


TO: Sam Wice, Office of Information and Regulatory Affairs

FROM: David M. Glaccum, U.S. International Development Finance Corporation 

SUBJECT: Justification for Emergency Processing: Application for U.S. International Development Finance Corporation Defense Production Act Loan Program, DFC-014, OMB Control No. XXX

The U.S. International Development Finance Corporation (DFC) is requesting emergency clearance for a new information collection in order to launch the new DFC-Defense Production Act Loan Program (“DFC-DPA Loan Program”), featuring an online application for external parties to apply for financing under the program.

In Proclamation 9994 of March 13, 2020 (Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak), President Trump declared a national emergency recognizing the threat that the novel (new) coronavirus known as SARS-CoV-2 poses to our Nation’s healthcare systems.

On May 14, 2020, the President signed Executive Order 13922, “Delegating Authority Under the Defense Production Act to the Chief Executive Officer of the United States International Development Finance Corporation To Respond to the COVID-19 Outbreak,” 85 FR 30583. This Executive Order reaffirmed the policy of the United States in expanding domestic production of the strategic resources needed to respond to the COVID-19 outbreak, including strengthening relevant supply chains within the United States and its territories to ensure that our country has the capacity, capability, and strong and resilient domestic industrial base necessary to respond to the COVID-19 outbreak. Accordingly, in the Executive Order the President delegated to the Chief Executive Officer of DFC authority under title III of the Defense Production Act (“DPA”) to make loans, make provision for purchases and commitments to purchase, and take additional actions to create, maintain, protect, expand, and restore the domestic industrial base capabilities, including supply chains within the United States and its territories, needed to respond to the COVID-19 outbreak.

Executive Order 19922 delegates to the Chief Executive Officer of DFC authority under Section 302 of the DPA to make loans to create, maintain, protect, expand, and restore the domestic industrial base capabilities, including supply chains within the United States and its territories, needed to respond to the COVID-19 outbreak. This new DFC-DPA Loan Application is key to DFC's implementation of the Executive Order.

The information required by this application is substantially like information collected on DFC’s financing applications DFC-001/OMB 3015-0004 and DFC-004/OMB 3015-0006. In DFC’s experience, this is the core information necessary to complete screening, due diligence, credit evaluations, and impact analyses.

The intent of Executive Order 13922 is that DFC respond to the COVID-19 outbreak expeditiously. This intent, along with the need to address the dramatic toll the COVID-19 outbreak has had on the United States economy and critical infrastructure, presents an urgent and compelling circumstance that makes compliance with prior notice and comment period impracticable. Specifically, companies need to be informed on how to apply for a DFC-DPA loan and DFC needs to be able to begin screening and underwriting prospective projects, as soon

as possible. As this is a time-limited program and project origination can take months, the ability to implement this program is time sensitive.

DFC requests that OMB approve the new application by June 4, 2020. While public comments cannot be sought during the period of OMB review, DFC will issue a notice in the *Federal Register* informing the public of the new information collection and inviting public comment during the request for regular clearance. DFC intends to begin the process of seeking a regular clearance, including the full opportunity for public comment, shortly after launching the program.