



September 10, 2026

Ms. Suzanne Steensen
Head of the MOPAN Secretariat
Multilateral Performance Organisation Network
2, rue Andre-Pascal
75775 Paris CEDEX 16
FRANCE

Dear Ms. Steensen:

MOPAN Independent Assessment of the Caribbean Development Bank

Management welcomes this first institutional assessment by the Multilateral Organisation Performance Assessment Network (MOPAN) for 2025/26 and thanks MOPAN for its collaborative and constructive engagement throughout the process. Management also extends appreciation to the MOPAN Secretariat and the institutional leads (the Director and Alternate Director for Canada) for their support.

Management acknowledges the overall balanced assessment presented in the report. The assessment rates the performance of the Caribbean Development Bank (CDB/the Bank) as Satisfactory for 9 of the 12 Key Performance Indicators (KPIs). At the sub-indicator level, two areas were rated Highly Satisfactory: (1) the relevance of intervention objectives and design to the needs and priorities of Borrowing Member Countries (BMCs) and partner institutions; and (2) the financial sustainability of CDB's portfolio. Three KPIs were rated Unsatisfactory: (1) structures and mechanisms for the implementation of global frameworks for cross-cutting issues; (2) efficiency, effectiveness and environmental and social performance of investments and other operations; and (3) efficient delivery of expected operational results.

Management appreciates MOPAN's recognition of CDB's core areas of strength. These include CDB's comparative advantage as the Caribbean's indigenous development bank, the trust it has built with BMC governments over time, and the recognition of CDB by partners as a preferred partner with a unique understanding of the Caribbean context. MOPAN further recognises the Bank's strong financial and risk frameworks, robust capital and liquidity position, and its role as a key channel of concessional resources for its members. The assessment also acknowledges the recent progress made in strengthening key accountability and oversight functions (including independent evaluation, risk management, integrity and compliance); the Bank's enhanced Capital Adequacy Framework and Risk Appetite Framework; and CDB's inclusive approach to developing the 10-year Strategic Plan 2026–2035, approved by the Board of Directors (BoD) on February 20, 2026.

At the same time, Management acknowledges the institutional challenges identified by MOPAN. Many of these findings are consistent with CDB's own assessment of institutional gaps, and the Bank is taking steps to address them. CDB Forward, formally presented to BoD in 2026, is a comprehensive institutional reform agenda designed to ensure that CDB remains agile, credible, and capable of operating at scale in response to the Caribbean's growing and complex development needs. Implementation will be led by the Office of the President.



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The table below sets out Management's response to the five underlying drivers of institutional challenges facing CDB, identified in the MOPAN assessment, plus one specific area - safeguarding and accountability - which warrants a focused response. For each driver, corresponding actions are set out, along with indicative deadlines. The actions are incorporated into the CDB Forward Monitoring and Evaluation Framework and the programme's risk register. Progress against these actions will be tracked and reported through these mechanisms.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Isaac", is positioned above the printed name.

Isaac Solomon
Vice-President (Operations)

DR:IS:sh

c.c: Ms. Katie Birks, Alternate Director for Canada to the Caribbean Development Bank

Area for Action	Management Response	Actions (aligned with BD 26/26)	Indicative Timeline
Driver 1. CDB's comparative advantage is not being fully operationalised or sufficiently leveraged through partnerships.			
CDB lacks a clear strategy to guide how it realises additionality in partnerships. Additionally, although regional cooperation and integration (RCI) is part of CDB's mandate, CDB lacks a clear strategic vision, approach and dedicated resources to address this issue.	Management acknowledges the need to operationalise the Bank's comparative advantage by increasing additionality and development impact derived from partnerships. Management also agrees that there is a need to improve the strategic approach and resources allocated to deliver the Bank's RCI objectives.	1. Establish a strategy to guide the Bank's engagement with partners on aligned areas to scale impact in the Region. 2. Establish a strategic framework for RCI, with dedicated funds, focal points, clear accountabilities, prioritised interventions and results indicators.	Q1 2027 Q4 2027
Engagement with BMCs has been fragmented rather than strategic.	Management acknowledges the need for more selective and more coherent engagement with BMCs, focusing on BMC priorities, and supported by dedicated customer-relationship management. CDB Forward commits to improving country engagement to better address the interconnected nature of engagement, including more strategic use of Country Engagement Strategies (CES) and stronger country-level portfolio oversight based on the introduction of Country Relationship Managers.	1. Establish mechanisms and focal points for ongoing engagement with BMCs, with clearly defined delegated accountabilities and clearly set out performance criteria.	Q2 2027
Knowledge management remains fragmented and does not leverage CDB's unique understanding of the Region. Limited public availability of information about CDB's activities and impact hinders accountability and limits CDB's positioning as a regional knowledge leader.	Management accepts that knowledge products are not systematically produced or disseminated, as development assets or sufficiently leveraged through partnerships. We acknowledge that the Bank's Information Disclosure Policy is outdated and that limited public access to key documents and knowledge products represents operational and reputational	1. Clarify the system for capturing and sharing knowledge across the institution and establish a knowledge and analytics platform to capture and disseminate operational learning. 2. Develop a Knowledge Management Strategy to guide systematic production, storage, dissemination of relevant knowledge products to close policy and research gaps and promote development dialogues.	Q4 2027 Q4 2027

Area for Action	Management Response	Actions (aligned with BD 26/26)	Indicative Timeline
	risks and a barrier to operationalising the Bank's comparative advantage.	3. Bring website content into compliance with the existing Information Disclosure Policy and undertake a comprehensive review and update of the Access to Information Policy in line with peer MDB practice, expanding the range of documents made publicly available in line with peer Multilateral Development Bank good practice.	Q2 2028
Driver 2. Gaps in human resources management undermine delivery of CDB's vision and ambition.			
CDB's Human Resources (HR) management systems do not support delivery of its strategic vision. The link between budgeting and HR management is weak and CDB has limited understanding of skills and staff numbers needed to deliver its strategic vision. HR deficits limit CDB's ability to deliver across several organisational functions. Systemic staff engagement issues and high turnover, together with long recruitment processes, threaten continuity of client relationships.	CDB recognises that gaps in HR management, including workload pressures, high staff turnover, declining investment in learning and development, the absence of a completed skills audit, and weaknesses in compensation competitiveness, are among the most critical institutional challenges identified by the assessment.	1. Complete Bank-wide Workforce Analysis and Organisational Culture Assessment. 2. Develop an updated Human Resource Strategy. 3. Adopt a new Enterprise Resource Planning approach in 2027 to strengthen the link between budget and HR and strategic priorities and results areas.	Completed Q4 2027 Q4 2027
Driver 3. Hierarchical decision-making and lack of clear accountabilities contribute to delays.			
Multi-level approvals that are channeled through a limited number of Senior Managers constrain efficiency and adaptive management. Unclear delegation of decision-making authority creates challenges for project quality, readiness and oversight. Absence of a formal delegation of authority framework poses risks for accountability and creates conflict of interest risks for	CDB Forward addresses these structural issues under the Operating Model and Governance and Accountability pillars, including by clarifying first and second line defence functions and establishing clear decision rights at each stage of the project cycle.	1. Develop and implement a risk-based formal delegation of authority framework. 2. Clarify and document the end-to-end accountability and risk-based decision-making matrix for project design, appraisal, approval, supervision and closure, ensuring the role of risk and compliance functions in providing independent review.	Q4 2027 Q4 2027

Area for Action	Management Response	Actions (aligned with BD 26/26)	Indicative Timeline
compliance functions, including environmental and social safeguards, procurement and financial management.			
Uneven quality at entry, supervision and collection of data during implementation limit CDB's ability to demonstrate results.	Management acknowledges important weaknesses in monitoring and supervision, data quality, and project completion reporting that limit its ability to demonstrate the results of its operations, support adaptive management, or learn systematically from experience.	1. Update quality-at-entry standards (as part of overall update of the Operations Policies and Procedures Manual and improve the process for documentation and data management in OP365. 2. Incentivise and reward the use of CDB's pipeline management system, OP365, for supervision reporting.	Q4 2027 Q2 2027
Driver 4. CDB lacks sufficient institutional frameworks to support expanded private sector engagement.			
CDB is seeking to scale up its private sector operations, but there remain gaps in standard frameworks required to implement private sector operations at scale. Non-sovereign operations are not systematically integrated into CES.	Management acknowledges that while it has an established track record in providing lines of credit to support micro, small and medium-sized enterprises, the Bank lacks the necessary frameworks required to underpin private sector engagement at scale. CDB Forward commits to reviewing and strengthening financing solutions and the private sector engagement model, including through expanded use of guarantees, blended finance and risk-sharing instruments.	1. Implement the Private Sector Financing Framework and track operational results and risk appetite alignment. 2. Review and strengthen financing instruments including programmatic financing, guarantees, blended finance and risk-sharing instruments to mobilise private capital. 3. Establish processes for assessing financial and non-financial additionality in non-sovereign operations. 4. Integrate non-sovereign operations systematically into CES and ongoing country engagement.	Q4 2028 Q4 2028 Q4 2028 Q4 2028
Driver 5. Change initiatives have been fragmented and take considerable time to implement.			
Several change processes have been initiated over the assessment period, but these have been managed in a	Management accepts MOPAN's observation that CDB should draw upon external perspectives and analysis in the	1. Develop a fully resourced umbrella reform programme with a clear transformation roadmap guided by a dedicated RCG, led by the Office of	Completed

Area for Action	Management Response	Actions (aligned with BD 26/26)	Indicative Timeline
fragmented way, with no single point of oversight, and insufficient measurement and reporting to the Board on outcomes.	design of CDB Forward, and that the reform agenda should be accompanied by a clear institutional reporting framework capturing not only actions taken but progress toward clear operational targets. CDB Forward is explicitly designed to address these systemic weaknesses, with implementation coordinated through the Office of the President and a dedicated RCG.	the President, Strategic Advisory Team and the Board. 2. Implement umbrella reform programme, and track progress against a comprehensive monitoring and evaluation framework to demonstrate impact. 3. Report to BoD on reform implementation progress, coupled with programme risk register, every six months (or as requested). 4. Conduct a final evaluation report at the end of 2028.	Q4 2026 Every 6 months until Q4 2028 Q1 2029
Safeguarding and Accountability			
While CDB's policy frameworks for environmental and social safeguards are robust, follow-up during project implementation has been uneven. Compliance functions face conflict-of-interest risks from their positioning within the Operations structure. CDB needs to strengthen institutional capacity and project-level follow-up for Sexual Exploitation, Abuse and Harassment (SEAH), including a more consistent victim-centered approach.	Management accepts that follow-up during project implementation has been uneven. The Bank is committed to reinforcing the institutional approach to preventing and responding to SEAH in its operations, including through more consistent project-level follow-up where material risks are identified and a strengthened victim-centered approach.	1. Develop a SEAH Guidance Framework to bolster the Bank's capability in this area, including internal reporting structures and systems for handling material risks when these are identified. 2. Strengthen staff training and awareness on the SEAH guidance framework for prevention and response, including strengthening of the current victim-centered approach to SEAH.	Q2 2027 Q4 2027
Most International Financial Institutions (IFIs) have fully independent project accountability mechanisms. CDB's ICA function,	Management acknowledges MOPAN's recognition that the ICA function is effective and delivers on its institutional role. Regarding MOPAN's observation that most IFIs also have a fully	1. Undertake an evidence-based review of the positioning and independence of CDB's project accountability mechanism against peer-IFI accountability-mechanism principles and propose necessary governance amendments.	Q4 2027

Area for Action	Management Response	Actions (aligned with BD 26/26)	Indicative Timeline
while effective, has reporting lines to institutional leadership.	independent and external project accountability mechanism, CDB is committed to reviewing the positioning and independence of its project accountability function.		