



Independent
Accountability
Mechanism

U.S. International Development Finance Corporation

FY25 Interim Activities Report

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In February 2025, against the backdrop of a growing number of cases involving two or more Development Finance Institutions (DFIs), and remedy opportunities problem-solving can provide, the IAM cohosted an advanced mediation training jointly with the Office of the Compliance Advisor Ombudsman of IFC/MIGA. The event attracted over 20 participants from bilateral and multilateral DFIs.

About the IAM

The Better Utilization of Investments Leading to Development (BUILD) Act created the U.S. International Development Finance Corporation (DFC) and establish its Independent Accountability Mechanism (IAM) in 2018. The core functions of the IAM are to (1) evaluate compliance with environmental, social, labor, human rights, and transparency standards, (2) deliver mediation and problems-solving services in conflicts, and (3) provide an advisory function to DFC.

Director's Message

I am pleased to present the FY25 Interim Activities Report of the Independent Accountability Mechanism (IAM) of the U.S. International Development Finance Corporation (DFC). This report covers the period from October 1, 2024, to March 31, 2025, unless noted otherwise.

The key developments during the reporting period include:

- Adopting a new Terms of Reference (TOR), which replaced its 2014 predecessor;
- Registering a new request: Rovuma LNG, Mozambique, bringing the total of active cases to four; and
- Shrinking the IAM from 2.5 to one employee.

As I enter the final six months of my two-year appointment by the Board, I would like to thank U.S. Congress, DFC's Board and Management, and my former IAM colleagues – Chad Dear, Kate Kopischke, and Alexander Perkins – for their support, and look forward to continued collaboration with all stakeholders to achieve DFC's accountability ambitions.

Sincerely,

Mehrdad Nazari

Mehrdad Nazari, Director
Independent Accountability Mechanism



Together for Conflict Resolution

October 17, 2024



Project-affected People's
Mechanism (PPM)



COMPLIANCE
ADVISOR
OMBUSMAN

The Independent Accountability Mechanism for IFC & WFP



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U.S. International Development Finance Corporation



European Bank
for Reconstruction and Development

Independent
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IAM Case Summaries

During the reporting period, the IAM received one request, which was deemed eligible: the [Rovuma LNG Project](#) in Mozambique. Including the three eligible and ongoing cases from FY24, the IAM is now handling four active cases summarized below.

ID, Name, Country	Case status (by June 9, 2025) and brief description
FY25-1: Rovuma LNG, Mozambique	<i>Status: Assessment phase nearing completion.</i> - The Project involves the development of a natural gas liquefaction (LNG) facility. In 2020, the DFC executed a commitment letter, last extended in 2023 until 2025, to provide political risk insurance for up to \$1.5 billion. 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.
FY24-3: Indorama Eleme Fertilizer (Line 3), Nigeria	<i>Status: Appraisal phase nearing completion.</i> - The Project involves a \$75 million loan, which was approved by DFC's Board in Dec. 2023, to build, operate and maintain an ammonia-urea fertilizer facility (Line III) in Port Harcourt. In Aug. 2024, a coalition of CSOs representing affected stakeholders alleging social harm, filed a request for IAM's services, which was deemed eligible on Aug. 23, 2024.
FY24-1 & FY24-2*: Bridge International Academies (BIA), Kenya	<i>Status: Compliance investigation completed (Mar 19, 2025).</i> - The Project involves a \$10 million loan provided by OPIC in 2013 to finance the expansion of low-income private schools in Kenya. In Mar. 2024, following publications about child sexual abuse related to BIA in Kenya, DFC's CEO requested the IAM to conduct a compliance review of the project. In Jul. 2024, a coalition of civil society organizations representing former pupils in Kenya alleging harm submitted a request for the IAM to include them in the on-going compliance review. The IAM merged the two requests. DFC Management has proposed a draft Management Action Plan which is being reviewed by the Board.

Staff Resources

At the end of the previous reporting period, the IAM comprised 2.5 full-time equivalent employees. In addition, a Presidential Management Fellow was seconded to the IAM team. By April 21, 2025, the IAM's headcount had shrunk to one employee. At the same time, the IAM's portfolio of challenging cases requiring problem-solving, compliance investigations, and monitoring continues to grow.



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