

AFL-CIO

LEGISLATIVE ALERT

September 16, 2025

The Honorable Brian Mast
Chairman
Committee on Foreign Affairs
2182 Rayburn HOB
Washington, D.C. 20515

The Honorable Gregory Meeks
Ranking Member
Committee on Foreign Affairs
2310 Rayburn HOB
Washington, D.C. 20515

Dear Chairman Mast and Ranking Member Meeks:

On behalf of the 63 affiliates of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), representing 15 million working people across our economy, I write to express our opposition to H.R. 5299, “To modify and reauthorize the Better Utilization of Investments Leading to Development Act of 2018.” This legislation would reauthorize the United States International Development Finance Corporation (DFC) without key reforms needed to center workers and to provide oversight on how these funds are spent.

The AFL-CIO welcomed the creation of the DFC in 2020, urging it to pursue an investment agenda that prioritizes decent work -- directly involving labor to ensure the creation of long-term, well paid jobs and universal social protection to ensure resilient and healthy communities. Unfortunately, the DFC does not do enough to involve local workers and trade unions from the earliest stages of project development nor center them throughout the life of the project to ensure robust project monitoring that includes the design and enforcement of corrective measures.

Further, this bill fails to address the DFC’s wholly inadequate project selection criteria by ensuring that funded projects respect internationally recognized workers’ rights and basic environmental standards. Presently, projects can be funded without compliance with these basic labor and environmental standards, undermining the national, energy, and economic security of the United States. H.R. 5299 does not include language to address these shortcomings and ensure our taxpayer dollars are being used to support good jobs and healthy communities.

In addition, the labor movement had a dedicated seat on the board of the Overseas Private Investment Corporation, one of the precursors to the DFC, to help guide its efforts in this space. Labor’s involvement in the DFC could strengthen outcomes for workers in the United States and abroad. Unfortunately, labor is not represented on the DFC’s board or development advisory council and this legislation does nothing to remedy this oversight, further weakening the DFC’s ability to ensure development projects work for workers and communities.

Finally, at a time when this Congress has slashed investments in domestic manufacturing capacity and energy generation, it is disappointing that this bill would turn around and more than quadruple the loan authority of the DFC, ballooning the size of its possible portfolio from \$60 billion to \$250 billion. It is deeply troubling that alongside this expansion come none of the proven measures utilized by the Export-Import Bank to ensure these investments also support American workers. This reauthorization fails to include any domestic content standards or cabotage and cargo preference requirements that would maximize the impact of these development dollars by ensuring they also support good domestic manufacturing and maritime jobs. By expanding the scope of countries eligible, this reauthorization would not only cement lower standards at the DFC for workers abroad, it could increasingly put it in direct competition with the Ex-Im Bank, hurting workers here at home.

Regrettably, this bill is a missed opportunity to use DFC investments to promote workers' rights and to leverage these projects to grow key sectors of the American economy, strengthen critical supply chains, and support good, union jobs in the process. We urge opposition to this long term reauthorization until significant changes are made to ensure the DFC includes provisions to strengthen standards overseas and to leverage our investments to support American workers.

Sincerely,

A handwritten signature in black ink, appearing to read "Jody Calemine". The signature is fluid and cursive, with a large initial "J" and "C".

Jody Calemine
Director, Government Affairs