



U.S. INTERNATIONAL DEVELOPMENT
FINANCE CORPORATION

OFFICE OF INSPECTOR GENERAL



Semiannual Report to Congress

April 1, 2020 - September 30, 2020

Message from the Inspector General

I am pleased to present the U.S. International Development Finance (DFC) OIG Semiannual Report to the Congress for the period of April 1, 2020, through September 30, 2020, in accordance with the Inspector General Act of 1978, as amended.

It was an honor to be named DFC's first Inspector General in August 2020. Since my appointment, I have been impressed by the commitment and professionalism of DFC, and have a deep respect for the mission and role of DFC to invest in highly impactful projects in developing countries, advance our Nation's foreign policy, and to continue its consistent track record of generating returns for the American taxpayer.

The DFC OIG is an independent and objective oversight office created within DFC by the Inspector General Act of 1978 (IG Act), as amended by the Better Utilization of Investment to International Development Act of 2018 (BUILD Act). We were created to promote the integrity, transparency and efficiency of DFC programs and operations by providing independent oversight and objective reporting to multiple stakeholders including the DFC Board of Directors and Congress.

In the coming year, I look forward to building DFC OIG with the expertise, tools, resources, and support needed to accomplish our mission. My goal is to ensure that DFC OIG audits, investigations, and reviews be conducted in a thorough and professional manner and performed in accordance with the rigorous standards of objectivity, independence, accuracy and transparency upon which Congress and the American public have come to rely.

In addition to building the OIG, I look forward to elevating the focus of our work to inform and provide strategic insights to foreign assistance decision makers and stakeholders. It is a privilege to lead OIG during this exciting time. In this and other work, I am committed to working closely with the DFC CEO, Board of Directors, and Congress in promoting integrity and accountability in U.S. foreign assistance and investment.



Anthony "Tony" Zakel
Inspector General

About DFC OIG

DFC OIG is an independent and objective oversight office created within DFC by the Inspector General Act of 1978 (IG Act), as amended by the Better Utilization of Investment to International Development Act of 2018 (BUILD Act). This office was organized in August 2020, following the appointment of its first Inspector General. It was created to promote the integrity, transparency and efficiency of DFC programs and operations by providing independent oversight and objective reporting to multiple stakeholders including the DFC Board of Directors and Congress. The mission of the OIG is to conduct and supervise audits, investigations, inspections, and evaluations related to agency programs and operations; provide leadership and coordination as well as recommend policies that will promote economy, efficiency, and effectiveness in such programs and operations; and prevent and detect fraud, waste, abuse and mismanagement.

The OIG will consist of the Office of Audits and the Office of Investigations, supported by the Office of General Counsel, to accomplish OIG's mission. The Office of Audits will conduct a variety of independent statutorily mandated and discretionary reviews to assess DFC programs and operations to detect and address any waste, abuse, or mismanagement. The Office of Investigations will conduct investigations into allegations of fraud that may result in suspensions, fines and convictions of subjects.

Prior to August 2020, USAID OIG provided oversight of the Overseas Private Investment Corporation, which merged in January 2020, with components of the U.S. Agency for International Development (USAID) to become DFC as legislated by the BUILD Act. While DFC OIG was established in August 2020, USAID OIG continues to provide assistance to DFC OIG as we become fully operational. As such, all the audit and investigative work performed for this Semiannual Report period is comprised entirely of work performed by USAID OIG, and the audit and investigation summaries and statistics of their work related to DFC is captured in USAID OIG's 2020, [Semiannual Report](#).



Moving Forward

Looking ahead, I look forward to building on DFC OIG's commitment to meet our mission by:

- Recruiting senior leaders who reflect our values, can provide a sustained high level of engagement with DFC and other stakeholders, and have the expertise necessary to effectively execute our mission.
- Providing OIG staff with the tools, resources, and support needed to accomplish our mission. We will work to ensure that we have established clear pathways for professional growth and a training and professional development program that provides the building blocks for future success.
- Instituting quality assurance procedures and processes to ensure that our work is of the highest caliber and that our standards and policies reflect best practices across the accountability community.
- Conducting reviews as required in legislations to include emphasis on performance audits that periodically review the activities of each enterprise fund established in the BUILD Act, including assessing whether the activities of the enterprise fund support the purposes as defined in the BUILD Act, results in profitable private sector investing, and generates a measurable social benefit.
- Performing mandatory and discretionary audit work, which include the Federal Information Security Modernization Act (FISMA), Risk Assessment of Government Charge Cards, the Digital Accountability and Transparency Act (DATA Act), the Improper Payments Elimination and Recovery Act (IPERA), and examining DFC's Enterprise Risk Management and Internal Controls (OMB Circular A-123).
- Preventing and detecting waste, fraud, and abuse. In addition, DFC employees, contractors, and stakeholders are able to report fraud, waste and abuse using the DFC OIG Hotline Center.



DFC OIG At-A-Glance



Mission

Conduct audits and investigations on behalf of the American public to improve the performance and integrity of DFC operations and programs in providing foreign assistance to developing countries across the world while generating returns for the American taxpayer.

Vision

Enhance the development impact performance and integrity of DFC's operations and programs in advancing U.S. foreign policy while maintaining a workplace culture that values its people and continuously improves its performance.

Core Values

Integrity is the foundation of OIG, which maintains the highest standards of integrity in its work for the American people, Congress, the Board of Directors, Chief Executive Officer, and senior DFC officials. OIG strives to set the example for objectivity, accuracy, and transparency.

Accountability is at the heart of OIG's work. Through independent and fair audits and investigations, OIG seeks to ensure that DFC is accountable for results and for the resources the public invests in the corporation.

Respect is central to the OIG identity. We promote a fair and professional working environment to maintain the highest standards of conduct and have a deep respect for the mission and role of DFC in investing in highly impactful projects in developing countries

About DFC

DFC is a modern, consolidated entity that brings together the capabilities of OPIC and USAID's Development Credit Authority, while introducing new and innovative financial products to better bring private capital to the developing world. DFC partners with the private sector to finance solutions to the most critical challenges facing the developing world today. DFC's Inaugural Development Strategy, which outlines investments of over \$25 billion and aims to mobilize an additional \$50 billion in private sector capital—catalyzing a total of \$75 billion—to reach more than 30 million people in developing countries by the end of 2025. Learn more at www.dfc.gov.





HOTLINE

Call 1-800-230-6539 (via USAID OIG)

Or visit: [DFC OIG USAID HOTLINE](#)

