare, Education: 30%); OR b) the share of women on the Board exceed 30% or the national legal minimum for the organization's domicile country, whichever is higher; OR c) for investment funds, the share of women on the Investment Committee meets or exceeds 30%

[20] "Smallholder Farmers" are those that work on farms with less than 2 hectares of unirrigated land that produce a variety of staple crops and livestock primarily for household consumption.

[21] "SMEs" are entities that, together with its majority-owned or controlled subsidiaries, (a) meet the requirements set forth in any applicable law defining a small and medium enterprise in the host country, and (b) for the most recent fiscal year, satisfy at least two of the following three criteria: (i) $15 million or less in annual revenues; (ii) $15 million or less in assets; or (iii) 300 or fewer employees.

[22] "Young Adults" are those workers between 15 and 24 years old.

Indicator	Definition	Impact Projections of FY20 COMMITTED DFC Supported Projects (by year 5) (Fiscal Year Aggregate)	Impact Projections of ACTIVE DFC Supported Projects (Portfolio Aggregate)	Actual Impact of DFC Supported Projects[14] (Portfolio Aggregate)
INNOVATION PILLAR				
Market and Energy Diversification	Projects that introduce new or uncommon products/services (including renewable energy) to the market or introduces new or uncommon operational techniques that will result in improved costs or product/service quality for end-beneficiaries	» 2 million short tons of CO2 emissions avoided through renewable energy projects	» 636,000 short tons of CO2 emissions avoided through renewable energy projects	NA
		» 20% of DFC supported projects involve the introduction of new or improved products and services	» 33% of DFC executed projects involve market diversification	NA
Knowledge and Technology Transfer	Number of beneficiaries of technical assistance programs for. This includes the value-add that equity fund managers provide to their investees	» 1.2 million beneficiaries of knowledge and technology transfer	» 128,900 beneficiaries of technical assistance programs and fund manager engagement	NA
Demonstration Effects	Projects projected to have sector-wide demonstration effects and/or employ an innovative financial structure and/or business models that mobilize private sector participation and capital	» 28% of the DFC supported projects have projected demonstration effects	» 33% of the DFC executed projects have the potential for demonstration effects	NA
Voluntary environmental sustainability measures to reduce environmental footprint		» 13% of the DFC supported projects reported voluntary environmental sustainability measures	» 11% of the DFC executed projects reported voluntary sustainability measures	NA

Private Capital Mobilization

22 U.S.C. § 9653 (b)(1)(B) "the effect of the Corporation's support[23] on access to capital and ways in which the Corporation is addressing identifiable market gaps or inefficiencies and what impact, if any, such support has on access to credit for a specific project, country, or sector;"

FY2020 DFC projects are expected to mobilize over $6.8 billion around the world.

Region	Private Capital Mobilization
Africa	$499,625,000
Asia	$681,719,038
Latin America and the Caribbean	$218,292,308
Middle East	$32,514,000
Europe and Eurasia	$46,820,000
Worldwide	$5,338,700,000
Total	**$6,817,670,346**[24]

Cooperation with Qualifying Sovereign Entities

22 U.S.C. § 9653(b)(2) "cooperation with a qualifying sovereign entity in support[25] of each project;"

22 U.S.C. § 9653(b)(3)(B) "the value of private sector assets brought to bear relative to the amount of support provided by the Corporation and the value of any other public sector support;"

Number of Projects	Funding from DFC	Funding from International Institutions[26]	Funding from Private Sector
9	$587 Million	$1.2 Billion	$482 Million

[23] "Support" for the purposes of 22 U.S.C. § 9653 (b)(1)(B) is defined as finance commitments and contracts executed in fiscal year 2020, excluding sub-projects of frameworks, facilities and investment funds, and projects originated under OPIC that received additional support or workouts. This is to avoid the double-counting of impacts that have already been assessed and reported at the framework, facility, and investment fund level or in a prior fiscal year. The impacts from projects that receive more than one form of DFC support in the same fiscal year are reported once.

[24] The $6.8 billion figure includes one project where an estimated $4.8 billion of insurance coverage is expected from the private sector over the life of the master insurance contract.

[25] "Support" for the purposes of 22 U.S.C. § 9653(b)(2) and 22 U.S.C. § 9653(b)(3)(B) is defined as finance commitments and contracts executed in fiscal year 2020, excluding sub-projects of frameworks, facilities and investment funds, and projects originated under OPIC that received additional support or workouts. This is to avoid the double-counting of impacts that have already been assessed and reported at the framework, facility, and investment fund level or in a prior fiscal year. The impacts from projects that receive more than one form of DFC support in the same fiscal year are reported once.

[26] International Institutions is defined as other Development Finance Institutions or government support.

Monitoring and Evaluation (M&E)

22 U.S.C. § 9653(b)(4) "an assessment of the extent to which lessons learned from the monitoring and evaluation activities of the Corporation, and from annual reports from previous years compiled by the Corporation, have been applied to projects."[27]

DFC's first year in operation was an opportunity to design and begin to implement a new monitoring and evaluation strategy and program and explore new capabilities that, once implemented, will aim to enable better business decisions and results throughout the DFC ecosystem. DFC's Integrated M&E Program encompasses all of DFC's monitoring and evaluation activities across the Agency, including financial monitoring and credit management, environmental, social, developmental impact and other programmatic monitoring. With a more holistic, inter-divisional approach to M&E under the new Integrated Program, DFC will collect and leverage project data regularly to ensure accountability on existing projects, inform future project practices and decisions, and inform messaging about DFC's mission and performance. With several decades of experience and a vast portfolio supported under OPIC, DFC was able to capitalize on the OPIC experience and incorporate lessons learned from OPIC's legacy portfolio into DFC's new integrated M&E strategy.

With the benefits of the lessons learned from OPIC, DFC is developing new tools and technology to improve the collection and validation of project data, as well as developing a technological platform that will enable DFC to more easily compare projected development impacts to actual development outcomes. In addition, focusing on the insurance portfolio specifically, DFC has developed a macro risk tool as a mechanism for Insurance monitoring to identify countries with high macro (country) risk that should be more closely monitored. Using the data output from these new tools and technologies, DFC will be able to better identify and learn from the outcomes of existing projects to improve future projects and inform internal decision making.

In addition to enhanced technological tools and systems, DFC has instituted several practices to increase inter-divisional coordination, another important lesson learned from the OPIC experience. For example, DFC's Structured Finance and Insurance Department established a claims roundtable to communicate important information regarding Agency claims settlements. In addition, DFC established an informal working group for regular discussions about monitoring and evaluation activities that different departments are performing to increase Agency-wide collaboration and alignment of activities around this important issue.

In addition to revisiting DFC's internal practices and procedures, Fiscal Year 2020 provided an opportunity for DFC to explore new monitoring capabilities. The COVID-19 Global Pandemic halted all DFC monitoring and evaluation travel, and as a result DFC's Environmental and Social Risk Assessment analysts were challenged to think and approach their work differently, depending instead on desk reviews and virtual monitoring of OPIC legacy Projects. The organization of the virtual visits included a balance of presentations on project progress, environmental and social performance and virtual meetings, interviews, or online surveys with key stakeholders. In some instances, virtual monitoring included drone video (both recorded and in real-time) to assess conditions on the ground at the Project site. While DFC will continue to explore technology solutions for monitoring and evaluation as an interim measure in the absence of the ability to travel, virtual monitoring is not yet able to replicate the full functionality of in-person site visits, with particular limitations identified with respect to reaching some of the more vulnerable people that are or may be impacted by a Project's activities.

With 2020 being the first year of DFC operations, the monitoring and evaluation activities of the DFC portfolio were limited in this fiscal year. Below is a chart of the monitoring and evaluation activities that the Corporation performed in fiscal year 2020 for DFC supported projects.

[27] "Projects supported" for the purposes of 22 U.S.C. § 9653(b)(4) is defined as finance commitments and insurance contracts executed in fiscal year 2020.

Monitoring & Evaluation Type	Number of Monitoring & Evaluation Actions[28]
Credit Action[29]	10
Risk Rating Evaluation[30]	NA[31]
Credit Management Project Site Visit[32]	NA
Development Outcome Survey (DOS)[33]	NA
Environmental & Social Compliance Desk Review[34]	92
Development Impact Monitoring Review[35]	NA
Development Impact Project Evaluation[36]	NA
Environmental & Social Compliance Project Evaluation[37]	NA
Programmatic Reviews & Site Visits[38]	5

[28] A monitoring and evaluation action is defined the number of activities performed in a given year based on definitions of each monitoring and evaluation type.

[29] Credit Action is defined the number of activities performed by Financial monitoring of DFC Finance Program-originated loans and guaranties. Each DFC project is subject to various credit actions initiated by DFC employees and these actions include, but are not limited to: cancellation, change in ownership, claim payment request, disbursement clearance, workout action plan, write-off, etc.

[30] Risk Rating Evaluations is defined as the number of identified written project reviews DFC employees must regularly assess, but at least annually, whether the risk profile has changed and complete a Risk Rating Scorecard with and Annual Loan Review.

[31] Due to FY2020 being DFC's first year in operation, the monitoring and evaluation activities of the DFC portfolio were limited in this fiscal year.

[32] Credit Management Project Site Visit is defined as a Financial monitoring officer visiting a Project to reinforce relationships with key counterparty managers, offer in-person guidance and support for improvement of counterparty performance and personally verify operational/implementation information that has been provided in reports and phone calls.

[33] Development Outcomes Survey is defined as the number of annual survey's submitted by Projects. A Project is eligible for the DOS one year after first disbursement or contract execution.

[34] Environmental and Social Compliance Desk Review is defined as the number of deliverables submitted by Projects in a given fiscal year and/or the number of projects rescored on IQ for E&S compliance.

[35] Development Impact Monitoring Review is defined as the number of Project's rescored on IQ in a given fiscal year and/or the number of projects where data is validated by a DFC or USG employee.

[36] Development Impact Project Evaluation is defined as the number of Projects a DFC employee visits in a fiscal year to examine realized development impact.

[37] Environmental & Social Compliance Project Evaluation is defined as the number of Projects a DFC employee visited in a fiscal year to ensure compliance with project loan covenants.

[38] Programmatic Review & Site Visit is defined as a monitoring activity or site visit by DFC's Technical Development Program, Insurance Monitoring Team, a Mission Transaction Unit Officer or an Officer from the Office of Investment Funds.

U.S. Employment and Associated Effects of DFC-Supported Projects[39]

"Statutory reporting requirements Any statutory reporting requirement that applied to an agency transferred to the Corporation under this subchapter immediately before October 5, 2018, shall continue to apply following that transfer if the statutory requirement refers to the agency by name"

Exhibit 1

FY 2020 (Projections)

Employment and associated effects are aggregated over the construction phase and the first five years of project operation.

Sector[40]	Number of Projects	Final Destination of Project Output			U.S. Procurement	Effect on U.S. Employment	Effect on U.S. Trade Balance
		Host Country	U.S.	3rd Country			
Projects with Positive Effect on Employment[41]							
Multiple[42]	3	$15,785,785	$172,125,000	$505,293,450	$55,107,069	75	($117,017,931)
Utilities	2	$242,281,720	$0	$0	$87,397,069	117	($84,727,931)
Positive Subtotal	**5**	**$258,067,505**	**$172,125,000**	**$505,293,450**	**$87,397,069**	**117**	**($84,727,931)**
Projects with Neutral Effect on Employment[43]							
Finance and Insurance	43	$7,767,644,622	$40,000,000		$0	0	($40,000,000)
Utilities	7	$1,418,315,965	$0	$0	$0	0	$0
Multiple[44]	6	$398,358,970	$0	$57,500,000	$0	0	$0
Neutral Subtotal	**56**	$9,584,319,557	$40,000,000	$57,500,000	**$0**	**0**	**($40,000,000)**
Projects with Negative Effect on Employment[45]							
Negative Subtotal	**0**	**$0**	**$0**	**$0**	**$0**	**0**	**$0**
Grand Total (All Projects)	**61**	**$9,842,387,062**	**$212,125,000**	**$562,793,450**	**$87,397,069**	**117**	**($124,727,931)**

[39] "Supported Projects" for the purposes 22 U.S.C. § 9686(f) is defined as finance commitments and contracts executed in fiscal year 2020, excluding sub-projects of frameworks, facilities and investment funds, and projects originated under OPIC that received additional support or workouts. This is to avoid the double-counting of impacts that have already been assessed and reported at the framework, facility, and investment fund level or in a prior fiscal year. The impacts from projects that receive more than one form of DFC support in the same fiscal year are reported once.

[40] DFC-supported projects were classified using the North American Industry Classification System (NAICS). The NAICS categories were distilled into the categories shown above.

[41] "Positive" effect on U.S. employment includes projects with more than two jobs (greater than ten person-years of employment during the first five years of project operation).

[42] To maintain confidentiality, projects in the following sectors were grouped: services, agriculture, mining, and utilities.

[43] "Neutral" effect on U.S. employment includes projects with two or fewer jobs (ten person-years or fewer of employment during the first five years of project operation).

[44] To maintain confidentiality, projects in the following sectors were grouped: services, agriculture, construction, health care and information.

[45] No DFC-supported projects in FY2020 expect loss of U.S. employment.

Exhibit 2: Destination of Sales to Third-Party Markets

FY2020 (Projections)*

Third party annual sales aggregated during the construction phase and over the first five years of project operation

Sector	Country	Third-Party Sales[46]
Projects with Positive Effect on Employment[47]		
Services	Worldwide	$105,000,000
Manufacturing	Australia	$24,685,000
	Japan	$37,685,000
	Singapore	$12,340,000
	Worldwide	$153,458,450
Positive Subtotal		**$333,168,450**
Projects with Neutral Effect on Employment		
Services & Trade	Worldwide	$57,500,000
Neutral Subtotal[48]		**$57,500,000**
Projects with Negative Effect on Employment[49]		
Negative Subtotal		**$0**
Grand Total (All Projects)		**$390,668,450**

46 "Third party" refers to countries that are neither the U.S. nor the host country.

47 "Positive" effect on U.S. employment includes projects with more than two jobs (greater than ten person-years of employment during the first five years of project operation).

48 "Neutral" effect on U.S. employment includes projects with two or fewer jobs (ten person-years or fewer of employment during the first five years of project operation).

49 No DFC-supported projects in FY2020 expect loss of U.S. employment.

Exhibit 3: U.S. Employment Effects and Project Location

In FY2020, DFC supported 61 new projects in 21 countries and 4 regions, across the globe.

Of the 61 projects supported, 5 expect to have positive impact on U.S. jobs:

- All five are in multiple sectors in Brazil, Ethiopia, India, Mexico and Vietnam

Of the 61 new projects supported, 56 expect to have neutral impact on U.S. jobs:

- 6 in multiple sectors in Ukraine, India, Jordan, Ecuador, Singapore, India
- 8 in utilities in India, Cote d'Ivoire, Mozambique
- 43 in finance and insurance in Bosnia and Herzegovina, Brazil, Cambodia, Colombia, Costa Rica, Ecuador, El Salvador, Georgia, Guatemala, Honduras, India, Kenya, Mexico, Nigeria, Africa regional, Asia regional, Latin America regional and multiple countries and regions

Of the 61 new projects supported, zero expect to have a negative impact on U.S. jobs.

The new projects were in the following geographic regions:

- Ten in Africa
- Nineteen in Asia
- Twenty in Latin America and the Caribbean
- Three in Europe and Eurasia
- One in the Middle East
- Eight in multiple regions

Exhibit 4: Methodology for Calculating U.S. Employment Effects

Each project seeking DFC support is individually reviewed to estimate the potential impact on employment in the United States. DFC uses procurement estimates provided by the investor to calculate expected initial and operational procurement from the United States (by value and specific type of good or service). The U.S. employment figure is generated by estimating a project's initial procurement, as well as its five-year operational procurement of goods and services. DFC considers both the direct and indirect employment necessary to produce those goods and services. Therefore, the employment effects incorporate the direct employment necessary to produce the procured goods and services, as well as the indirect employment required to produce the associated intermediate inputs.

DFC details each type of U.S. good or service expected to be procured for each project and, using industry-specific data from the U.S. Bureau of Labor Statistics (BLS), calculates the employment effect in that industrial sector as well as, in the sectors that supply necessary components or inputs. By using this standard employment effect methodology, DFC is able to ascertain employment generation with greater precision than if it used an average for all U.S. exports. By including indirect effects, DFC's employment figures present a more accurate picture of the benefits accruing to U.S. workers from the anticipated procurement of goods and services by DFC-supported projects. Finally, to confirm employment effect estimates, DFC monitors *actual* economic effects after project start up and throughout the life of DFC's involvement with the project. DFC's monitoring and evaluation strategy is described in further detail in this report.

[50] In FY2020, 61 new DFC-supported projects were classified using the North American Industry Classification System (NAICS). The NAICS categories were distilled into the categories shown above.

[51] "Positive" effect on U.S. employment includes projects with more than two jobs (greater than 10 person-years of employment during the first five years of project operation).

[52] "Neutral" effect on U.S. employment includes projects with two or fewer jobs (10 person-years or fewer of employment during the first five years of project operation).

[53] No DFC-supported projects in FY2020 expect loss of U.S. employment.

2020 Investment Activities

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
AFRICA AND THE MIDDLE EAST				
AFRICA REGIONAL				
Lungo Capital B.V.	Steven Lee	Financing to support lending to SMEs in East Africa	4,000,000	Finance
AfricInvest Fund IV LLC	AfricInvest	Financing to a pan-African fund to support investments in mid-market businesses in healthcare and financial services	30,000,000	Investment Fund
Africa Finance Corporation (Tier II)	Africa Finance Corporation	Tier II capital facility to strengthen AFC's capital position to enable ongoing loans and investments for African borrowers during the COVID-19 pandemic	250,000,000	Finance
Citibank NA	Citibank, N.A.	Expansion of banking operations to support economic growth and promote best practices in financial management	50,000,000	Insurance
SCALE-MSME-Gradian Health Systems, Inc.	Citibank, N.A.	Support for the distribution, installation and servicing of medical devices designed for low-resource health clinics	1,350,000	Finance
CapPlus Impact	CapitalPlus Exchange	Facility for direct loans to banks for on-lending to SMEs and schools with a focus on women	10,000,000	Finance
SPE AIF I, LP	SPE Capital Partners Ltd.	Support for investments in businesses across North and Sub-Saharan Africa, focused on healthcare, education, supply chains, and logistics	20,000,000	Investment Fund
BURUNDI				
Liberty Managing Agency Limited	Evolution II Fund	Construction and operation of a 7.5 MW solar photovoltaic plant in Mubuga, Gitega Province	11,312,231	Insurance

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
CENTRAL AFRICAN REPUBLIC				
Solar Energy Transformation Fund LLC	Solar Energy Transformation Fund LLC	Support for the rollout of off-gird solar energy solutions, such as lighting, home systems, mini-grids and commercial projects	6,000,000	Insurance
COTE D'IVOIRE				
Chubb European Group SE	Meridiam Infrastructure Africa Fund	Development, construction and operation of a 46 MW biomass power plant	9,072,000	Insurance
ETHIOPIA				
Sunshine Business Plc	Samuel Tafese	Construction and operation of a Marriott hotel in Addis Ababa	50,000,000	Finance
Tulu Moye Geothermal Power Plant	TM Geothermal Operations PLC	Technical assistance to support development of 50 MW geothermal power plant	1,550,000	Technical Assistance
JORDAN				
The Moon Land	Basel Saeed	Construction and operation of a community retail center in Zarqa	41,000,000	Finance
KENYA				
SCALE-MSME-Fourth Generation Capital Limited	Citibank, N.A.	Expansion of borrower's microfinance lending portfolio to SMEs in Kenya	2,999,700	Finance
The Nature Conservancy	NatureVest - The Nature Conservancy	Support for a "blue bonds" transaction to safeguard and enhance marine and coastal ecosystems, food security and local livelihoods dependent on marine and coastal areas	250,000,000	Insurance
One Acre Fund	Citibank, N.A.	Credit for inputs such as seeds and fertilizer as well as agricultural training for small-scale farmers, a majority of whom are women	7,000,000	Finance
Sanergy	Sanergy, Inc.	Feasibility study on expansion of sanitation company's operations into new markets, and technical assistance to help increase the impact of DFC's loan	1,146,864	Technical Assistance

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
MOZAMBIQUE				
Central Termica de Temane	eleQtra Limited	Construction of a 400 MW gas-fired power project and transmission line in Inhambane Province	200,000,000	Finance
NAMIBIA				
Silverlands II HoldCo S.à r.l.	Silverlands II HoldCo S.à r.l.	Expansion and modernization of a table grape and date palm farm	36,000,000	Insurance
NIGERIA				
WBC - Sterling Bank Plc.	WorldBusiness Capital Inc.	Expansion of borrower's on-lending to SMEs	14,625,000	Finance
ZAMBIA				
Silverlands II HoldCo S.à r.l.	Silverlands II HoldCo S.à r.l.	Expansion and modernization of a seed production company	32,000,000	Insurance

ALL DFC COUNTRIES

Prodigy Finance Limited 2020	Prodigy Finance	Securitization of loans to students in the developing world for postgraduate programs at global universities	200,000,000	Finance
Root Capital	Root Capital	Support for agriculture cooperatives and SMEs supporting COVID-19 response with a strong focus on low-income and lower-middle-income countries	35,000,000	Finance
InsuResilience Investment Fund	BlueOrchard Finance SA	Support to help financial institutions develop insurance products to protect small businesses and smallholder farmers against the impact of extreme weather	37,500,000	Finance
SEAF COVID-19 Global Gender Lens Emergency Loan Finance Facility	SEAF COVID-19 Global Gender Lens Emergency Loan Finance LLC	Emergency COVID-19 response loan for SME lending	20,000,000	Finance
Water Equity - Global Access Fund	WaterCredit LLC	Support for a global microfinance fund for water and sanitation that will deliver strong benefits to women	100,000,000	Finance
Global Partnerships Social Investment Fund 6.0	Global Partnerships	Lending and support for micro-entrepreneurs, rural livelihoods, health and green technology	15,000,000	Finance
Kiva Refugee Investment Fund	Kiva Microfunds	Lending facility supporting refugee communities	20,000,000	Finance

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY

ASIA AND THE PACIFIC

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
ASIA REGIONAL				
Asia Partners I LP	Asia Partners Ltd	Support for fund investing in technology and technology-enabled growth companies	25,000,000	Investment Fund
CAMBODIA				
i-Finance Leasing Plc.	Athena I Feeder (US), LLC	Support for leasing company providing financial services to underbanked populations	5,000,000	Finance
INDIA				
WBC - Avanse Financial Services Limited	Warburg Pincus	Support for non-bank financial institution providing loans to Indian students for college education	14,625,000	Finance
Freshtohome Pte. Ltd.	Freshtohome Pte Ltd	Online marketplace strengthening food supply chains by connecting farmers and fishermen to delivery networks	15,000,000	Direct Equity
South Asia Growth Fund II, L.P.	GEF Capital Partners LLC	Investment in fund supporting energy, food resources and water efficiency	30,000,000	Investment Fund
Caspian Impact Investments II	Grassroots Capital Management PBC	Support for lending to microfinance institutions, SME lenders and other high-impact businesses	20,000,000	Finance
SCALE-MSME-Stellapps Technologies Private Limited	Citibank, N.A.	Support to technology company providing innovative solutions to the dairy value chain	2,699,730	Finance
Sitara Solar Energy Private Limited	UPC Solar & Wind Investments, LLC	Construction and operation of a 100 MW solar PV plant in Rajasthan	50,000,000	Finance
Paryapt Solar Energy Private Limited	UPC Solar & Wind Investments, LLC	Construction and operation of a 50 MW solar PV plant in Gujarat	27,300,000	Finance
RENEW2 - ReNew Sun Bright Private Limited	GS Wyvern Holdings Limited	Construction of a 300 MW solar PV plant in Rajasthan	142,000,000	Finance
RENEW1 - ReNew Sun Waves Private Limited	GS Wyvern Holdings Limited	Construction of a 300 MW solar PV project in Rajasthan	140,000,000	Finance

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
Milk Mantra Dairy Private Limited	Eight Roads Investments Mauritius II	Expansion of a dairy company sourcing from smallholder farmers in northeast India	10,000,000	Finance
Milk Mantra Dairy	Milk Mantra Dairy Private Limited	Technical assistance to support agricultural extension services and digital financial services for dairy farmers	370,615	Technical Assistance
RENEW2 - ReNew Sun Energy Pvt Ltd (RSEPL)	ReNew Power Private Limited	Construction of a 105 MW solar PV plant in Gujarat	53,500,000	Finance
WBC - Asirvad Microfinance Limited	WorldBusiness Capital Inc.	Expansion of microfinance portfolio serving low-income women in predominantly rural areas across India	14,625,000	Finance
HCT Sun LLC	Hct Sun	Installation, maintenance and sale of power from rooftop solar assets to commercial clients	10,000,000	Insurance
ReNew Solar Power Private Limited	ReNew Power Private Limited	Liquidity support to mitigate the economic impact of COVID-19	75,000,000	Finance
Northern Arc Capital Limited	ACCION International	Expansion of a non-bank financial institution to support loans for women owned businesses, food security and water, sanitation and hygiene	50,000,000	Finance
OneBreath	OneBreath India, Pvt. Ltd.	Technical assistance to support development of a ventilator suited for critical care use in rural settings	1,390,000	Technical Assistance
Samunnati Financial Intermediation & Services Private Limited	Teachers Insurance and Annuity Association of America	Financing and advisory services to expand lending to low-income farmers	20,000,000	Finance
Samunnati	Samunnati Agro Solutions Private Limited	Financing and technical assistance to low-income farmers and agriculture businesses to support increased productivity	349,617	Technical Assistance
INDONESIA				
Big Tree Farms Inc.	Ben Ripple	Expansion of agribusiness advancing sustainable, organic coconut farming in Indonesia	1,830,000	Finance

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
MONGOLIA				
Goyol Cashmere, LLC	Vivek Ranjan	Expansion of a woman-owned cashmere clothing business through construction of a manufacturing facility and worker housing	5,000,000	Finance
SINGAPORE				
Trans Pacific Networks Cayman Co	UIG Holding Company, LLC	Development of four fiber-optic pairs on a submarine cable serving multiple Southeast Asian and Pacific Island countries to improve regional data infrastructure	190,000,000	Finance
VIETNAM				
Australis Aquaculture Vietnam Limited	Australis Holdings, Inc.	Expansion of facilities at a fish farm	11,000,000	Finance

EUROPE AND EURASIA

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
BOSNIA AND HERZEGOVINA				
ProCredit Bank BiH		Lending to micro and SMEs owned by Bosnian diaspora who have recently returned to the country	5,180,000	Finance
GEORGIA				
JSC MFO Crystal		Financing to help stabilize micro and SMEs in sectors most impacted by COVID-19	3,750,000	Finance
[redacted]	[redacted]	[redacted]	[redacted]	[redacted] *
Construction Investment Company TM LLC	Starwood Hotels & Resorts Worldwide, INC.	Construction of a Sheraton hotel in Kyiv	27,000,000	Finance

Information has temporarily been redacted, including to protect the safety of implementing partners.

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY

LATIN AMERICA AND THE CARIBBEAN

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
LATIN AMERICA REGIONAL				
Bayport Colombia S.A. and Financiera Fortaleza, S.A. De C.V., SOFOM, E.N.R.	Helios Investors II, L.P.	Lending to non-bank financial institutions to support loans to civil servants and pensioners	200,000,000	Finance
Peninsula Investments Group IV, L.P.	Peninsula Investments Group	Investment fund supporting middle-income residential developments across Latin American markets	75,000,000	Investment Fund
Locfund Next L.P.		Loans to microfinance institutions in Latin America	20,000,000	Finance
BRAZIL				
Techmet	TECHMET LIMITED	Expansion of production capacity of cobalt and nickel mining in an underdeveloped region	25,000,000	Finance
Itaú Unibanco S.A.	Itaú Unibanco S.A.	Support for expanded lending to SMEs with a focus on those owned by women and those located in underserved regions	400,000,000	Finance
COLOMBIA				
WBC-Finsocial, S.A.S.	Kandeo Investment Advisors LLC	Expansion of a digital lending platform that provides loans to teachers and pensioners in low-income and rural areas	9,750,000	Finance
Banco Davivienda	Banco Davivienda S.A.	Expansion of lending to SMEs and low-income housing mortgages, with a focus on women and women-owned SMEs	250,000,000	Finance
COSTA RICA				
BAC San Jose		Support for lending to women borrowers and SMEs	150,000,000	Finance
ECUADOR				
Gamma Knife Center Ecuador	GK Financing, LLC	Acquisition and expansion of a private medical clinic that features the Gamma Knife radiosurgery machine for the non-invasive treatment of cancer	3,175,000	Finance
Banco Guayaquil S.A.	Citi Bank N.A.	Financing to support expanded lending to SMEs	92,000,000	Finance

PROJECT NAME	SPONSOR/ INSURED INVESTOR	PROJECT DESCRIPTION	AMOUNT	CATEGORY
Banco Pichincha DPR	Banco Pichincha C.A.	Financing to support lending to women-owned or led SMEs and microenterprises	150,000,000	Finance
WBC-Cooperativa de Ahorro y Credito Jardin Azuayo	WorldBusiness Capital Inc.	Expansion of micro and SME lending	9,750,000	Finance
EL SALVADOR WBC - Sociedad de Ahorro y Credito Apoyo Integral	WorldBusiness Capital Inc.	Expansion of micro and SME lending	9,750,000	Finance
GUATEMALA Industrial DPR Funding Ltd.	Bicapital Corporation	Financing for lending to women-owned and managed enterprises and SMEs	200,000,000	Finance
HONDURAS Banco del Pais S.A.	Citibank N.A.	Expanded lending to SME entrepreneurs and the refinance of debt	92,300,000	Finance
MEXICO Credito Real, S.A.B. de C.V., SOFOM, E.N.R.		Technical assistance for women-owned and women-led SMEs and women bank managers	100,000,000	Finance
Credito Real	Credito Real, S.A.B. de C.V., SOFOM, E.N.R.	Technical assistance for women owners and operators of SMEs and women bank managers	150,052	Technical Assistance
WBC - ION Financiera	WorldBusiness Capital Inc.	Expanded lending for home mortgages and SMEs	14,625,000	Finance
Mexarrend S.A.P.I. de C.V.	Colony Capital	Expanded lease financing for productive assets and equipment by SMEs	45,000,000	Finance
Infraestructura Energetica Nova SAB de CV (IEnova)	Sempra Energy	Support for development of solar power projects	241,000,000	Finance
GIFF-MFI-Banco Compartamos S.A.	Citibank, N.A.	Expanded lending to microfinance borrowers	15,554,000	Finance
SAINT LUCIA The Nature Conservancy	NatureVest - The Nature Conservancy	Support for a "blue bonds" transaction to safeguard and enhance marine and coastal ecosystems, food security and local livelihoods dependent on marine and coastal areas	100,000,000	Insurance

Total # Projects: 79

Total Commitments: 4,671,229,809

2020 Portfolio Company Investments

FUND NAME	PORTFOLIO COMPANY	DESCRIPTION	COUNTRY/ REGION
57 Stars Global Opportunity Fund 4	Oria Fund III, L.P.	Portfolio of investments in technology including fintech, healthtech and Internet of Things	Brazil
	Zenvia Mobile Servicos Digitais S.A.	Developer of mobile software solutions	Brazil
Levered Alsis Mexico Housing Opportunities, L.P.	Bosques del Seminario - Consulte	Single-family residential real estate investment located in Juarez	Mexico
	Coto del Cielo - In House	Residential real estate investment	Mexico
Alsis Mexico Opportunities Fund	Bosques del Seminario - Consulte	Single-family residential real estate investment located in Juarez	Mexico
Levered Alsis Mexico Opportunities Fd Offshore, LP	Escenika Norte	Multi-family real estate investment located in Cuautitlan Izcalli	Mexico
ECP Africa Fund IV	TogoCom	Provider of telecommunication services	Togo
	Mbaraki Holdings, Ltd.	Operates import and storage facilities for refined oil products	Kenya
Gazelle Fund LP	Construction Company	Provider of construction services and producer of construction materials	Armenia
	Wine Producer	Producer of wine	Georgia
	Manufacturing Company	Manufacturer of transitional fittings and joints for pipes	Armenia
	Packaging Company	Producer of packaging products and disposable tableware from paper and biodegradable materials	Georgia
	Technology Company	Provider of wireless and fiber-optic internet services	Georgia
	HVAC Company	Provider of retail, wholesale and engineering, and installation services in HVAC business	Georgia
	Hospitality Company	Provider of hospitality and tourism services	Armenia
	Printing Service Company	Provider of printing services and medical liquids	Armenia
	Manufacturing Company	Manufacturer and distributor of multipurpose lighters	Armenia

FUND NAME	PORTFOLIO COMPANY	DESCRIPTION	COUNTRY/ REGION
Iron Pillar Fund I Ltd.	Testbook Edu Solutions Pvt. Ltd.	Provider of online examination preparation services	India
LeapFrog Emerging Consumer Fund III, L.P.	Milvik AB	Provider of micro-life insurance products and digital health services to end users of mobile operators in Asia and Africa	Global
	PT PasarPolis Indonesia	Insurtech company that operates as a digital insurance broker and enables users to compare and purchase insurance	Indonesia
	AIICO Insurance Plc	Provider of life insurance and other insurance services	Nigeria
	MedGenome, Inc.	Provider of molecular genetic diagnostic tests and genetic research	South Asia
	SoftLogic Life Insurance PLC	Provider of life insurance products	Sri Lanka
Navis Asia Fund VIII, L.P.	Hernan Corporation Sdn Bhd	Supplier of Durian fruit and food products	Malaysia
	Thanh Thanh Cong Education JSC	K-12 and higher education	Vietnam
	Srithai Daily Foods Co., Ltd.	Manufacturer of salts, condiments and food and beverage products	Thailand
WRB Serra Partners Fund I	Luz Verde Costa Rica LLC	Installs, maintains, and finances distributed solar and energy efficiency assets	Costa Rica
	MexSolar 1 LLC	Finances and manages solar installations for commercial and industrial customers	Mexico

Financial Statements

Balance Sheet

(dollars in thousands)

As of September 30, 2020		**2020**
Assets		
Intragovernmental:		
Fund Balance with Treasury (Note 2)	$	1,616,126
Investments (Note 3)		6,195,838
Total Intragovernmental		7,811,964
With the Public:		
Accounts Receivable, Net (Note 4)		10,055
Credit Program Receivable, Net (Note 5)		4,201,086
Property and Equipment, Net (Note 6)		482
Other Assets		642
Total Assets	**$**	**12,024,229**
Liabilities		
Intragovernmental:		
Borrowings from Treasury (Note 8)	$	4,677,759
Liability for Reestimates and Capital Transfers to Treasury (Note 9)		999,425
Other Liabilities (Note 12)		1,466
Total Intragovernmental		5,678,650
With the Public:		
Loan Guaranty Liability (Note 5)		13,052
Unearned Revenue (Note 10)		133,843
Insurance Program Liabilities (Note 11)		16,537
Other Liabilities (Note 12)		9,869
Total Liabilities	$	5,851,951
Net Position		
Unexpended Appropriations		105,992
Cumulative Results of Operations		6,066,286
Total Net Position		6,172,278
Total Liabilities and Net Position	**$**	**12,024,229**

The accompanying notes are an integral part of these statements.

Statement of Net Cost

(in thousands) **For the Period Ended September 30, 2020**	**2020**
Insurance Program	
Gross Costs	
Operating Costs	$ 15,131
Total Gross Costs	15,131
Less: Earned Revenue	(141,557)
Net Insurance Program Costs	(126,426)
Financing Program	
Gross Costs	
Operating Costs	134,753
Subsidy Costs/(Reduction)	(212,938)
Reestimates	119,516
Total Gross Costs	41,331
Less: Earned Revenue	(156,229)
Net Financing Program Costs	(114,898)
Equity Program	
Gross Costs	
Operating Costs	8,935
Total Gross Costs	8,935
Net Equity Program Costs	8,935
Net Cost of Operations	**$ (232,389)**

The accompanying notes are an integral part of these statements.

Statement of Changes in Net Position

(in thousands)

For the Period Ended September 30, 2020	2020
Unexpended Appropriations	
Beginning Unexpended Appropriations	$ -
Appropriations Received	286,391
Appropriations Transferred-In	122,382
Other Adjustments	(7,927)
Appropriations Used	(294,854)
Total Unexpended Appropriations	105,992
Cumulative Results of Operations	
Beginning Balance	-
Budgetary Financing Sources	
Appropriations Used	294,854
Transfers In/Out Without Reimbursement	(2,585,265)
Other Financing Sources (Non-exchange)	
Transfers In/Out Without Reimbursement	8,528,166
Imputed Financing	2,192
Offset to Non-entity Collections	(406,050)
Total Financing Sources	5,833,897
Net Cost of Operations	232,389
Net Change	6,066,286
Cumulative Results of Operations	**6,066,286**
Net Position	**$ 6,172,278**

The accompanying notes are an integral part of these statements.

Combined Statement of Budgetary Resources

(in thousands) **For the Period Ended September 30, 2020**	**Budgetary**	**Non-Budgetary Credit Reform Financing Accounts**
Budgetary Resources		
Unobligated Balance from Prior Year Budget Authority, Net	$ 6,072,305	$ 553,597
Appropriations	286,391	-
Borrowing Authority	-	4,107,290
Spending Authority from Offsetting Collections	695,603	482,066
Total Budgetary Resources	**$ 7,054,299**	**$ 5,142,953**
Status of Budgetary Resources		
New obligations and upward adjustments (total)	$ 558,128	$ 4,524,224
Unobligated Balance, End of Year		
Apportioned, unexpired accounts	90,071	243,870
Unapportioned, unexpired accounts	6,362,427	374,859
Unexpired unobligated balance, end of year	6,452,498	618,729
Expired unobligated balance, end of year	43,673	-
Unobligated Balance, end of year (total)	6,496,171	618,729
Total Budgetary Resources	**$ 7,054,299**	**$ 5,142,953**
Outlays (Net) and Disbursements (Net)		
Outlays, net	$ (91,921)	
Distributed Offsetting Receipts	(357,761)	
Agency Outlays, Net	**$ (449,682)**	
Disbursements, Net		**$ 641,793**

The accompanying notes are an integral part of these statements.

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The DFC is a U.S. Government corporation created under the BUILD Act. DFC facilitates U.S. private investment in developing countries and emerging market economies, primarily by providing direct loans, loan guaranties, equity investments, technical assistance, and political risk insurance. On October 5, 2018, the President of the United States signed the BUILD Act (Public Law 115-254) establishing DFC. The BUILD Act specified a transition period during which the assets, liabilities, and functions of OPIC and certain functions of the USAID were to be transferred to DFC. The transition period occurred during FY 2020, which coincides with DFC's first year of operation. The creation of DFC extends the authority for OPIC and USAID legacy programs through 2025.

B. Basis of Accounting and Presentation

The format of the financial statements and footnotes are presented in accordance with the form and content guidance provided in OMB Circular No. A-136, Financial Reporting Requirements (A-136). DFC's financial statements are presented on the accrual and budgetary basis of accounting in accordance with U.S. GAAP promulgated by the Financial Accounting Standards Advisory Board (FASAB). Under the accrual basis, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting recognizes the legal commitment or obligation of funds in advance of the proprietary accruals and facilitates compliance with legal constraints and controls over the use of Federal funds. The accompanying Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position have been prepared on an accrual basis. The Statement of Budgetary Resources has been prepared in accordance with budgetary accounting rules.

Significant intra-agency transactions and balances have been eliminated from the principal statements for presentation on a consolidated basis, except for the Statement of Budgetary Resources, which is presented on a combined basis in accordance with A-136. As such, intra-agency transactions have not been eliminated from the Statement of Budgetary Resources.

DFC began activities after receipt of the current year appropriation to fund the agency, in December 2019. As a result, the activities presented in these statements and notes do not reflect a full twelve months of operations. Additionally, only one year of the financial statements and notes is presented for FY 2020, DFC's first partial fiscal year of operation.

C. Fund Balance with Treasury

FBWT is the aggregate amount of funds in DFC's accounts with the U.S. Department of Treasury (Treasury). Treasury processes cash receipts and disbursements on DFC's behalf to pay liabilities and finance authorized purchases. DFC's accounting records are reconciled with Treasury's records on a regular basis. DFC's FBWT includes all of its general, revolving, and deposit funds. The general fund is used for subsidy and reestimates, revolving funds are used for operating expenses and DFC's finance and insurance programs, and deposit funds are for taxes withheld on payments to contractors.

D. Investments

DFC has investments in Treasury securities and is authorized to make direct equity investments in specific projects and emerging market investment funds. As of September 30, 2020, DFC only has investments in Treasury securities, with pending direct equity investments for FY 2021. Investments in Treasury securities are carried at face value, net of unamortized discount or premium, and are held to maturity. DFC has the ability and intent to hold its investments until maturity or until the carrying cost can be otherwise recovered.

E. Property and Equipment, Net

DFC's property and equipment consists of general-purpose equipment used by the agency. The majority of DFC property and equipment was transferred from OPIC, including equipment and internal use software. DFC capitalizes property and equipment at historical cost for acquisitions that have an estimated useful life of two years or more. DFC has a capitalization threshold of $50,000 for equipment, furniture, vehicles, and leasehold improvements, and $250,000 for internal use software. DFC expenses property and equipment acquisition that do not meet the capitalization criteria when purchased, as well as normal repairs and maintenance. The cost of property and equipment acquired under a capital lease is the amount recognized as a liability for the capital lease at its inception. Depreciation and amortization of property and equipment are computed using the straight-line method over the estimated useful life of the asset or lease term, whichever is shorter, with periods ranging from 5 to 10 years.

F. Federal Employee Benefits

LEAVE

Employee annual leave is accrued as it is earned and reduced as leave is taken. Each year the balance of accrued annual leave is adjusted to reflect current pay rates as well as forfeited "use or lose" leave. Amounts are reported as unfunded to the extent current or prior year appropriations are not available to fund annual leave earned but not taken. Sick leave and other types of non-vested leave are expensed as taken.

EMPLOYEE HEALTH AND LIFE INSURANCE BENEFITS

DFC employees may choose to participate in the contributory Federal Employees Health Benefit and the Federal Employees Group Life Insurance programs. DFC matches a portion of the employee contributions to each program. Such matching contributions are recognized as current operating expenses.

EMPLOYEE PENSION BENEFITS

DFC employees participate in either the Civil Service Retirement System or the Federal Employees Retirement System (FERS) and Social Security. These systems provide benefits upon retirement and in the event of death, disability, or other termination of employment, and may also provide pre-retirement benefits. They may also include benefits to survivors and their dependents, and they may contain early retirement or other special features. DFC's contributions to both retirement plans, as well as to the government-wide Federal Insurance Contribution Act, administered by the Social Security Administration, are recognized as current operating expenses. Federal employee benefits also include the Thrift Savings Plan. For FERS employees, DFC matches employee contributions to the plan, subject to limitations. The matching contributions are recognized as current operating expenses.

IMPUTED FINANCING COSTS

DFC recognizes the full cost of providing all employee benefits and future retirement benefits, including life and health insurance, at the time employee services are rendered. Eligible retired DFC employees, and retired OPIC employees, can continue to participate in health and life insurance plans. The cost of these benefits is funded through DFC contributions, employee compensation to the extent withheld from employee and retiree pay, from matching of employee withholding for Thrift Savings Plan and Federal Insurance Contributions Act (FICA), and by the Office of Personnel Management (OPM) which administers the retirement programs for DFC employees. OPM calculates imputed costs as the actuarial present value of future benefits attributed to services rendered by covered employees and eligible retired DFC employees during the accounting period, net of the amounts contributed by employees, retirees, and DFC. DFC recognizes these imputed costs in the Statement of Net Cost and imputed financing in the Statement of Changes in Net Position.

FEDERAL EMPLOYEES' COMPENSATION ACT

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered Federal civilian employees injured on the job and to beneficiaries of employees whose deaths are attributable to job-related injury or disease. The FECA program is administered by the Department of Labor (DOL). DOL pays valid claims as they occur, which are billed to DFC annually and funded and paid approximately 15 months later. DOL also calculates an estimated actuarial liability for future benefits based upon historical experience and other economic variables.

G. Insurance Program

In accordance with Statement of Federal Financial Accounting Standards (SFFAS) No. 51, Insurance Programs, the Insurance Program liability represents the liability for unearned premiums and fees, claims incurred but not reported, claims submitted but not yet paid, and estimated losses on remaining coverage. The losses on remaining coverage includes the estimated amounts to be paid to settle claims, including claim adjustment expenses for the remaining open arrangement period, net of unearned premiums as of the end of the fiscal year, and net of future premiums due after the end of the fiscal year that relate to the remaining open arrangement period.

H. Commitments and Contingencies

DFC is currently involved in certain legal claims and has received notifications of potential claims in the normal course of business. There are substantial factual and legal issues that might bar any recovery in these matters. It is not possible to evaluate the likelihood of any unfavorable outcome, nor is it possible to estimate the amount of compensation, if any, that may be determined to be owed in the context of a settlement. Management believes that the resolution of these claims will not have a material adverse impact on DFC.

I. Classified Activities

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

Note 2: Fund Balance with Treasury

(dollars in thousands)

As of September 30,		**2020**
Status of Fund Balance with Treasury		
Unobligated Balance		
Available	$	913,202
Unavailable		43,673
Obligated Balance not yet Disbursed		659,251
Total FBWT	**$**	**1,616,126**

At September 30, 2020, there were no unreconciled differences between Treasury records and balances reported on DFC's general ledger. DFC'S FBWT is classified as unobligated balance available, unobligated balance unavailable, and obligated balance not yet disbursed. Unobligated available balances represent amounts that are apportioned for obligation in the current fiscal year and unexpired appropriations available for incurring new obligations. Unobligated unavailable balances represent amounts that are in expired appropriations and not available for incurring new obligations. Obligated balances not yet disbursed include undelivered orders or delivered orders received but not yet paid.

Note 3: Investments

(dollars in thousands) **As of September 30, 2020**	**Cost**	**Amortized (Premium)/ Discount**	**Interest Receivable**	**Investments, Net**	**Market Value**
Treasury Non-Marketable, Market-based Securities					
Notes	$ 5,864,236	$ 1,149	$ 27,734	$ 5,893,119	$ 6,264,417
Bonds	300,312	(114)	2,521	302,719	355,467
Total Investments	**$ 6,164,548**	**$ 1,035**	**$ 30,255**	**$ 6,195,838**	**$ 6,619,884**

By statute, DFC is authorized to invest funds derived from fees and other revenues related to its insurance programs in Treasury non-marketable, market-based Securities and make equity investments in non-Treasury projects and emerging market investment funds. Treasury market-based securities are carried at face value, net of unamortized discount or premium, and are held to maturity. Premiums or discounts are amortized using the effective yield method. Interest income is compounded semi-annually by Treasury and adjusted to include an accrual for interest earned to September 30. DFC has the ability and intent to hold its investments until maturity or until the carrying cost can be otherwise recovered.

Note 4: Accounts Receivable, Net

(dollars in thousands) **As of September 30,**	**2020**
Public Accounts Receivable	
Accounts Receivable	$ 2,540
Insurance Settlement	20,757
Allowance for Uncollectible Amounts	(13,242)
Accounts Receivable, Net	**$ 10,055**

Accounts receivable are amounts due to DFC from the public and other Federal agencies. Receivables from the public result from fees and premiums from insurance policies, and assets acquired in insurance claims settlements. Accounts receivable are reduced to net realizable value by an allowance for uncollectible amounts. Allowances are based on management's periodic evaluations of the underlying assets. In its evaluation, management considers numerous factors, including, but not limited to, general economic conditions, asset composition, and prior loss experience.

Note 5: Direct Loans and Loan Guaranties, Non-Federal Borrowers

A. Direct Loan and Loan Guaranty Programs

DFC has the following direct loan and loan guaranty programs:

NAME OF PROGRAM	DESCRIPTION
Direct Loan Program	Direct loans by DFC, and loans transferred from OPIC and USAID's DCA to DFC. Loans are for critical infrastructure, energy, and other projects requiring large investments.
Loan Guaranties	Loan guaranties by DFC, and agreements transferred from OPIC and DCA to DFC. Loan guaranties are for critical infrastructure, energy, and other projects requiring large investments.
Legacy Loans	DFC administers loans that were previously initiated by USAID under the Debt Reduction Loan program, initiated after FY 1991, and the Economic Assistance Loan program, which were initiated prior to FY 1992.
Legacy Loan Guaranties	DFC administers loan guaranties that were previously administered by USAID under the Microenterprise and Small Enterprise Development Guarantied Loan program; the Urban and Environmental Credit Guarantied Loan programs, and the Housing and Other Credit Guaranty programs. These programs include loans that were initiated before FY 1992 and after FY 1991.

The Federal Credit Reform Act (FCRA) governs direct loans made after fiscal year 1991. FCRA loans are valued at the present value of expected future cash flows, discounted at the interest rate of Treasury Marketable Securities. The subsidy allowance represents the difference between the outstanding loans receivable balance and the net present value of the estimated cash flows of the loans over their remaining term. The subsidy allowance is subtracted from the outstanding loans receivable balance to obtain the net loans receivable balance. FCRA also governs loan guaranties made after fiscal year 1991. The liability is determined by calculating the net present value of expected future cash flows for outstanding guaranties in a manner similar to that used to determine the subsidy allowance for direct loans. Loan guaranty liability can be positive or negative, and if negative, is reported as an asset on the Balance Sheet. Guarantied loans acquired by DFC upon borrower default are established as loans receivable and are valued in a similar manner as direct loans under FCRA.

BUDGETARY ACCOUNTING FOR LOAN PROGRAMS

DFC's loan disbursements are financed by appropriation authority for long-term loan subsidy cost and borrowings from Treasury for the remaining non-subsidized portion of the loans. Congress may authorize one-year, multi-year, or no year appropriation authority to cover the estimated long-term costs of the loan programs. The non-subsidized portion of each loan disbursement, financed initially under permanent indefinite authority to borrow funds from Treasury, is repaid from collections of loan fees, loan repayments, and default recoveries. Permanent indefinite authority is available to fund any reestimate increase of subsidy costs that occurs after the year in which a loan is disbursed. Reestimate reductions of subsidy costs are returned to Treasury and are unavailable to DFC. As required by the FCRA, DFC uses budgetary "program accounts" to account for appropriation authority in its credit programs and non-budgetary "financing accounts" to account for credit program cash flow. Estimates and reestimates of credit program subsidy expenses are recorded in DFC's program accounts.

NON-BUDGETARY CREDIT REFORM FINANCING ACCOUNTS

Actual cash flows for direct loan and loan guaranty programs are recorded in separate Credit Reform Financing Accounts within Treasury. These accounts borrow funds from Treasury; make direct loan disbursements; pay claims on guarantied loans; collect principal, interest, and fees from borrowers; earn interest from Treasury on any un-invested funds; pay interest expense on outstanding borrowings; and transfer negative subsidy to Treasury's general fund receipt account. New subsidy funded from DFC's non-credit spending authority and appropriated upward subsidy reestimate are received in program accounts and transferred to non-budgetary credit reform financing accounts. The budgetary resources and activities for these accounts are presented separately in the Statement of Budgetary Resources and the Budget of the United States and are excluded from the determination of the budget deficit or surplus.

SUBSIDY FUNDING UNDER FEDERAL CREDIT REFORM

FCRA requires that the credit subsidy costs of direct loans and loan guaranties be expensed in the year loans are disbursed. The cost expressed as a percentage of loans disbursed is termed the subsidy rate. DFC receives an annual appropriation from Congress and transfers from USAID to fund its credit program subsidy. DFC records subsidy expenses when loans are disbursed. Subsidy for loans disbursed in foreign currencies is calculated in U.S. dollars and DFC does not change the subsidy amount for foreign currency fluctuations during the year. In accordance with FCRA, subsidy costs are reestimated annually.

INTEREST RECEIVABLE

Interest receivable is comprised of accrued interest on loans receivable (direct loans and defaulted loan guaranties). Initial unpaid interest on defaulted loan guaranties that DFC acquires with the loan is treated as part of the principal of the loan receivable. Interest income is accrued at the contractual rate on the outstanding principal. Purchased interest is carried at cost.

VALUATION METHODOLOGY FOR DIRECT LOANS AND LOAN GUARANTIES

The value of direct loans and loan guaranties is based on the net present value of their expected future cash flows. DFC estimates future cash flows for direct loans and loan guaranties using economic and financial credit subsidy models. DFC's models vary in the specific methodologies employed to forecast future program cash flows. In general, however, models for all major credit programs use historical data as the basis for assumptions about future program performance and then translate these assumptions into nominal cash flow estimates by applying rules about program structure. Nominal cash flow forecasts are discounted using OMB's Credit Subsidy Calculator that has both forecasted and actual Treasury interest rates. Loans have been made in both U.S. dollars and foreign currencies. Loans extended in foreign currencies that were originated by USAID and transferred into DFC were made with or without "Maintenance of Value" (MOV). Foreign currency exchange gain or loss is recognized upon receipt of loan repayments on loans extended without MOV, and reflected in the net credit programs receivable balance. The net loans receivable or the value of assets related to direct loans is not the same as expected proceeds from selling the loans.

Historical data is used as the basis for program performance assumptions. The historical data undergoes quality review and analysis prior to its use in developing model assumptions. Key input to the subsidy models varies by program and includes items such as:

- Contractual terms of the loan or guaranty such as loan amount, interest rate, maturity and grace period
- Borrower characteristics
- Estimated changes in foreign currency valuations
- Loan performance assumptions, such as default and recovery rates
- Loan fee rates

DFC's rating methodology for its Federal Credit Reform reestimates is based on industry best practices and the expert judgment of a core panel of officers from origination, monitoring, credit policy and risk management who worked in conjunction with Moody's Analytics. The methodology rates the portfolio risk with a consistent and standardized approach.

B. Direct Loans, Net

(dollars in thousands) **As of September 30, 2020**	**Loans Receivable, Gross**	**Fees & Interest Receivable**	**Allowance for Loan Loss (or Present Value Allowance)**	**Allowance for Subsidy Cost (Present Value)**	**Value of Assets Related to Direct Loans, Net**
Loans Obligated Prior to FY 1992					
Legacy Loans	$ 593,361	$ 389,345	$ (535,868)	$ -	$ 446,838
Loans Obligated After FY 1991					
Direct Loans	3,659,289	97,775	-	(238,276)	3,518,788
Legacy Loans	655,960	21,206		(838,249)	(161,083)
Total Loans Receivable	**$ 4,908,610**	**$ 508,326**	**$ (535,868)**	**$ (1,076,525)**	**$ 3,804,543**

C. Total Amount of Direct Loans Disbursed

(dollars in thousands) **As of September 30,**	**2020**
Direct Loan Disbursements	$ 919,700

D. Subsidy Expense and Reestimates for Direct Loan Programs by Component

(dollars in thousands) **As of September 30, 2020**	**Direct Loans**
Subsidy Expense for New Direct Loans Disbursed	
Interest Differential	$ 1,883
Defaults	(85,974)
Fees and Other Collections	193,080
Other	(18,456)
Total Subsidy Expense for New Direct Loans Disbursed	90,533
Modifications and Reestimates	
Interest Rate Reestimates	14,751
Technical Reestimates	59,234
Total Reestimates	73,985
Total Direct Loan Subsidy Expense	**$ 164,518**

E. Schedule for Reconciling Direct Loan Subsidy Cost Allowance

(dollars in thousands) **As of September 30,**	**2020**
Beginning balance of the subsidy cost allowance	$ -
Subsidy cost allowance transferred-in	(962,425)
Add: subsidy expense for direct loans disbursed during the year	90,533
Adjustments:	
Fees accrued	(508)
Loans written off	3,196
Subsidy allowance amortization	(134,329)
Other	993
Total adjustments	(130,648)
Ending balance of the subsidy cost allowance before reestimates	(1,002,540)
Add or subtract subsidy reestimates	(73,985)
Ending balance of the subsidy cost allowance	**$ (1,076,525)**

F. Defaulted Loan Guaranties

(dollars in thousands) **As of September 30, 2020**	**Defaulted Loan Guaranties Receivable, Gross**	**Interest Receivable**	**Allowance for Loan Loss (or Present Value Allowance)**	**Allowance for Subsidy Cost (Present Value)**	**Value of Assets Related to Defaulted Loan Guaranties Receivable, Net**
Loans Obligated Prior to FY 1992					
Legacy Loan Guaranties	$ 85,046	$ 11,671	$ (40,609)	$ -	$ 56,108
Loans Obligated After FY 1991					
Loan Guaranties	366,371	18,103		(263,354)	121,120
Legacy Loan Guaranties	77,174	53,839	-	-	131,013
Total	**$ 528,591**	**$ 83,613**	**$ (40,609)**	**$ (263,354)**	**$ 308,241**

DFC has fees receivable related to the Loan Guaranties in the amount of $88,302 as of September 30, 2020 that are reported as part of the Credit Program Receivables balance on the Balance Sheet.

G. Guarantied Loans Outstanding

GUARANTIED LOANS OUTSTANDING

(dollars in thousands) **As of September 30, 2020**	**Outstanding Principal of Guarantied Loans, Face Value**	**Amount of Outstanding Principal Guarantied**
Loan Guaranties	$ 10,629,819	$ 10,322,937
Legacy Loan Guaranties	186,560	186,560
Total	**$ 10,816,379**	**$ 10,509,497**

NEW LOAN GUARANTIES DISBURSED

(dollars in thousands) **As of September 30, 2020**	**Principal of Guarantied Loans, Face Value**	**Amount of Principal Guarantied**
Loan Guaranties	$ 1,331,896	$ 1,246,620
Legacy Loan Guaranties	-	-
Total	$ 1,331,896	**$ 1,246,620**

H. Liability for Loan Guaranties

(dollars in thousands) **As of September 30, 2020**	**Liabilities for Losses on Pre-1992 Guaranties, Present Value**	**Liabilities for Post-1991 Guaranties, Present Value**	**Loan Guaranties Liabilities for Loan Guaranties**
Loans Obligated Prior to FY 1992			
Legacy Loan Guaranties	$ (1,924)	$ -	$ (1,924)
Loans Obligated After FY 1991			
Loan Guaranties	-	(149,006)	(149,006)
Legacy Loan Guaranties	-	163,982	163,982
Total Liability for Loan Guaranties	**$ (1,924)**	**$ 14,976**	**$ 13,052**

I. Subsidy Expense for Loan Guaranties by Program and Component

(dollars in thousands) **As of September 30, 2020**	**Loan Guaranties**	**Legacy Loan Guaranties**	**Total**
Subsidy Expense for New Loan Guaranties Disbursed			
Defaults	$ 110,386	$ -	$ 110,386
Fees and Other Collections	(288,339)	-	(288,339)
Other	55,548	-	55,548
Total Subsidy Expense for New Loan Guaranties Disbursed	(122,405)	-	(122,405)
Reestimates			
Interest Rate Reestimates	(9,627)	(3,317)	(12,944)
Technical Reestimates	59,234	(759)	58,475
Total Reestimates	49,607	(4,076)	45,531
Total Loan Guaranty Subsidy Expense	**$ (72,798)**	**$ (4,076)**	**$ (76,874)**

J. Schedule for Reconciling the Loan Guaranty Liability

(dollars in thousands) **As of September 30,**	**2020**
Beginning balance of the loan guaranty liability	$ -
Loan guaranty liability transferred-in	(51,531)
Add: total subsidy income/(expense) for guarantied loans disbursed during the year	(122,405)
Adjustments:	
Fees accrued	192,058
Actual claims paid	(180,524)
Loans acquired	107,966
Subsidy allowance amortized	23,553
Other	328
Total adjustments	143,381
Ending balance of the loan guaranty liability before reestimates	(30,555)
Add or subtract total subsidy reestimates by component	45,531
Ending balance of the loan guaranty liability	$ 14,976

K. Subsidy Rates by Program and Component

As of September 30, 2020	**Defaults, net of recoveries**	**Interest**	**Fees**	**Other**	**Total**
Direct Loans					
Direct Loans	10.25%	-	-24.24%	-	-13.99%
Direct Loan Investment Funds	1.99%	-1.87%	-11.30%	-	-11.18%
Direct Loans in Foreign Currencies	17.49%	-	-4.17%	-13.32%	-
Hybrid Participation Notes	33.70%	-0.68%	-8.02%	-	25.00%
Loan Guaranties					
USAID Mission-led Guaranties	4.33%	-	-1.05%	-	3.28%
Loan Guaranties	8.59%	-	-18.10%	-	-9.51%
Guarantied Loan Investment Funds	17.97%	-	-16.56%	-	1.41%
Non-Honoring of Sovereign Guaranties	2.18%	-	-8.34%	-	-6.16%
Limited Arbitral Award Coverage	3.57%	-	-5.96%	-	-2.39%

The subsidy rates presented above are consistent with the estimated subsidy rates published in the Federal Credit Supplement to the Budget of the U.S. Government except for differences due to rounding. The published budget formulation subsidy rates are notional, for illustrative purposes only, as DFC estimates subsidy on a loan-by-loan basis at the time of obligation. These rates cannot be applied to the direct loans and loan guaranties disbursed during the current reporting year to yield the subsidy expense. The subsidy expense for new loans reported in the current year could result from the disbursements of loans obligated in the current and prior fiscal years. Subsidy expense reported in the current year also includes the cost of subsidy reestimates.

L. Administrative Expenses

DFC incurs administrative expenses to carry out its credit reform programs. The administrative expense for direct loan and loan guaranties is $64,119 thousand for the period ended September 30, 2020.

Note 6: Property And Equipment, Net

(dollars in thousands) **As of September 30, 2020**		**Cost**		**Accumulated Depreciation**		**Net Book Value**
Equipment	$	3,925	$	(3,443)	$	482
Internal-Use Software		9,584		(9,584)		-
Total Property and Equipment, Net	**$**	**13,509**	**$**	**(13,027)**	**$**	**482**

(dollars in thousands)		**Acquisition Cost**		**Accumulated Depreciation**		**Net PP&E**
Balance as of October 1, 2019	$	-	$	-	$	-
Transfers In		13,509		(12,882)		627
Depreciation Expense		-		(145)		(145)
Balance as of September 30, 2020	**$**	**13,509**	**$**	**(13,027)**	**$**	**482**

Note 7: Liabilities Covered and Not Covered by Budgetary Resources

Liabilities of Federal agencies are classified as liabilities covered or not covered by budgetary resources. DFC's liabilities not covered by budgetary resources primarily consist of accrued unfunded annual leave. DFC's liabilities not requiring budgetary resources consists of rent incentives.

(dollars in thousands) **As of September 30,**		**2020**
Intragovernmental		
Unfunded FECA Liability	$	301
Total Intragovernmental		301
With the Public		
Unfunded Annual Leave		5,215
Actuarial FECA Liability		428
Total With the Public		5,643
Total Liabilities Not Covered by Budgetary Resources		5,944
Total Liabilities Covered by Budgetary Resources		5,833,398
Total Liabilities Not Requiring Budgetary Resources		12,609
Total Liabilities	**$**	**5,851,951**

Liabilities not covered by budgetary resources require future congressional action whereas liabilities covered by budgetary resources reflect prior congressional action. Regardless of when the congressional action occurs, when the liabilities are liquidated, Treasury will finance the liquidation in the same way that it finances all other disbursements, which is to borrow from the public if the Government has a budget deficit, and to use current receipts if the Government has a budget surplus.

Liabilities covered by budgetary resources consist of liabilities incurred which are covered by realized budgetary resources as of the Balance Sheet date. Budgetary resources encompass not only new budget authority but also other resources available to cover liabilities for specified purposes in a given year. Liabilities are considered covered by budgetary resources if they are to be funded by permanent indefinite appropriations, which have been enacted and signed into law and are available for use as of the Balance Sheet date, provided that the resources may be apportioned by OMB without further action by the Congress and without a contingency having to be met first.

Note 8: Borrowings from Treasury

DFC's debt comes from direct borrowings from the U.S. Treasury to fund the portion of direct loans not covered by subsidy appropriations, disbursements of downward subsidy reestimates, and pay claims in excess of the amount of subsidy and collections maintained in the non-budgetary financing funds. During FY 2020 borrowings from Treasury were transferred in from OPIC and USAID to DFC.

(dollars in thousands)

As of September 30,		**2020**
Debt to the Treasury		
Beginning Balance	$	-
Borrowings Transferred In		5,341,670
Net Borrowings		(663,911)
Ending Balance	**$**	**4,677,759**

Note 9: Liability for Reestimates and Capital Transfers to Treasury

Federal credit programs are required to transfer to Treasury excess funding. Loans and loan guaranties made after FY 1991 that are covered under FCRA are reestimated each year. The loans and loan guaranties where the reestimate indicates that the amount of subsidy needed will be less than the prior year, or where the present value of the cash flows is positive, is a downward reestimate, requiring funds to be transferred to Treasury. DFC cannot transfer these funds until they receive authority from OMB, which will occur in the succeeding fiscal year. Loan and loan guaranties made prior to FY 1992 are not covered under the Federal Credit Reform Act, however, excess funding is still required to be transferred to Treasury in the form of a capital transfer.

The balance of the Liability for Reestimates and Capital Transfers to Treasury consists of the following:

(dollars in thousands)

As of September 30,		**2020**
Downward Reestimates	$	342,662
Capital Transfers to Treasury		656,763
Ending Balance	**$**	**999,425**

Note 10: Unearned Revenue

(dollars in thousands)

As of September 30,		**2020**
Finance Retainer Fees and Deferred Facility Fees	$	121,234
Rent Incentives		12,609
Total Unearned Revenue:	**$**	**133,843**

DFC may charge a retainer and other working capital fees in conjunction with each project. Working capital fees are maintained in non-budgetary financing funds. Facility fees collected in excess of $50,000 are amortized over the life of the project.

Note 11: Insurance Program Liabilities and Claim Recoveries

DFC provides Political Risk Insurance for overseas investments against six different risks: (1) inconvertibility of currency; (2) expropriation; (3) bid, performance, advance payment, and other guaranty coverages; (4) political violence; (5) reinsurance; and (6) breach of contract for capital markets. On a case-by-case basis, DFC may rewrite and renew insurance coverage beyond the initial term of the original insurance contract issued. The initial term is typically 3 to 20 years. Policies are renewable yearly at the option of the insured. Insurance premiums received are amortized over the coverage period.

1) Insurance coverage against inconvertibility protects the investor from increased restrictions on the investor's ability to convert local currency into U.S. dollars. Inconvertibility insurance does not protect against devaluation of a country's currency.
2) Expropriation coverage provides compensation for losses due to confiscation, nationalization, or other governmental actions that deprive investors of their fundamental rights in the investment.
3) Guaranties issued on behalf of a U.S. exporter of goods or services, or a U.S. contractor in favor of a foreign government buyer can be covered against the risk of a wrongful calling. The guaranties usually are in the form of irrevocable, on-demand, standby letters of credit. A wrongful calling is one that is not justified by the terms of the underlying contract, or the invitation for bids.
4) Insurance against political violence insures investors against losses caused by politically motivated acts of violence (war, revolution, insurrection, or civil strife, including terrorism and sabotage).
5) Reinsurance can increase underwriting capacity and support development in countries where investors have difficulty obtaining political risk insurance, DFC can reinsure licensed U.S. and international insurance companies.
6) DFC political risk insurance supports U.S. capital market financing structures that catalyze private capital in emerging markets.

In general, pricing is determined based on the individual coverage issues and the unique risk profile of the investment project.

Under most DFC insurance contracts, investors may obtain all coverages, but claim payments may not exceed the single highest coverage amount. Claim payments are limited by the value of the investment and the amount of current coverage in force at the time of the loss and may be reduced by the insured's recoveries from other sources. In certain instances, DFC's requirement to pay up to the single highest coverage amount may be reduced by stop-loss and risk-sharing agreements. Finally, losses on insurance claims may be reduced by recoveries by DFC as subrogee of the insured's claim against the host government. Payments made under insurance contracts that result in recoverable assets are included in Accounts Receivable net of an allowance for uncollectible amounts.

DFC's liability for unearned insurance retainer fees and unearned insurance premiums as of September 30, 2020 was $16,537 thousand. DFC did not have any claims incurred or paid, or claims recoveries received during FY 2020.

The liability for losses on remaining coverage represents the estimated amounts to be paid to settle claims, including claim adjustment expenses, for the remaining open arrangement period in excess of the sum of both:

a) related unearned premiums as of the end of the reporting period, and
b) premiums due after the end of the reporting period that relate to the remaining open arrangement period.

The open arrangement period is the elected coverage period under the insurance policy, since it is the period the insurance is in-force and unexpired. DFC has no liability for losses on remaining coverage as of September 30, 2020.

In addition to requiring formal applications for claimed compensation, DFC's contracts generally require investors to notify DFC promptly of host government action that the investor has reason to believe is or may become a claim. Compliance with this notice provision sometimes results in the filing of notices of events that do not mature into claims. DFC has no contingent liabilities related to insurance claims as of September 30, 2020.

DFC's current exposure for all policies in force, or Current Exposure to Claims at September 30, 2020 was $2.7 billion. DFC's broader measure of exposure is limited to "Maximum Contingent Liability" as defined in legislation as $3.6 billion at September 30, 2020. This amount is DFC's estimate of maximum exposure to insurance claims, which includes standby coverage for which DFC is committed but not currently at risk.

Note 12: Other Liabilities

(dollars in thousands) **As of September 30, 2020**	**Non-Current Liabilities**	**Current Liabilities**	**Total Liabilities**
Intragovernmental			
Employer Contributions & Payroll Taxes Payable	$ -	$ 1,165	$ 1,165
Unfunded FECA Liability	165	136	301
Total Intragovernmental	165	1,301	1,466
With the Public			
Accounts Payable	-	759	759
Accrued Funded Payroll & Benefits	-	3,376	3,376
Accrued Unfunded Annual Leave	-	5,215	5,215
Liability for Deposit Funds	-	91	91
Actuarial FECA Liability	428	-	428
Total Liabilities With the Public	428	9,441	9,869
Total Other Liabilities	**$ 593**	**$ 10,742**	**$ 11,335**

Note 13: Leases

Operating Leases

DFC leases commercial facilities under a multi-year operating lease agreement, as amended, which expires in May 2029. Under the terms of the lease, DFC receives a tenant improvement allowance for space refurbishment as well as other incentives. The value of these incentives is deferred in the Balance Sheet and are amortized to recognize rent expense on a straight-line basis over the life of the lease. Rental expense was approximately $6.9 million for fiscal year 2020. The following table presents future rental payments.

(dollars in thousands) **For the Years Ending:**	**Non-Federal Lease Payments**
2020	$ 8,394
2021	9,638
2022	9,661
2023	9,901
2024	10,148
After 2024	38,482
Total Future Lease Payments	**$ 86,224**

Note 14: Budgetary Resources

A. Permanent Indefinite Appropriations

The Federal Credit Reform Act of 1990 authorizes permanent, indefinite appropriations from Treasury, as appropriate, to carry out all obligations resulting from the financing program. Permanent indefinite authority is available to fund any reestimated increase of subsidy costs that occurs after the year in which a loan is disbursed. Reestimated reductions of subsidy costs are returned to Treasury and are unavailable to DFC.

Section 235(c) of the Foreign Assistance Act of 1961 (FAA) established a fund which shall be available for discharge of liabilities under insurance or reinsurance or under similar predecessor authority. All valid claims arising from insurance issued by DFC constitute obligations on which the full faith and credit of the United States of America is pledged for full payment. DFC is authorized by statute to borrow from Treasury should funds in DFC's reserves be insufficient to discharge obligations arising under its insurance program.

B. Annual Appropriations

DFC receives an annual appropriation for operations and programs. Under current law (Public Law 116-94, 133 Stat. 2840), DFC's offsetting collections are to be used to reduce DFC's annual appropriation from the General Fund to zero. The offsetting collections to be used for this purpose include investment earnings, non-insurance fees, and negative subsidy.

C. Borrowing Authority

DFC is required to borrow from Treasury's Bureau of the Fiscal Service to fund the unsubsidized portion of direct loan disbursements. DFC is authorized to borrow funds to disburse negative subsidy or pay claims in excess of the amount of subsidy and collections maintained in the financing funds. At the end of fiscal year 2020, DFC had $5,534 million in borrowing authority carried over to fund direct loans and pay future claims.

D. Undelivered Orders at the End of the Period

Undelivered Orders include loan and related subsidy obligations that have been issued but not disbursed and obligations for goods and services ordered that have not been received.

(dollars in thousands)

As of September 30, 2020		Federal		Non-Federal		Total
Unpaid	$	1,042,158	$	4,694,430	$	5,736,588
Paid		-		642		642
Total Obligations	**$**	**1,042,158**	**$**	**4,695,072**	**$**	**5,737,230**

E. Explanation of Differences Between the SBR and the Budget of the U.S. Government

Agencies are required to explain material differences between their Statement of Budgetary Resources (SBR) and the Budget of the U.S. Government. This disclosure reconciles the prior year's Statement of Budgetary Resources to the actual balances per the upcoming year's budget. For example, DFC's FY 2020 SBR will be reconciled to the actual balances per the 2022 Budget of the U.S. Government which will be released in FY 2021. As a result, DFC will not have anything to report until FY 2021. The Budget with the actual amounts for this current year will be available at a later date at **https://www.whitehouse.gov/omb/budget/**.

Note 15: Reconciliation of Net Cost of Operations to Net Outlays

Budgetary accounting is used for planning and control purposes and relates to both the receipt and use of cash, as well as reporting the Federal deficit. Financial accounting is intended to provide a picture of the government's financial operations and financial position, so it presents information on an accrual basis. The accrual basis includes information about costs arising from the consumption of assets and the incurrence of liabilities. The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between budgetary and financial accounting information. The reconciliation serves not only to identify costs paid for in the past and those that will be paid in the future, but also to assure integrity between budgetary and financial accounting. The analysis below illustrates this reconciliation by listing the key differences between net cost and net outlays.

(dollars in thousands) **As of September 30, 2020**	**Intra governmental**	**With the public**	**Total**
Net Cost	**$ 47,009**	**$ (25,288)**	**$ 21,721**
Components of Net Cost That Are Not Part of Net Outlays:			
Property and Equipment Depreciation	-	(145)	(145)
Year-end Credit Reform subsidy Re-estimates	(118,200)	-	(118,200)
Increase/(decrease) in assets:			
Accounts Receivable	-	10,055	10,055
Credit Program Receivable	-	(53,288)	(53,288)
Investments	68,067	-	68,067
(Increase)/decrease in liabilities:			-
Loan Guaranty Liability	-	1,924	1,924
Unearned Revenue	-	(132,614)	(132,614)
Subsidy Payable to the Financing Account	284,391	-	284,391
Liability for Reestimates and Capital Transfers to Treasury	(656,763)	-	(656,763)
Insurance Program Liabilities	-	(16,537)	(16,537)
Other Liabilities	(1,894)	(9,440)	(11,334)
Other Financing Sources:			-
Imputed Costs	(2,192)	-	(2,192)
Transfers out (in) without reimbursement	512,994	-	512,994
Total Components of Net Cost That Are Not Part of Net Outlays	**86,403**	**(200,045)**	**(113,642)**
Components of Net Outlays That Are Not Part of Net Cost:			
Distributed Offsetting Receipts	(357,761)	-	(357,761)
Total Components of Net Outlays That Are Not Part of Net Cost	**(357,761)**	**-**	**(357,761)**
Net Outlays (calculated)	**(224,349)**	**(225,333)**	**(449,682)**
Related Amounts on the Statement of Budgetary Resources			
Outlays, Net			(91,921)
Distributed Offsetting Receipts			(357,761)
Total Agency Outlays, Net			**$ (449,682)**

Note 16: Reclassification of Balance Sheet, Statement of Net Costs, and Statement of Changes in Net Position for Financial Reporting Compilation Process

To prepare the Financial Report of the U.S. Government (FR), the Department of the Treasury requires agencies to submit an adjusted trial balance, which is a listing of amounts by U.S. General Ledger account that appear in the financial statements. Treasury uses the trial balance information reported in the Governmentwide Treasury Account Symbol Adjusted Trial Balance

System (GTAS) to develop a Reclassified Balance Sheet, Reclassified Statement of Net Cost, and a Reclassified Statement of Changes in Net Position for each agency, which are accessed using GTAS. Treasury eliminates all intragovernmental balances from the reclassified statements and aggregates lines with the same title to develop the FR statements. This note shows DFC's financial statements and DFC's reclassified statements prior to elimination of intragovernmental balances and prior to aggregation of repeated FR line items. The GTAS balances on the Reclassified Balance Sheet and Statement of Changes in Net Position require additional manual adjustments in order to accurately reflect DFC's activity. A copy of the 2019 FR can be found here: https://www.fiscal.treasury.gov/reports-statements/ and a copy of the 2020 FR will be posted to this site as soon as it is released.

The term "intragovernmental" is used in this note to refer to amounts that result from other components of the Federal Government.

The term "non-Federal" is used in this note to refer to Federal Government amounts that result from transactions with non-Federal entities. These include transactions with individuals, businesses, non-profit entities, and State, local, and foreign governments.

FY 2020 DFC Balance Sheet		**Line Items Used to Prepare FY 2020 Government-wide**			
Financial Statement Line	**Amounts** *(in thousands)*	**Amounts** *(in thousands)*	**Plus: Manual Adjustment** *(in thousands)*	**Adjusted Amounts** *(in thousands)*	**Reclassified Financial Statement Line**
ASSETS					ASSETS
Intra-Governmental Assets					Intra-Governmental Assets
FBWT	$ 1,616,126	$ 1,616,126	-	$ 1,616,126	FBWT
Investments, Net	6,195,838	6,165,583	-	6,165,583	Federal Investments
		30,255	-	30,255	Interest Receivable - Investments
Total Investments, Net	6,195,838	6,195,838	-	6,195,838	Total Reclassified Investments, Net
Advances	-	19	-	19	Advances to Others and Prepayments
		(19)	-	(19)	Other Assets
Total Advances	-	-	-	-	Total Advances to Other and Prepayments
Total Intra-governmental Assets	**$ 7,811,964**	**$ 7,811,964**	**$ -**	**$ 7,811,964**	**Total Intra-governmental Assets**
Accounts Receivable, Net	10,055	10,055	-	10,055	Accounts Receivable, Net
Credit Program Receivable, Net	4,201,086	4,099,890	-	4,099,890	Loans Receivable, Net
		101,196	-	101,196	Accounts Receivable, Net
Total Credit Program Receivable, Net	4,201,086	4,201,086	-	4,201,086	Total Credit Program Receivable, Net
Property and Equipment, Net	482	482	-	482	General Property, Plant and Equipment, Net
Other Assets	642	642	-	642	Other Assets
Total Assets	**$ 12,024,229**	**$ 12,024,229**	**$ -**	**$ 12,024,229**	**Total Assets**

FY 2020 DFC Balance Sheet		Line Items Used to Prepare FY 2020 Government-wide			
Financial Statement Line	**Amounts** *(in thousands)*	**Amounts** *(in thousands)*	**Plus: Manual Adjustment** *(in thousands)*	**Adjusted Amounts** *(in thousands)*	**Reclassified Financial Statement Line**
LIABILITIES					**LIABILITIES**
Intra-Governmental Liabilities					**Intra-Governmental Liabilities**
Borrowings from Treasury	$ 4,677,759	$ 4,677,759	-	$ 4,677,759	Loans Payable
Liability for Reestimates and Capital Transfers to Treasury	999,425	999,425	-	999,425	Liability to General Fund for Custodial and Other Non-Entity Assets
Other Liabilities	1,466	632	-	632	Benefit Program Contributions Payable
		158	-	158	Other liabilities (without reciprocals)
		676	-	676	Federal employee and veteran benefits payable
Total Other Liabilities	1,466	1,466	-	1,466	*Total Other Liabilities*
Total Intra-Governmental Liabilities	**$ 5,678,650**	**$ 5,678,650**	**$ -**	**$ 5,678,650**	**Total Intra-Governmental Liabilities**
Loan Guaranty Liability	$ 13,052	$ 13,052	-	$ 13,052	Loan Guaranty Liability
Unearned Revenue	133,843	133,843	-	133,843	Other liabilities
Insurance Program Liabilities	16,537	15,717	-	15,717	Insurance and guaranty program liabilities
		820	-	820	Other liabilities
Total Insurance Program Liabilities	16,537	16,537	-	16,537	Total Insurance Program Liabilities
Other Liabilities	9,869	3,467	-	3,467	Other liabilities
		1,031	(272)	759	Accounts payable
		5,643	-	5,643	Federal employee and veteran benefits payable
Total Other Liabilities	9,869	10,141	(272)	9,869	Total Reclassified Other Liabilities
Total Liabilities	$ 5,851,951	$ 5,852,223	$ (272)	$ 5,851,951	Total Liabilities
NET POSITION					**NET POSITION**
Unexpended Appropriations	$ 105,992	$ 116,983	$ (10,991)	$ 105,992	Unexpended appropriations - Funds other than those from Dedicated Collections
Cumulative Results of Operations	6,066,286	6,055,206	11,080	6,066,286	Cumulative results of operations - Funds other than those from Dedicated Collections
Total Net Position	6,172,278	6,172,189	89	6,172,278	Total Net Position - Funds other than those from Dedicated Collections
Total Liabilities & Net Position	**$ 12,024,229**	**$ 12,024,412**	**$ (183)**	**$ 12,024,229**	**Total Liabilities & Net Position**

FY 2020 DFC Statement of Net Cost		Line Items Used to Prepare FY 2020 Government-wide	
Financial Statement Line	**Amounts** *(in thousands)*	**Amounts** *(in thousands)*	**Reclassified Financial Statement Line**
Gross Costs	$ -	$ (32,507)	**Non-Federal Gross Cost**
Operating Costs	158,819	6,907	Benefit Program Costs
Subsidy costs	(212,938)	2,192	Imputed Costs
Re-estimates	119,516	-	
		517	Buy/Sell Costs
		88,288	Borrowing and Other Interest Expense
			Other Expenses (w/o Reciprocals)
Total Gross Costs	**65,397**	**65,397**	**Total Reclassified Gross Costs**
Earned Revenue	(297,786)	(107,854)	**Non-Federal Earned Revenue**
		(1,299)	Buy/Sell Revenue
		(103,749)	Federal Securities Interest Revenue Including Associated Gains/Losses (Exchange)
		(84,884)	Borrowing and Other Interest Revenue
		(189,932)	*Total Federal Earned Revenue*
Total Earned Revenue	**(297,786)**	**(297,786)**	**Total Reclassified Earned Revenue**
Net Cost	**$ (232,389)**	**$ (232,389)**	**Net Cost**

FY 2020 DFC Statement of Changes in Net Position		Line Items Used to Prepare FY 2020 Government-wide			
Financial Statement Line	**Amounts** *(in thousands)*	**Amounts** *(in thousands)*	**Plus: Manual Adjustment** *(in thousands)*	**Adjusted Amounts** *(in thousands)*	**Reclassified Financial Statement Line**
Unexpended Appropriations					**Unexpended Appropriations**
Unexpended Appropriations, Beginning Balance	$ -	$ -	$ -	$ -	Net Position, Beginning of Period
Appropriations received	286,391	286,391	-	286,391	Appropriations Received as Adjusted
Appropriations transferred in/out	122,382	152,609	-	152,609	Non-Expenditure Transfers-In of Unexpended Appropriations and Financing Sources (Federal)
		(30,227)	-	(30,227)	Non-Expenditure Transfers-Out of Unexpended Appropriations and Financing Sources (Federal)
Total Non-Expenditure Transfers-In/Out of Unexpended Appropriations and Financing Sources (Federal)	122,382	122,382	-	122,382	*Total Reclassified Non-Expenditure Transfers-In/Out of Unexpended Appropriations and Financing Sources (Federal)*

FY 2020 DFC Statement of Changes in Net Position		Line Items Used to Prepare FY 2020 Government-wide			
Financial Statement Line	**Amounts** *(in thousands)*	**Amounts** *(in thousands)*	**Plus: Manual Adjustment** *(in thousands)*	**Adjusted Amounts** *(in thousands)*	**Reclassified Financial Statement Line**
Other Adjustments	(7,927)	(7,927)	-	(7,927)	Appropriations received as adjusted
Appropriations Used	(294,854)	(283,075)	(11,779)	(294,854)	Appropriations Used (Federal)
Total Unexpended Appropriations	**105,992**	**117,771**	**(11,779)**	**105,992**	**Total Unexpended Appropriations**
Cumulative Results of Operations					**Cumulative Results of Operations**
Cumulative Results, Beginning Balance	-	-	-	-	Net Position, Beginning of Period
Appropriations Used	294,854	283,075	11,779	294,854	Appropriations Expended
Transfers In/Out without Reimbursement Budgetary	(2,585,265)	1,799,492	-	1,799,492	Non-Expenditure Transfers-in of Unexpended Appropriations and Financing Sources
		(4,384,757)	-	(4,384,757)	Non-Expenditure Transfers-Out of Unexpended Appropriations and Financing Sources
Total Transfers In/Out without Reimbursement - Budgetary	(2,585,265)	(2,585,265)	-	(2,585,265)	Total Reclassified Transfers In/Out without Reimbursement - Budgetary
Other Financing Sources (Nonexchange)					Other Financing Sources (Nonexchange)
Transfers In/Out without Reimbursement Other	8,528,166	9,103,262	-	9,103,262	Transfers-in without reimbursement
		(575,096)	-	(575,096)	Transfers-out without reimbursement
Total Transfers In/Out without Reimbursement - Other	8,528,166	8,528,166	-	8,528,166	Total Reclassified Transfers In/Out without Reimbursement – Other
Imputed Financing	2,192	2,192	-	2,192	Imputed Financing Sources (Federal)
Offset to Non-entity Collections	(406,050)	(357,761)	-	(357,761)	Non-entity collections transferred to the General Fund of the U.S. Government
		(48,289)	-	(48,289)	Accrual for non-entity amounts to be collected and transferred to the General Fund of the U.S. Government
Total Offset Non-entity Collections	(406,050)	(406,050)	-	(406,050)	*Total Reclassified Offset Non-entity Collections*
Total Financing Sources	**5,833,897**	**5,822,118**	**11,779**	**5,833,897**	**Total Financing Sources**

FY 2020 DFC Statement of Changes in Net Position		Line Items Used to Prepare FY 2020 Government-wide			
Financial Statement Line	**Amounts** *(in thousands)*	**Amounts** *(in thousands)*	**Plus: Manual Adjustment** *(in thousands)*	**Adjusted Amounts** *(in thousands)*	**Reclassified Financial Statement Line**
Net (Cost)/Benefit of Operations	232,389	232,389	-	232,389	Reclassified Net Cost of Operations
Ending Balance - Cumulative Results of Operations	**6,066,286**	**6,054,507**	**11,779**	**6,066,286**	**Net Position - Ending Balance**
Total Net Position	**$ 6,172,278**	**$ 6,172,278**	**-**	**$ 6,172,278**	**Total Net Position**

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