

International Development Finance Corporation's authorization lapsed yesterday. By Adva Saldinger, *Devex Invested*, 7 Oct 2025

The U.S. International Development Finance Corporation's **authorization to operate lapsed yesterday** — amid a broader U.S. government shutdown — further hamstringing the agency after an already disrupted year with far fewer investments than usual.

So how did an agency with bipartisan support in Congress and support from the Trump administration fail to get renewed in time?

The expiration of [DFC's](#) seven-year authorization is the “collateral damage” of congressional disagreements about a short-term budget extension, congressional priorities, and more, Rob Mosbacher, who led DFC's predecessor agency, tells me. **The hope was that DFC would be reauthorized months ahead** of the deadline, but that didn't happen — and “at the rate things are going, it won't be anytime soon,” he says.

As I've reported, **DFC has bipartisan support** in both the House of Representatives and the Senate, though the two chambers have different proposals for what exactly a reauthorization should look like (I've written about them [here](#) and [here](#)). Despite that support, a reauthorization bill could not make it across the finish line before the Oct. 6 deadline. Hopes that a short-term extension could be part of a stopgap funding bill also fell apart — so the government shut down when the fiscal year ended on Sept. 30.

So what happens now? **DFC has enough funding to operate with limited staff** during a short-term government shutdown and to avoid any contract breaches, according to [a document with shutdown guidance](#) that Devex obtained.

During a shutdown, DFC will continue to honor insurance and financing contracts. The agency will not make new commitments, do noncore business, recruit or train staff, or do nonemergency procurement, according to the shutdown guidance.

As with most government agencies, a limited number of DFC staff are considered essential and continue to work during a shutdown — about 162 of DFC's 526 employees fall into this category, according to the document. (For those keeping track, that means **DFC has lost about 200 employees** since the start of the year.)

But even once the government reopens, DFC will need at least a temporary extension of its authorization to undertake new activities. Pending that authorization, it will service its

portfolio, honor existing legal commitments, collect fees, insurance premiums and loan repayments for existing transactions, according to a DFC spokesperson.

Why does it matter? The refrain I've heard repeatedly is that the private sector likes certainty — and at the moment, working with DFC doesn't provide that, and the delays as the Trump administration came into office combined with **this lapse in authorization could drive away potential clients**. Some companies will look at DFC and say they can't afford to take the chance, Mosbacher tells me. But the reputational damage should only be temporary if DFC can quickly get back on track so companies feel they can work with the agency in a timely manner, he adds.

One thing that might help with that is if DFC has a new CEO in place. **Benjamin Black is awaiting a vote in the Senate to confirm him** for the post — which may happen in the next week or two, sources tell me.

But even with a new CEO, it will be up to Congress to hash out its differences — there is agreement on a number of changes for DFC, but with different approaches.

“I hope Congress will commit to working from this **common ground to extend DFC's authorization**, increasing the agency's agility while ensuring it remains focused on lower-income markets where development finance is most needed,” Erin Collinson, the director of policy outreach at the [Center for Global Development](#), tells me.

Background: [Trump has big plans for DFC as reauthorization deadline looms](#)

ICYMI: [A Senate plan for DFC reauthorization](#)