

FY25 Annual Activities Report



Independent
Accountability
Mechanism

U.S. International Development Finance Corporation



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About this Report

This is the Annual Activities Report of the Independent Accountability Mechanism (IAM) of the U.S. International Development Finance Corporation (DFC) for Fiscal Year 2025 (FY25). The report covers the period from October 1, 2024, to September 30, 2025, unless noted otherwise. Previous reports can be accessed on the IAM’s [webpages](#). Questions and comments are welcome and can be directed to accountability@dfc.gov.

About DFC

DFC, established in 2019 with bipartisan support under President Trump, is the international investment arm of the U.S. Government. DFC partners with the private sector to advance U.S. foreign policy and strengthen national security by mobilizing private capital around the world.

About the IAM

The IAM was established with DFC in 2019. The IAM’s core mandate is to evaluate compliance with environmental and social standards, deliver problem-solving and mediation services in conflicts, and provide an advisory function to DFC.

Photo Credits

Cover: JA! Team (Mozambique), P2: Anonymous (Türkiye), P4: CAO (Washington DC). P7: JA! Team (Mozambique), P9: Green Lead Advocacy and Empowerment Center (Nigeria), P11: Bridge International Academies (Kenya), and P13: IAM.



Director's Message

I am pleased to present this FY25 Annual Activities Report of the Independent Accountability Mechanism (IAM) of the U.S. International Development Finance Corporation (DFC) to its stakeholders.

Record Number of Cases

The IAM received five eligible requests (complaints) related to three DFC-supported projects. Both are record numbers signaling increasing stakeholder confidence in the IAM. Page 5 and the IAM's [webpages](#) provide more information.

Terms of Reference Approved

The DFC Board approved the IAM's new [Terms of Reference](#). It is aligned with good international practice. Key functions include problem solving, compliance, monitoring, advisory, and outreach.

Outreach and Training

The IAM participated in events in the U.S. and abroad, including the annual meeting of the [global IAM network](#), which engages with civil society. The IAM also co-hosted a training event on company-community mediation.

Reduced Resources

The IAM ended FY25 with one employee: the IAM Director (FY24: 2.5). The utilization rate (obligated funds) of the IAM's budget of \$442,985 (FY24: \$300,155) reached 83 percent (FY24: 40 percent).

Looking Forward

In December 2025, DFC secured its reauthorization. It increased the corporation's investment cap by over 300 percent to \$205 billion.

This step-change signals a growing significance of DFC and underscores the important role of the Corporation's accountability functions. These include the IAM, which is mandated to:

- (1) Evaluate environmental and social compliance,
- (2) Deliver problem-solving services in conflicts, and
- (3) Provide an advisory function to DFC.

I would like to express my thanks to the U.S. Congress, DFC's Board and Management, as well as all other stakeholders, for their continued support of the IAM.

Sincerely,

Mehrdad Nazari

Mehrdad Nazari, Director

Together for Conflict Resolution

October 17, 2024



Project-affected People's
Mechanism (PPM)



COMPLIANCE
ADVISOR
OMBUDSMAN

The International Accountability Mechanisms Co-FC & 2012



Independent
Accountability
Mechanism

U.S. International Development Finance Corporation



European Bank
for Reconstruction and Development

Independent
Project
Accountability
Mechanism



Case Summaries

During FY25, the IAM received a record number of five eligible requests related to three DFC-supported projects. With one ongoing review initiated in FY24, the IAM was reviewing four DFC-supported projects during the reporting period.



Multiple Requests

Some projects receive more than one eligible request for IAM services. For efficiency, the IAM usually merges such related requests.



Multiple Complainants

Requests are typically submitted on behalf of several complainants. One FY25 request was filed on behalf of over 150 individuals.



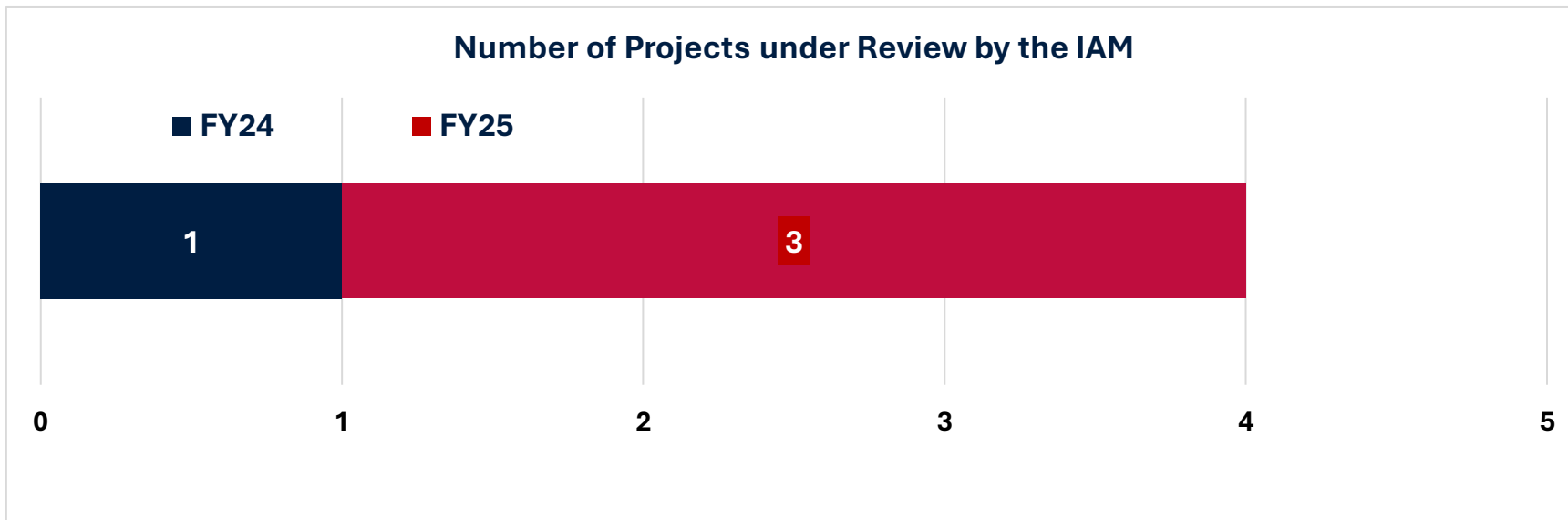
Cases by IAM Function

Assessment: 1; Problem-solving: 0; Appraisal: 0; Compliance: 3 (1 investigation completed and before the Board); Monitoring: 0.



DFC Exits

It is notable that two of four active IAM cases involve a DFC exit triggered by early loan repayment or a client-requested termination.



DFC Project	Status of Active Cases (FY25)
Ceyhan Polipropilen, Türkiye (FY25)	<p>Status: Assessment. Project involves a \$550 million loan to support development of a greenfield polypropylene production facility in a province of Adana, Türkiye. Starting on Aug. 10, 2025, a series of eligible requests were submitted by individuals or groups alleging harm or potential harm largely related to physical and/or economic displacement. DFC’s Public Information Summary.</p>
Rovuma LNG, Mozambique (FY25)	<p>Status: Compliance Investigation. The Project involves development of a natural gas liquefaction (LNG) facility. DFC signed a commitment letter to provide political risk insurance coverage for up to \$1.5 billion debt (subject to \$1 billion reinsurance). On Oct. 15, 2024, the IAM received a request, which was deemed eligible on Nov. 1, 2024, from a coalition of civil society organizations (CSOs) representing local community members alleging harm linked to resettlement impacts. As requested by the applicant, DFC terminated its commitment letter on July 22, 2025. DFC’s Public Information Summary; IAM’s Appraisal report (Dec. 2025).</p>
Indorama Eleme Fertilizer (Line 3), Nigeria (FY25)	<p>Status: Compliance Investigation. The Project involves a \$75 million loan, which is part of a \$1.25 billion loan package, for a project to build, operate and maintain the Line III ammonia-urea fertilizer facility in Port Harcourt. In Aug. 2024, a coalition of CSOs representing affected stakeholders alleging harm filed a request for IAM’s services. The request was deemed eligible on Aug. 23, 2024. DFC’s Public Information Summary; IAM’s Appraisal report (June 2025).</p>
Bridge International Academies (BIA), Kenya (FY24)	<p>Status: Compliance Investigation completed. The Project involves a \$10 million OPIC loan provided in 2013 to finance the expansion of low-income private schools in Kenya. DFC exited the BIA Project in July 2022 because of early loan repayment by the Client. In March 2024, following publications about child sexual abuse related to BIA in Kenya, DFC’s CEO requested a compliance review of the project. In July 2024, a coalition of CSOs representing former pupils in Kenya alleging harm submitted a request to be included in the on-going investigation. The IAM merged the CEO and CSO requests and completed the investigation in March 2025. DFC Management has proposed a draft Management Action Plan (MAP) which remains under review by the Board. DFC Public Information Summary; IAM’s Appraisal Reports.</p>



New Terms of Reference

In December 2024, following iterative engagements with DFC’s Management and Board of Directors, and a [public consultation](#) process, the Board approved the IAM’s new [TOR](#). Its key elements include:



Good Practice

Modeled on the well-established [policy](#) of the International Finance Corporation / Multi-lateral Investment Guarantee Agency’s Compliance Advisor Ombudsman ([CAO](#)).



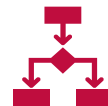
Content

Covers mandate, governance, access to information and disclosure, key functions, dealing with reprisals, monitoring, outreach, and cooperation with IAMs of coinventors.



Governance

Defines the roles and procedures of the IAM. Its director reports to the Board and U.S. Congress. The director’s initial appointment is for five years.



Functions

Assessments of eligible requests, problem solving and/or compliance reviews of DFC, monitoring Board-approved action plans, advisory services to DFC, and outreach.



Focus

Environmental and social aspects of projects, complementing DFC’s [Office of Inspector General](#) tasked with preventing, detecting, and deterring fraud, waste, and abuse.



Timelines

Can accept requests up to 24 months after a DFC exit. Action timelines for IAM and Management are defined, and the TOR is subject to review every five years.



Outreach and Training

The IAM conducted outreach and participated in various events, co-hosted a training on mediation, and provided disclosures and other updates via social media. Highlights include:



Conflict Resolution

The IAM participated in the “[Together for Conflict Resolution](#)” event co-hosted by the CAO in Washington, DC. The event was attended by CSOs and members of the global IAM network ([IAMnet](#)).



Capacity Building

Jointly with the CAO, the IAM co-hosted an [advanced training for company-community mediation in complex environments](#). The event was attended by DFC and IAM staff, a CSO representative, and IAMnet members.



IAMnet

The IAM participated in IAMnet’s Outreach, Governance, and Reprisal committees, as well as its [Annual Meeting](#). This included engagement with CSOs and was hosted by the Asian Development Bank in October 2024.



Events

The IAM attended the World Bank Group’s [Spring Meeting](#) and the [2025 Annual Conference](#) of the International Association for Impact Assessment. Such events enable outreach to a variety of stakeholders.



Social Media

Supported by DFC’s Office of External Affairs, the IAM has a web presence. This includes a [Public Registry of Cases](#). The IAM also maintains a [LinkedIn profile](#) (please follow) to provide updates about activities and cases.



Resources

During a period marked by a record number of requests and cases, the IAM ended FY25 with a reduced headcount of one employee. The utilization rate (funds obligated) of the IAM’s budget of \$442,985 reached 83 percent.



Staffing

By April 21, 2025, following a government-wide reduction of workforce, the IAM’s headcount shrunk from 2.5 to 1.0 full-time equivalent employees (FTEs). The IAM also lost access to a seconded Presidential Management Fellow (PMF).



Budget

For FY25, the non-staff budget had increased from FY24 due to an active and growing case load, a growing IAM team (before shrinking again), implementation of capacity building and outreach efforts, and improving accessibility and mitigating threats and reprisals.

IAM Staffing	FY24	FY25
Employees (FTE)	2.5	1
PMF	1.0	0

Note: Number of employees by the end of fiscal year

IAM Budget (\$)	FY24 Budget	FY25 Budget
Contract Support	253,067	303,089
Conferences, Events	6,000	12,550
Training	6,500	21,500
Travel	25,000	93,307
Invitational Travelers	0	6,000
Other	3,588	0
Total	300,155	443,446
Obligated	40%	83%



Key Risks and Mitigations	
Risk	Mitigation
Risk 1	Mitigation 1
Risk 2	Mitigation 2
Risk 3	Mitigation 3
Risk 4	Mitigation 4

Acronyms

AM	Annual Meeting
BIA	Bridge International Academies
CAO	IFC/MIGA's Compliance Advisor Ombudsman
CSO	Civil Society Organization
DFC	U.S. International Development Finance Corporation
DFI	Development Finance Institution
FTE	Full-time equivalent
FY	Fiscal Year
IAM	Independent Accountability Mechanism
IAMnet	Independent Accountability Mechanisms Network
IFC	International Finance Corporation
LNG	Liquefied Natural Gas
MAP	Management Action Plan
MIGA	Multilateral Investment Guarantee Agency
OIG	Office of Inspector General
OPIC	U.S. Overseas Private Investment Corporation
PMF	Presidential Management Fellow
TOR	Terms of Reference



**Independent
Accountability
Mechanism**

U.S. International Development Finance Corporation

Independent Accountability Mechanism

U.S. International Development Finance Corp.

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