

**Move to reauthorize US DFC finally picks up steam.** By Anna Gawel, *Devex Newswire*, 8 Dec 2025

## One step forward

With USAID gone, attention has shifted to America's other engines of international development, especially DFC, which, with its private-sector focus, appears **likely to survive the Trump administration gauntlet**. But first, it needs reauthorization from Congress — and [it just took an important step in that direction](#).

Lawmakers attached the DFC Modernization and Reauthorization Act of 2025 to the National Defense Authorization Act, which **will be voted on this week — possibly even today**. That's a good sign because the defense bill is often seen as must-pass legislation.

If passed, the reauthorization **would change DFC in fairly substantial ways**, my colleague Adva Saldinger reports. For one thing, it would beef up the agency — boosting its total spending cap from \$60 billion to \$205 billion — and allow it to work in high-income countries, but with limitations. That's key because many were concerned that [DFC](#) would eschew its core mandate of alleviating poverty in lower-income countries in favor of investing in wealthier countries for strategic self-gain.

**The result?** A compromise that neither side is particularly thrilled with — welcome to the world of politics — but one that might pass muster.

The bill requires that projects advance national security or economic interests, but should be designed to produce development impacts for the poorest in those countries. It also says DFC cannot fork over more than 25% of the total investment in any individual project in high-income countries, and all of its investments in these countries **cannot exceed 10% of the agency's total spending cap**.

“There is evidence of a fair amount of horse-trading going back and forth on different things,” says **Rob Mosbacher**, former head of the defunct Overseas Private Investment Corporation, which was DFC's predecessor. “Folks worried about this process veering too much in pursuit of strategic interests — critical minerals, key infrastructure — should be mollified by, I think, a very concerted effort to reiterate the importance of development and this agency doing deals in middle- and low-income countries.”

**Read:** [Reauthorization of the US development finance corporation gains traction](#)

