

Institutional Assessment

MOPAN ASSESSMENT OF THE CARIBBEAN DEVELOPMENT BANK

Technical and statistical annex

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About MOPAN

The Multilateral Organisation Performance Assessment Network (MOPAN) comprises 20 members* ¹that promote an effective multilateral system, trusted to deliver solutions to evolving global goals and local challenges.

MOPAN is a network of members who assess multilateral organisations, shape performance standards, and champion learning and insights to strengthen development and humanitarian results and promote accountability. Capitalising on the Network's unique cross-multilateral system perspective and expertise, MOPAN members work together to deliver relevant, impartial, high-quality and timely performance information as a public good through an inclusive and transparent approach.

MOPAN's performance information mitigates risks, informs decision-making and supports change, helping to increase knowledge and trust amongst all stakeholders, and ultimately to achieve a stronger and better performing multilateral system.

Figure 1. MOPAN Members (as at January 1, 2026)



Source: MOPAN

¹ Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Korea, Luxembourg, the Netherlands, New Zealand, Norway, Qatar, Spain, Sweden, Switzerland, the United Kingdom and the United States.

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Preface to the Report

Introducing MOPAN

The Multilateral Organisation Performance Assessment Network (MOPAN) comprises 20 members that share a common interest in assessing the performance of the major multilateral organisations they fund, in light of their mandate, operating model and the contexts in which they work. A MOPAN assessment report provides a diagnostic assessment, or snapshot, of an organisation and tell the story of an organisation's current performance, within its mandate.

MOPAN's mission and vision is described in Box 1 below.

Box 1. MOPAN's Mission and Vision

MOPAN is a network of members who assess multilateral organisations, shape performance standards, and champion learning and insights to strengthen development and humanitarian results and promote accountability.

Capitalising on the Network's unique cross-multilateral system perspective and expertise, MOPAN members work together to deliver relevant, impartial, high-quality and timely performance information as a public good through an inclusive and transparent approach.

MOPAN's performance information mitigates risks, informs decision-making and supports change, helping to increase knowledge and trust amongst all stakeholders, and ultimately to achieve a stronger and better performing multilateral system.

MOPAN's shared vision is to promote an effective multilateral system, trusted to deliver solutions to evolving global goals and local challenges.

MOPAN's assessments provide a comprehensive overview of organisational effectiveness, including how an organisation is positioned to address its current and future challenges. These assessments support MOPAN members in their governance and decision-making for the multilateral organisations they fund. They also support the leadership of multilateral organisations in implementing reforms that reflect multilateral good practices.

MOPAN also produces a range of analytical insights into the multilateral system. MOPAN's full range of performance evidence and analysis can be found on the MOPAN website (www.mopan.org).

Assessment Process and Structure of the Report

MOPAN assessments are conducted through a rigorous and collaborative process to ensure that the findings are supported by a strong evidence base and resonate with an organisation and its stakeholders.

MOPAN assessments draw upon multiple lines of evidence (documentary, survey, and interviews) from sources within and outside an organisation. These evidence sources are triangulated to identify findings and ratings against MOPAN's indicator framework, developed by MOPAN's members based on international best practice. This assessment applies a hybrid framework that reflects key issues for International Financial Institutions (IFIs), including public and private sector operations. Additional information about the assessment process is provided in Chapter 5 of this report and in MOPAN's methodology manual.

This assessment report includes 5 Sections:

- *Executive Summary*, which provides an overall summary of the assessment.
- *Chapter 1: CDB at a Glance*, which provides key information about the organisation, including its mandate, governance structure, business model and operations.
- *Chapter 2: Assessment Conclusion and Future Trajectory*, which lays out the overall conclusions of the assessment and identifies considerations for the organisation and its governing body.
- *Chapter 3: Assessment Findings*, which describes the findings of the assessment against MOPAN's framework and Key Performance Indicators; and
- *Chapter 4: About this Assessment*, which provides additional information about the methodology and approach, including timelines for implementation and key activities.

The report is complemented by a set of Technical Annexes available on MOPAN's website. Annex A describes the underlying analysis feeding into the assessment ratings. Annex B provides the overall list of documents used. Annex C provides an overview of results from MOPAN's partner survey.

This assessment applied MOPAN 3.1 methodology; however, elements under selected KPIs have been adjusted to reflect CDB's sovereign and non-sovereign (private sector) operations. The depth of analysis and the number of assessment points exceed those in previous MOPAN 3.1 assessments of other MDBs, which explains in part the greater detail and intricacy of the Technical Annex. Direct comparisons with ratings from earlier MDB assessments should be treated with caution.

History of MOPAN assessments for the Caribbean Development Bank

This is the first MOPAN assessment of the Caribbean Development Bank.

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Boxes

Box 1. MOPAN's Mission and Vision

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Annex A: Performance analysis

Methodology for scoring and rating

The approach to scoring and rating under MOPAN 3.1 is described in the 2020 Methodology Manual², which can be found MOPAN's website.

Each of the 12 key performance indicators (KPIs) contains several micro-indicators (MIs), which vary in number. The KPI rating is calculated by taking the average of the ratings of its constituent MIs.

Scoring of KPIs 1-8

The scoring of KPIs 1-8 is based upon an aggregated scoring the MIs. Each MI contains a several elements, which vary in number, that represent international good practice. Taking the average of the constituent scores per element, a score is then calculated per MI. The same logic is pursued at aggregation to the KPI level, to ensure a consistent approach. Taking the average of the constituent scores per MI, an aggregated score is then calculated per KPI.

Scoring of KPIs 9-12

The scoring of KPIs 9-12 is based upon a meta-analysis of evaluations and performance information, rated at the MI level and aggregated to the KPI level. For KPI 9, results against the mandate and contribution to cross-cutting results are given equal weight. KPIs 9-12 assess results achieved as assessed in evaluations and annual performance reporting from the organisations.

Rating scales

Whenever scores are aggregated, rating scales are used to translate scores into ratings that summarise the assessment across KPIs and MIs. The rating scale used under MOPAN 3.1 is shown below.

 Highly satisfactory (3.51-4.00)	 High evidence confidence
 Satisfactory (2.51-3.50)	 Medium evidence confidence
 Unsatisfactory (1.51-2.50)	 Low evidence confidence
 Highly Unsatisfactory (0.00-1.50)	
 No evidence / Not applicable	

A score of "N/E" means "no evidence" and indicates that the assessment team could not find any evidence but was not confident of whether or not there was evidence to be found. The team assumes that "no evidence" does not necessarily mean that the element is not present (which would result in a zero score). Elements rated N/E are excluded from any calculation of the average. A significant number of N/E scores in a report indicates an assessment limitation (see the Limitations section at the beginning of the report).

² MOPAN 3.1 Methodology Manual, 2020 Assessment Cycle,
http://www.mopanonline.org/ourwork/themopanapproach/MOPAN_3.1_Methodology.pdf

A note indicating “N/A” means that an element is considered to be “not applicable”. This usually owes to the organisation’s specific nature.

Changes to MOPAN’s rating system

MOPAN’s methodology is continuously evolving, and a recent notable change concerns how ratings (and their corresponding colours) are applied based on the scores at micro indicator (MI) and key performance indicator (KPI) levels. Compared to the pre-2019 rating scale, the threshold for each rating has been raised to reflect the increasing demands of organisational performance in the multilateral system. The underlying scores and approach to scoring are unaffected.

CDB’s scoring overview

The below graphic provides a “snapshot” of OHCHR’s scoring against the MOPAN framework of key performance indicators (KPIs), Micro-Indicators (MIs), and elements by the five performance areas (Strategic Management, Operational Management, Relationship Management, Performance Management, and Results).



Performance analysis

This section provides the background to the scoring of individual key performance indicators across the five performance areas, by including detailed analysis and score justifications at the level of micro-indicators and elements. It also highlights the key sources of information used for analysis and scoring. For more information on the assessment methodology, please refer to Chapter 4, Part I of the *MOPAN Assessment of CDB*.

Certain indicators have been adapted to fit the organisation's context. Any adaptations and interpretations to the standard methodology are underlined within the performance analysis table.

STRATEGIC MANAGEMENT

Clear strategic direction geared to key functions, intended results and integration of relevant cross-cutting priorities.

KPI 1: Organisational architecture and financial framework enable mandate implementation and achievement of expected results.

Ratings

KPI / MI	Rating	Scores
KPI 1	Satisfactory	2.77
MI 1.1	Satisfactory	3.00
MI 1.2	Unsatisfactory	2.40
MI 1.3	Satisfactory	3.00
MI 1.4	Satisfactory	2.71

MI 1.1 Strategic plan and intended results based on a clear long-term vision and analysis of comparative advantage in the context of the 2030 Sustainable Development Agenda.

- Element 1.1.1: The MO has a publicly available Strategic Plan (or equivalent) contains a long-term vision.
- Element 1.1.2: The MO's strategic vision is based on a clear analysis and articulation of comparative advantage.
- Element 1.1.3: The MO's strategic vision is operationalised through a policy and operating framework that identifies intended results.
- Element 1.1.4: The MO's strategic vision and policy and operating frameworks are reviewed regularly to ensure continued relevance and attention to risks.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 1.1	Satisfactory	3.00	
Element 1.1.1	Satisfactory	3	High
Element 1.1.2	Satisfactory	3	High

Element 1.1.3	Satisfactory	3	High
Element 1.1.4	Satisfactory	3	High

MI 1.1 Evidence documents

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- Caribbean Development Bank (2019) “*Strategic Plan 2020–2024. Caribbean Development Bank*,” <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
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- Caribbean Development Bank (2021) “*Work Programme, and Administrative and Capital Budgets 2022–2024*,” (*internal document*)
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- Caribbean Development Bank (2023) “Terms of reference: Development Effectiveness Committee,” (*internal document*)
- Caribbean Development Bank (2023) “*Work Programme, and Administrative and Capital Budgets 2024–2025: Notification of approval by the Board of Directors*,” (*internal document*)
- Caribbean Development bank (2023) “*Approach Paper: Strategy Plan (2025-34)*,” (*internal document*)
- Caribbean Development Bank (2024) “*Work Programme, and Administrative and Capital Budgets 2025–2026*,” (*internal document*)

- Caribbean Development Bank (2024) “Country Engagement Strategy 2024–2030: Suriname,” <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) “Report of contributors on the negotiations of the Eleventh Cycle of the Special Development Fund (SDF 11,)” https://www.caribank.org/sites/default/files/publication-resources/ContributorsReportSDF11_redacted.pdf
- Caribbean Development Bank (2026) “Transforming the Caribbean for resilience: The 10-year strategy 2026–2035,”

MI 1.1 Analysis

Element 1.1.1: The MO has a publicly available Strategic Plan (or equivalent) that contains a long-term vision.

CDB’s Strategic Plan (2020-24) and Strategic Plan Update (2022-24) are publicly available and outline medium-term vision for a resilient Caribbean. CDB recently approved its Ten-Year Strategy in February 2026, providing a longer-term vision for CDB’s engagement in the region.

CDB is rated satisfactory. Its publicly available strategic plans identify a medium-term vision and CDB has recently moved to a longer-term strategy. Each corporate vision cascades to operational priorities and is linked to the corporate results framework.

The Caribbean Development Bank (CDB), a regional multilateral development finance institution, was established in 1970 to support the economic and social development of its member countries in the Caribbean.

Article 1 of its founding Agreement, outlines the purpose of the CDB: “to contribute to the harmonious economic growth and development of the member countries in the Caribbean...and to promote economic cooperation and integration among them, having special and urgent regard to the needs of the less developed members of the region.”

CDB pursues its mission through a strategic vision articulated in its Strategic Plans. In December 2019, CDB launched its Strategic Plan 2020–2024 to help the Caribbean region tackle persistent development challenges such as poverty, climate vulnerability, and economic stagnation. It aimed to align the Bank’s efforts with global goals like the SDGs, while transforming CDB into a more agile, efficient, and impactful institution. The Plan 2020-2024 focused on building resilience—social, economic, environmental, and institutional—through integrated, client-focused, and results-driven development solutions.

Due to the impact of the COVID-19 pandemic, which significantly affected the Caribbean region’s development landscape, CDB updated its strategic plan. The pandemic exacerbated existing vulnerabilities, such as high sovereign debt, weak infrastructure, and limited social protection, while introducing new challenges like vaccine hesitancy and deepened poverty. CDB released the 2022-24 SPU in 2021.

Due to recent changes in the Bank’s leadership, the 2022-24 Strategy Update remains in force. In line with the recently appointed President’s vision, the Bank is developing a new ten-year Strategic Plan for 2026-2035.

CDB Strategic Plan 2020–2024

The CDB Strategic Plan 2020–2024 outlines a comprehensive agenda aimed at reducing poverty and building resilience across its BMCs. The Plan is anchored in three interrelated Strategic Objectives (SOs): (i) building social resilience, (ii) building economic resilience, and (iii) building environmental resilience.

Each pillar targets critical development challenges in the region and is underpinned by a cross-cutting focus on institutional capacity and operational effectiveness. The key elements of each include:

Social Resilience - Enhancing human and social development.

- Education and Training: Improve access, quality, and relevance of education.
- Agriculture and Rural Development: Promote climate-smart agriculture and food security.
- Community Development: Empower communities through participatory development.
- Water and Sanitation: Expand access to clean water and sanitation.
- Youth Development: Address youth unemployment, social exclusion, and civic engagement.

Economic Resilience - Diversifying economies and enhancing competitiveness.

- Private Sector Development: Improve business climate and access to finance, especially for MSMEs.
- Economic Infrastructure: Invest in transport, energy, and digital infrastructure.
- Blue Economy: Leverage marine resources sustainably.
- Access to Credit: Strengthen financial systems and inclusion.

Environmental Resilience - Climate adaptation and sustainability.

- Climate Finance: Mobilize concessional resources for climate change adaptation and mitigation.
- Climate-Resilient Infrastructure: Integrate climate risk into infrastructure design.
- Community Resilience: Support local adaptation and disaster risk reduction.
- Water Resource Management: Promote sustainable and climate-resilient water systems.

These pillars are designed to address the challenges facing the Caribbean region, including poverty, economic vulnerability, and climate change. Supporting these pillars is a foundational objective (building institutional resilience) which focuses on strengthening the internal capacity of the Bank and its member countries to implement development initiatives effectively. This includes the following four constituent parts:

- **Implementation:** CDB aims to improve project execution by addressing delays in implementation and large undisbursed balances. This includes enhancing project readiness, streamlining procurement, and providing stronger in-country support to ensure timely and effective delivery.
- **Transformation Agenda:** The Bank is reforming its internal operations to become more agile and efficient. This involves digitizing processes, reducing waste, and adopting a flexible workforce model that relies more on external expertise and partnerships.
- **Membership:** To reduce risk and strengthen its capital base, CDB plans to expand its membership. By attracting new borrowing and non-borrowing members, the Bank can diversify its portfolio and enhance its financial resilience.
- **New Products:** CDB is refreshing its product offerings to better meet client needs. This includes introducing multisectoral loans, policy-based operations in new areas, and innovative financing tools like equity and guarantees to support development more effectively.

The Strategic plan includes four cross-cutting themes as shown in [Table 1](#).

Table 1. Strategic Plan Cross-cutting Themes

Digital transformation	Regional cooperation and integration (RCI)	Gender equality (GE)	Good Governance
Integrate digital technology across CDB's operations and services.	Strengthen economic ties among Caribbean countries.	Mainstream gender considerations in all projects and policies.	Promote transparency, accountability, and inclusive decision-making.
Support digital infrastructure in sectors like education, agriculture, and transport.	Support free movement of goods, services, and people.	Collect and use sex-disaggregated data to inform decisions.	Strengthen public financial management and institutional capacity.
Help BMCs close the digital divide and modernize public services.	Invest in regional public goods (e.g., education standards, procurement systems).	Promote equal access to opportunities for women and men.	Support reforms that improve service delivery and citizen engagement.
Promote data-driven decision-making and innovation.	Enhance trade facilitation and regional competitiveness.	Address the needs of vulnerable groups, including youth and persons with disabilities.	Use policy-based instruments to enhance governance frameworks.

In addition to the above SOs and cross-cutting themes, CDB aims to focus and expand its role in private sector development, aligning with global development financing frameworks like the Addis Ababa Action Agenda. CDB operates in this space through two tracks:

- I. Support for MSMEs (Micro, Small, and Medium-sized Enterprises)
 - Implementing de-risking initiatives to improve record-keeping, transparency, and bankability.
 - Enhancing access to finance, especially for women and youth.
- II. Ecosystem Development
 - Supporting country-led reforms to improve business environments
 - Providing appropriately priced financing through special funds.

The Strategic Plan was guided by four key principles. First, it emphasizes value for money through additionality, impact, and digital transformation. Second, promoted selectivity and focus, ensuring that the Bank's interventions align with its core strengths and mandate. Third, it underscored the importance of deepening country focus and stakeholder engagement to tailor solutions to specific national contexts. Finally, it advocated for delivering integrated and comprehensive development solutions that leverage partnerships and address multiple development challenges simultaneously.

Strategic Plan Update (SPU) 2022–2024

During the first year of implementing the original 2020–2024 Strategic Plan, the onset of the COVID-19 pandemic revealed operational challenges and areas for improvement. These included the need for greater agility, enhanced implementation capacity, and more targeted support in areas such as education, social protection, health, digitalisation, and private sector development. The update incorporates these lessons to refine the Bank's strategic posture and improve development effectiveness.

The CDB updated its Strategic Plan for 2022–2024 to reflect evolving regional needs, emerging global challenges, and lessons learned from early implementation of the original 2020–2024 plan. This mid-cycle recalibration was driven by the below factors, in addition to the mentioned operational challenges:

- COVID-19's profound impact on the Caribbean underscored the region's structural vulnerabilities and reversed hard-won socio-economic gains. The pandemic disrupted economic activity, strained public health systems, and deepened poverty and inequality. In response, the SPU reorients the

Bank's priorities to more effectively support BMCs in post-pandemic recovery and long-term resilience building.

- A renewed emphasis on innovation, knowledge creation, and resilience prompted a strategic shift from traditional sector-based development models to more integrated, evidence-based, and technology-driven approaches. The SPU introduces five strategic pillars—social, environmental, production (formerly economic), financial, and institutional resilience—underpinned by cross-cutting themes such as governance, gender equality, and regional cooperation.
- The SPU aligns with the priorities and commitments outlined in the Resolution and Report of Contributors for the SDF Tenth Cycle ensuring strategic coherence between the Bank's operational planning and its concessional financing instruments.

The SPU introduces a five-pillar framework (Figure 2) that expands upon the original three-pillar model (social, economic, and environmental resilience). The updated pillars are:

1. **Social Resilience:** Building the coping, adaptive and transformative capacities of individuals, households, groups, communities and states to sustain their well-being. This includes interventions in education and training, agriculture and rural development, community development and participation, water and sanitation and youth development.

Environmental Resilience: This pillar includes investing in climate change adaptation for key economic areas such as agriculture, water resources management and infrastructure and urban development at national and community levels, with a focus on biodiversity and ecosystem-based services. This is complemented by building disaster risk management capacity at the local level to promote resilient communities.

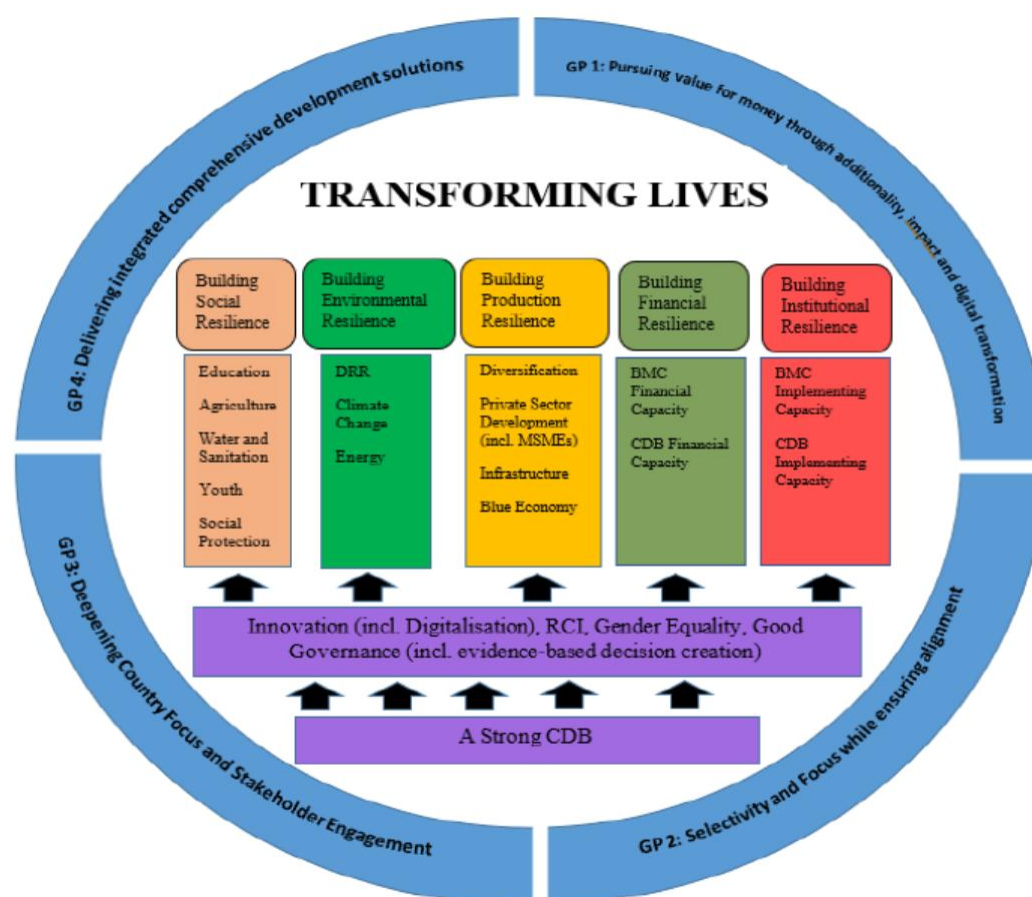
Production Resilience (formerly Economic Resilience): Building economic resilience involves an integrated approach to promoting industry, competitiveness, innovation and infrastructure. This includes an emphasis on crowding in private capital and trade diversification to support increases in income and standards of living, with a special focus on strengthening access to finance for MSMEs and promoting greater leverage of blue economy assets.

Financial Resilience (new): This pillar includes interventions to build the financial capacity and resilience of both CDB and its BMCs to scale up resources to support sustainable development impact.

Institutional Resilience (new): This foundational pillar focuses on strengthening the internal capacity of the Bank and its member countries to implement development initiatives effectively. This involves enhancing the efficiency and responsiveness of the Bank and enhancing financial viability by limiting growth in operating costs while expanding revenue.

These pillars are supported by the same cross-cutting themes as in the original Strategic Plan.

Figure 2. Strategic Framework 2022-2024



Ten-Year Strategic Plan 2026-35

In 2023, CDB began developing a new, longer-term strategic plan - a Ten-Year Strategic Plan for 2026–35. An Approach Paper was shared with the Board in September 2023 and a Discussion Paper in March 2024. The implementation of the Strategic Plan was delayed to 2026 so that it could be informed by the President’s vision and feedback received from the Board of Governors in June 2024.

The Strategic Plan was submitted to the Board of Directors for Approval in December 2025. It will be supported by an updated RMF and a strengthened Enterprise Risk Management Framework (ERMF) and Risk Appetite Framework (RAF).

Whereas stakeholders had criticised the breadth of the previous Strategic Plan and SPU, the TYS is seen as a much more selective and realistic vision for CDB’s operations.

CDB’s 2026–35 Strategic Plan (The TYS) centres on building resilience—social, economic, and environmental—as the core development objective. The TYS responds to an era of intensified uncertainty that has tested the foundations of resilience in the Caribbean, proposing a resilience framework for the region. In this context, CDB is positioned as playing a catalytic role, shaping regional policy agendas, partnering with BMCs to co-create solutions and mobilising capital and knowledge.

Under the TYS, CDB’s strategic objectives are centred around three resilience pillars:

- **Social resilience** refers to the ability of individuals, households and communities to anticipate, withstand, adapt to and recover from shocks while maintaining or improving well-being, equitable

access to essential services and opportunities for inclusion. By 2035, CDB envisions a Caribbean where every person has reliable access to safe water, nutritious food, quality healthcare, and education; lives free from extreme poverty; and has meaningful opportunities to participate fully in society.

- **Economic resilience** refers to the capacity of economies to anticipate, withstand, and recover from environmental, financial, and geopolitical shocks while sustaining inclusive growth, macroeconomic stability and productive participation. By 2035, the Bank envisions a more diversified, competitive, and adaptable Caribbean, supported by modern, climate-resilient infrastructure and stable macroeconomic and financial systems.
- **Environmental resilience** is the capacity of human and natural systems to anticipate, resist, absorb, adapt to, and recover from environmental and climatic shocks without compromising long-term sustainability, and well-being. By 2035, CDB envisions a Caribbean where people, ecosystems, and economies are mutually reinforcing, anchored in the sustainable use of natural capital, biodiversity conservation, reduced environmental degradation, disaster and climate risks, and enhanced adaptive capacity.

The TYS identifies three operational priorities, framed as areas the Bank's work will emphasise:

- Investing in youth to drive skills, inclusion, and future competitiveness
- Strengthening institutions to improve governance, implementation, and service delivery
- Accelerating climate action to enhance resilience, protect livelihoods, and support green growth

Finally, the strategy includes three cross-cutting themes, which will provide a lens through which all interventions are designed and implemented;

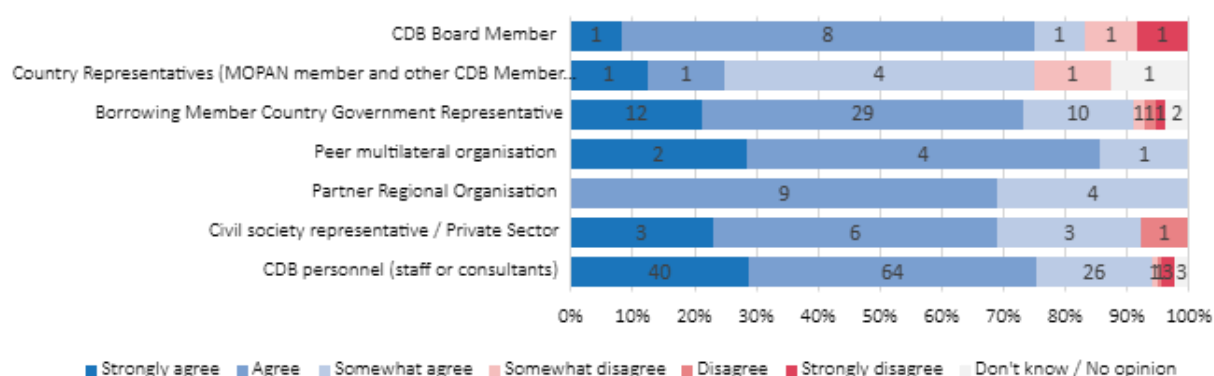
- Gender equality (inclusive growth and empowerment)
- Innovation and digital transformation (productivity, governance, and connectivity)
- Regional cooperation and integration (shared solutions and competitiveness)

Feedback from Partners

Overall, 73% of stakeholders responding to MOPAN's Partner Survey agreed or strongly agreed that CDB has a clear vision that reflects development priorities across the region.

Among 83 respondents who provided open-text feedback, 40% spoke to the Bank's strategic vision. These partners highlighted the importance of CDB in articulating clear strategic priorities and aligning these to the most pressing needs of the region. Respondents suggested that CDB should sharpen its strategic focus, with climate resilience, inclusive growth, competitiveness and digital transformation highlighted as key priority areas for requiring stronger emphasis. Some partners noted that improved strategic clarity would help enhance partnerships and guide more coherent programming alongside other development partners. Overall, partners signalled a strong interest in a more focused, forward-looking strategic framework for the Bank.

CDB has a clear vision that reflects the development challenges and priorities of its borrowing member countries.



Element 1.1.2: The MO's strategic vision is based on a clear analysis and articulation of comparative advantage.

CDB's Strategic Plan (2020-24) and Strategic Plan Update (2022-24) contain a clear articulation of CDB's comparative advantage as a trusted partner in the region with a deep understanding of the context and development challenges of the region. This comparative advantage has been affirmed through recent analytical work completed to support the development of the TYS. The TYS provides a clearer, better evidenced and actionable analysis of CDB's comparative advantage.

CDB is rated **satisfactory** for this element. This rating reflects a gradual improvement in the analysis and positioning of CDB's comparative advantage in subsequent strategy documents, reflecting good practice.

CDB's Strategic Plan 2020–2024 and its Update 2022–2024 both articulate the Bank's comparative advantage and value proposition as a trusted, regionally embedded development partner with a singular focus on the Caribbean.

CDB's 2020-24 Strategic Plan frames CDB's comparative advantage as being anchored in its unique position as an indigenous, regionally-focused development institution with deep cultural and contextual understanding of its BMCs. This regional presence and understanding of context enable the Bank to build trust-based relationships and deliver tailored development solutions that reflect the specific needs and aspirations of Caribbean societies. According to the Strategic Plan, this shared identity has been a cornerstone of CDB's engagement over nearly five decades.

The Strategic Plan identifies four Guiding Principles for operationalising CDB's Comparative Advantage.

- Pursuing Value for Money through additionality, innovation, impact, and digital transformation, including by leveraging technology to improve service delivery, foster innovation, and reduce administrative costs.
- Being selective by concentrating its efforts on areas where it has a comparative advantage while aligning its operations with the Sustainable Development Goals (SDGs), global best practices, and national and regional development strategies.
- Strengthening its relationships with stakeholders through more meaningful engagement throughout the project cycle—from programming to completion—in order to tailor development solutions to the unique needs of each BMC.
- Addressing interconnected development challenges through a multi-sectoral, integrated and comprehensive approach, including working through smart partnerships with both public and private sector actors to maximize impact and resource efficiency.

The Strategic Plan Update 2022-24 further defined CDB's comparative advantage, highlighting five areas:

- CDB's position as a trusted partner due to its cultural and historical ties with BMCs and its exclusive focus on Caribbean development, which fosters a deep commitment to regional success;
- CDB's strong country and local knowledge, as most of its staff are from the Region and possess both technical expertise and access to relevant formal and informal information.
- Strong accessibility of staff and management ensures that BMCs receive timely support, especially during critical stages of project implementation.
- CDB's responsiveness, particularly in mobilising teams quickly after natural disasters to assess needs and provide assistance.
- CDB's ability to offer a comprehensive package of finance that includes not only funding but also valuable technical assistance and advisory services, especially in sectors like education, infrastructure, and energy.

CDB's comparative advantage was most recently affirmed once again in an independent perception survey conducted to inform the development of the TYS. In addition to highlighting CDB's role as a trusted partner in the region with high trust, credibility, and cultural/regional awareness, the survey identified the need to:

- reaffirm CDB's role in providing capacity building support to BMCs;
- streamline priorities to focus on targeted priorities (e.g. climate action, education, health and digitalisation);
- strengthen on-the-ground engagement and streamlined ways of working;
- identify new instruments and upskill of CDB's staff to respond to evolving BMC needs.
- enhance results-based measurement, internal communication and external communication of impacts.

The TYS provides the clearest and best evidenced view of CDB's comparative advantage to date. Building upon CDB's role as the Caribbean region's sole indigenous DFI, it identifies its comparative advantage as:

- **A trusted partner mandated to serve the entire region:** CDB is the only DFI able to work across the Caribbean and enables other development partners like IDB to engage in certain BMCs.
- **regional proximity and institutional credibility:** It has ready knowledge and access to BMCs, including a deep understanding of development challenges, culture, political economy and institutional realities.
- **A regional convener and knowledge broker:** CDB has an established track record of convening stakeholders to address regional challenges, sharing lessons from operating in the regions, with a comparative advantage for producing SIDS-relevant knowledge.

Finally, CDB identifies a catalytic role for mobilising resources for the region, linked to its unique ability to channel blended and concessional resources to its members.

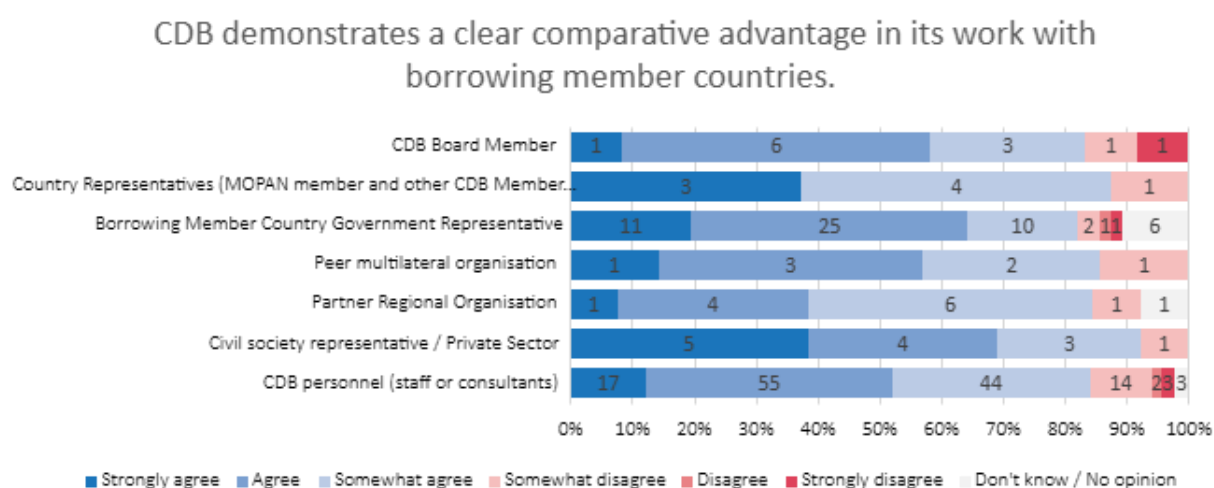
Despite efforts to further refine the comparative advantage, there remains room to further operationalise this comparative advantage in practice. There remains a limited operational framework to guide or measure the extent to which CDB's operations propose innovative solutions. CDB's operations continue to cover a broad range of sectors and priorities both within and across BMCs. CDB had not yet implemented an approach to engaging BMCs continually throughout Country Engagement Strategy periods at a strategic level and engagement was seen as reactive and slow, rather than responsive. CDB has recently started and is continuing to have regular portfolio review missions, in some cases in collaboration with other partners, e.g. the World Bank. Joint Portfolio Review/CES missions and Mid-Term Review of the CES are efforts to improve the engagement of BMCs throughout the strategy period. Partnerships, events and technical assistance remain ad hoc rather than supporting operations and investment as part of a strategic approach to support BMCs in collaboration with other partners.

Guided by a mission to reduce poverty and transform lives through resilient, sustainable, and inclusive development, CDB needs to leverage its comparative advantage—deep cultural ties, regional knowledge, and responsiveness—to deliver integrated, tailored solutions across its BMCs. However, CDB's comparative advantage has not been translated into a clear operational approach that positions it as a trusted, agile and responsive partner leveraging on CDB's proximity, contextual understanding and trust with BMCs.

MOPAN Partner Survey

Stakeholders confirmed that CDB's comparative advantage lies in its strong relationship with and deep knowledge of each BMC, which has led to CDB being a trusted partner in the region. In addition, CDB serves BMCs that are not served by other development banks, specifically in terms of being able to provide concessional resource.

Feedback from partners suggests that the extent to which CDB operationalises this comparative advantage in practice less clear. Overall, 55% of respondents to MOPAN's Partner survey responded that they either agree or strongly agree that CDB demonstrates a clear comparative advantage in its work with BMCs.



In open text comments, partners highlighted the importance of CDB's role in helping BMCs pursue development goals, highlighting the importance of the Bank's role in enabling infrastructure development, social investment, climate resilience and policy advancement. Partners emphasised the value of CDB's contextual understanding, their reliance on CDB for financing, expertise and technical assistance and CDB's contribution to infrastructure development, social services and resilience building. However, some highlighted that CDB's positioning and contribution is undermined by uneven performance, the need for stronger project designs grounded in sound diagnostics and more effective implementation. Partners also mentioned the potential for stronger partnerships with peers, building on CDB's convening role to support knowledge sharing, improve policy dialogue and support more coordinated responses to regional challenges.

Element 1.1.3: The MO's strategic plan is operationalised through a policy and operating framework that identifies intended results.

The Strategic Plan 2020-2024 and its Update 2022-24 is operationalised through its Corporate Results Monitoring Framework (RMF), Work Program and Budget (WPB), and Country Engagement Strategies and financial instruments.

CDB is rated **satisfactory** for this element. CDB's operating framework is typical of many IFIs and aligned with good practice. However, there are opportunities to strengthen alignment of resource allocation to priorities.

CDB's Results Management Framework

CDB's Corporate RMF is the central tool designed to track and assess the Bank's performance and development effectiveness. It includes interventions funded through the Bank's Ordinary Capital Resources (OCR), Special Development Fund (SDF), and other special funds.

The RMF serves as a structured mechanism to translate the Bank's strategic objectives into measurable outcomes and outputs. The RMF was updated, in line with SP 2020-2024, to reflect lessons learned from previous strategies, align with international best practices among Multilateral Development Banks (MDBs), and respond to the evolving landscape of development aid.

Key principles guiding the updated RMF include emphasis on outcome-level indicators, increased flexibility to adapt to changing contexts, and greater harmonization with the results frameworks of peer institutions. In reality, RMF indicators have reflected beneficiary reach rather than CDB's contribution to outcomes. The RMF, updated in 2022, is organized into a four-tiered structure comprising 75 indicators that provide an overview of development progress, institutional performance, and operational efficiency. It contains the following four levels:

- Level 1 focuses on development progress within the Caribbean region, using 13 indicators to track regional trends in areas such as poverty, education, employment, trade, climate resilience, and governance.
- Level 2 captures CDB's direct contribution to development outcomes through its projects and operations. This level includes 28 indicators that measure outputs and outcomes in key sectors such as education, agriculture, water and sanitation, infrastructure, private sector development, and climate resilience. These indicators are aligned with the Bank's three strategic objectives and with eight corporate priorities, attempting to provide a link between CDB's investments and development results. Level 2 indicators are also designed to reflect the cross-cutting, such as gender equality, regional cooperation and integration (RCI), and governance.
- Level 3 evaluates the Bank's operational performance, focusing on how effectively it manages its resources and delivers its services. With 20 indicators, this level assesses aspects such as project quality, implementation efficiency, resource allocation, and alignment with strategic goals. It also includes metrics related to innovation, climate-informed project design, and the integration of cross-cutting themes like gender equality and digital transformation.
- Level 4 addresses the Bank's organizational efficiency, using 8 indicators to assess internal capacity, resource mobilization, staff engagement, and client satisfaction. This level strives to ensure that the Bank's institutional systems and processes are robust enough to support its development mandate.

Indicators under Level 2 are cascaded to operations and CES to help promote alignment of operations and CES with strategic priorities and ensure that supervision and results measurement provide relevant data to report on progress achieved.

Overall monitoring and reporting are conducted annually through the Development Effectiveness Review, using both traditional and digital tools to ensure comprehensive supervision and data collection. A new, more streamlined RMF is being designed to support the TYS, adopting a harmonised approach with other IFIs.

Sector Strategies

CDB's sector strategies guide the Bank's investments and operations within specific sectors, further elaborating on the strategic priorities identified in the institutional strategy. Alongside Country Engagement

Strategies (CES), they act as a bridge between high-level strategic goals and the day-to-day design of operations. They identify sector-specific objectives, principles and operational priorities to guide project identification and appraisal and ensure consistency in decision making and provide a basis for dialogue with BMCs for pipeline development in different sectors. Finally, they support annual performance reporting, identifying key performance indicators and ways of working.

Since 2020, CDB has developed: (i) the Agriculture Sector Policy and Strategy (2020-25); (ii) the Gender Equality Action Plan (2020-24 and 2025-27); (iii) the Youth Policy and Operational Strategy (2020-onward); (iv) The Disaster Management Strategy and Operational Guidelines (2021-onward); (v) The Energy Sector Policy and Strategy (2022-onward); (vi) The Private Sector Strategy (2023-28).

Country Engagement Strategies

At the country level, CESs serve as the primary mechanism for translating CDB's Strategic Plans into actionable development outcomes across BMCs. These strategies are intended to be selective, results-oriented, and responsive to national priorities, while maintaining alignment with CDB's strategic objectives of building social, productive, environmental, financial, and institutional resilience.

Each CES considers key development challenges and national development priorities, identifying areas for engagement aligned to CDB's comparative advantage in sectors such as education, climate resilience, water infrastructure, and MSME development. Each CES contains a results framework that links country-level outcomes to CDB's Corporate Results Framework (CRF) and Operational Priority Plans.

Instruments:

CDB's primary instruments over the assessment include:

- Sovereign loans, including both investment lending and increased use of Policy-based Lending (PBLs);
- Grants, including blending of resources from the Special Development Fund and Other Special Funds;
- Emergency Financing, including Disaster Resilience Grants;
- Technical Assistance; and
- Lines of Credit.

CDB has made more limited use of guarantees and equity finance; however, efforts are underway to scale up the use of guarantees. CDB is also looking to engage in increased direct non-sovereign lending.

Under the TYS, CDB is making a clear effort to diversify the range of financial instruments it applies in its operations and adapt these to the needs of the region. In particular, CDB plans to implement:

- A new trade finance guarantee initiative to de-risk trade finance provided by local financial institutions to support export activities;
- A new e-mobility fund to catalyse decarbonisation of the transport sector.
- Debt-for-sustainability and debt-for-social swaps in partnership with other MDBS.
- Climate resilient debt clauses and other contingent components.

Together, these new instruments help make CDB's product offering more relevant to the needs of the region and reflect CDB's strategic emphasis on supporting regional resilience.

Work Program and Budget Framework

CDB produces a rolling two-year work program and administrative and capital budget (WPB), which are updated annually. The WPB sets out the operational activities that will be undertaken across the institution and identifies the financial and human resources necessary to implement CDB's strategic vision.

The WPB includes projections for loan and grant approvals by funding source based on the project pipeline — Ordinary Capital Resources (OCR) and Special Funds Resources (SFR) — as well as disbursements by modality, including investment loans, policy-based loans, intermediary loans, and grants. The WPB also outlines expected resource allocations across country groupings (Group 1, 2, and 3 BMCs). Each strategic objective is broken down into corporate priorities (CPs) with corresponding work programme activities identified:

- Under economic resilience, CDB focuses on infrastructure development, governance reforms, and MSME support;
- Under social resilience, CDB prioritizes education transformation, social protection, and gender equality;
- Under environmental resilience, CDB supports disaster risk management, climate change adaptation, and renewable energy; and
- under institutional resilience, CDB emphasizes implementation capacity, digital transformation, and client engagement.

The WPB includes both administrative and capital budgets. The administrative budget covers operating costs, staff compensation, IT investments, and efficiency indicators such as administrative cost per USD 1 million disbursed. The capital budget includes investments in systems like Client Relationship Management (CRM), cloud infrastructure, and digital learning platforms. CDB tracks efficiency metrics such as administrative cost per disbursement. Multi-year budget projections are provided, and actual performance is compared against budgeted targets.

Putting the Picture Together

CDB works through a country-driven model typical of IFIs. Together, the CES, Business Plans, Budgets, Policies Sector Policies and Strategies and Country Engagement Strategies provide a framework for translating high-level priorities into BMC project pipelines and TA activities. These instruments provide a practical link between strategic goals and operations.

The strength of this linkage, however, is weakened by the fact that although the WPB identified activities linked to priorities, it does not clearly link resource allocation to strategic and operational priorities as staff are mapped to functions rather than themes. Therefore, the WPB does not provide a complete, multi-year picture of how CDB's resource allocation contributes to delivery of the Strategic Plan.

Furthermore, some sector strategies and policies do not have a defined application period. Other strategies have a defined period, but this is not necessarily in sync with the overall strategic plan cycle of the Bank, creating the risk of some misalignment. The positioning of sector strategies within the overall results architecture of the Bank is uneven. Not all sector strategies identify a formal Theory of Change to guide programming. Furthermore, the main driver of the operational pipeline is BMCs needs and priorities – it is not clear that operations cover all outputs, outcomes and priorities covered in each sector strategy as envisioned. To respond to these challenges, CDB is currently implementing a review of its policy architecture as part of the TYS.

Element 1.1.4: The MO's strategic vision and policy and operating frameworks are reviewed regularly to ensure continued relevance and attention to risks.

CDB's strategic vision and policy and operating framework are reviewed through several annual and periodic touchpoints with its Board of Governors and Board of Directors. CDB is increasingly taking up good practice to implement periodic reviews of its governance structure and institutional strategies.

CDB is rated **satisfactory**, reflecting alignment with good practice, including the increased use of MTRs and external reviews to enhance its governance and strategic direction.

Annual Meetings and Executive Board Committees

CDB's Annual Meetings provide a platform for its Board of Governors, BMCs, and development partners to review institutional performance, financial statements, and strategic direction. These meetings facilitate high-level dialogue on regional development challenges and inform strategic adjustments.

The Annual Meetings has been an important strategic touchpoint for the Bank, with key decisions made at past meetings including: (i) approval of the 2022 SPU; (ii) conclusion of the SDF 11 replenishment; and (iii) launch of the current President's institutional vision for "rebirth of CDB."

CDB's Board of Directors is supported by committees, including:

- The Development Effectiveness Committee supports the Board of Directors in overseeing the Bank's development results and effectiveness of operations, covering both lending and non-lending activities. It reviews independent evaluation reports (OIE), project performance, results frameworks, and sector strategies, and monitors the implementation of evaluation recommendations and the quality of monitoring and evaluation systems. The Committee consists of five Board members representing key constituencies, meets regularly (at least four times per year), maintains direct engagement with OIE, and reports to the Board of Directors with recommendations on development effectiveness, policies, and evaluation matters.
- The Human Resources Committee supports the Board of Directors in overseeing the Bank's human resources strategies, policies, and practices, including recruitment, compensation, diversity, performance management, and talent management. It operates in an advisory capacity, reviewing performance indicators, monitoring implementation of HR strategies, and ensuring compliance with ethics and conduct policies. The Committee is composed of four Board members representing different constituencies, meets as needed (at least annually), and reports to the Board of Directors with recommendations on HR-related matters.

The October 2025 Review of CDB's Governance Framework recommends strengthening Board committees as the main entry point for detailed review and analysis. Committees should take on a larger share of the Board of Directors' workload by reviewing issues in depth, conducting technical discussions, and developing recommendations before matters are brought to the full Board. This is supported by increasing the frequency of committee meetings, improving transparency and access to materials, and strengthening communication and feedback loops between committees and the Board to enhance the quality and efficiency of decision-making. The review confirms that that committees should remain advisory bodies, with final decision-making authority retained by the Board. Additional measures—such as closer alignment with Board agendas and support from technical advisors—aim to position committees as key mechanisms for technical analysis, coordination, and oversight, enabling the Board to focus more on strategic priorities rather than operational detail.

Strategic Plan Updates

CDB renews its strategic plan formally at the end of the strategy period. However, following the onset of the COVID-19 pandemic in 2020, CDB released its Strategic Plan Update in 2024 to reflect: (i) COVID-19's socio-economic impact; (ii) a renewed emphasis on innovation, knowledge creation, and resilience; and (iii) alignment with the priorities and commitments outlined in the Resolution and Report of Contributors for the SDF Tenth Cycle. Overall, the SPU repositioned CDB's support in response to the impacts of COVID-19 to address renewed priorities for regional resilience. The SPU has been extended until the end of 2025 on the basis of the institutional disruption caused by the departure of the previous President.

The 2020–2024 Strategic Plan was shaped through an inclusive review process that incorporated feedback from stakeholders, including country officials from BMCs, private sector interest groups, civil society

organizations, development partners, the Board of Governors (BOG), the Board of Directors (BOD), and CDB's management and staff. Central to the strategy's development were insights from an independent Perception Survey. It also drew on lessons learned from the Bank's operations, as highlighted in evaluations. Additionally, the plan was informed by findings and recommendations from internal corporate documents such as the ARPP and DER.

The process of developing the TYS has followed a similar diagnostic approach, including assessments of the global and regional economic context, development needs and progress toward the SDGs. The process has also included a perception survey with internal and external stakeholders and an analysis of CDB's capital position and the growing footprint of other lenders in the region. Overall, the analysis underpinning the TYS development highlights the need for: (i) greater responsiveness to CDB's clients, potentially through greater country presence; (ii) reduce processing times at all stages of delivery; (iii) development of new instruments to remain competitive; (iv) enhanced provision of technical assistance; and (v) more proactive and responsive delivery of knowledge.

The resilience-based focus of the TYS was stress-tested against three plausible futures for the region centred around: (i) the imperative of accelerated climate action; (ii) the urgency of deepening RCI to unlock shared prosperity; and (iii) transparent governance and community-driven development as foundations of self-reliance and growth. The move to a ten-year timeframe was proposed as a more appropriate period to gauge the results of reforms undertaken within the institution and enable stakeholders to buy into the new strategic direction. It was recognised that enhancing regional resilience would likely require a sustained effort over the foreseeable future. A mid-term review of the TYS is planned in 2030 in line with good practice.

SDF Replenishment Process

SDF has evolved through successive replenishment cycles to become a central instrument for delivering concessional resources to its BMCs. The replenishment process is a collaborative undertaking between CDB and donor partners, culminating in a formal resolution and report that sets the strategic direction, thematic priorities, and allocation principles for the cycle.

SDF 10 marked a shift in strategic focus, aligning closely with the Strategic Plan 2020–2024 and emphasizing resilience-building across social, economic, and environmental dimensions. The cycle introduced enhanced instruments for disaster risk financing, including Immediate Response Loans (IRLs), Rehabilitation and Reconstruction Loans (RRLs), and Contingent Emergency Response Components (CERCs), reflecting the region's vulnerability to climate-related shocks. SDF 10 also responded to the COVID-19 pandemic by prioritizing inclusive recovery and resilience-building in health, education, and social protection. The strategic themes of SDF 10 were carried forward and expanded in SDF 11. These include the five pillars of resilience found in the SPU 2022–2024: environmental, social, production, financial, and institutional, that are supported by the SPU cross-cutting themes.

Work Programme and Budget

CDB's WPBs are developed on a two-year rolling basis and updated annually to advance the Bank's strategic and operational direction. They are reviewed and approved by the Board of Directors. Anchored in the Strategic Plans, currently the SPU 2022–2024, which has been extended through 2025, the WPB serves as a critical planning tool and ensures alignment with the development priorities of its Borrowing Member Countries (BMCs). The WPBs provide a review of the implementation of the Work Programme and the Administrative and Capital Budget for the current year and sets out the operational priorities and initiatives for the following two years with the associated budgeted costs and human resource requirements.

Development Effectiveness Reviews and ARPPs:

The ARPP, presented to the Board of Directors, provides a yearly assessment of the performance of CDB's portfolio of loans and grants, focusing on implementation, completion and risk status. It examines key corporate issues such as processing time, gender mainstreaming and climate finance. It also supports the Bank's management in identifying and addressing projects "at risk" to improve portfolio performance and identify lessons and changes that are needed in systems or processes to enhance performance.

CDB's Development Effectiveness Review (DER) is a flagship corporate performance report that assesses the Bank's contribution to development results, focusing on the indicators in the Corporate RMF. Through the RMF, the DER consolidates outputs and outcomes across projects and sectors to provide an institution-wide assessment of on impact. It also identifies constraints and opportunities for improving portfolio results, including bottlenecks in project design or implementation or gaps in data and monitoring. The DER is an important means of promoting accountability to CDB's membership. It supports strategic decision-making across the institution to refine sector and thematic priorities, adjust the Bank's operating models and support internal reform.

MI 1.2. Organisational architecture congruent with a clear long-term vision and associated operating model

- Element 1.2.1: The MO's organisational architecture is congruent with the strategic vision
- Element 1.2.2: The MO's operating framework supports implementation of the strategic vision
- Element 1.2.3: The MO's operating framework is reviewed regularly to ensure its continued relevance
- Element 1.2.4: The MO's operating framework allows for strong co-operation across the organisation
- Element 1.2.5: The MO's operating framework clearly delineates responsibilities for results

Ratings

MI / Element	Rating	Score	Confidence Level
MI 1.2	Unsatisfactory	2.40	
Element 1.2.1	Unsatisfactory	2	Medium
Element 1.2.2	Satisfactory	3	Medium
Element 1.2.3	Unsatisfactory	2	High
Element 1.2.4	Satisfactory	3	Medium
Element 1.2.5	Unsatisfactory	2	Medium

MI 1.2 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2016) "Lending policy," https://www.caribank.org/sites/default/files/publication-resources/Lending-policies_Dec2016.pdf
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
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- Caribbean Development Bank (2021) "Work Programme, and Administrative and Capital Budgets 2022–2024," (internal document)

- Caribbean Development Bank (2022) "CDB Sustainable Finance Framework," (internal document)
- Caribbean Development Bank (2022) "Country Engagement Strategy 2022–2026: Belize," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-belize>
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- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2023) "Work Programme, and Administrative and Capital Budgets 2024–2025," (internal document)
- Caribbean Development Bank (2024) "Country Engagement Strategy 2024–2030: Suriname," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) "Development Effectiveness Review – 2023," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2024) "Work Programme, and Administrative and Capital Budgets 2025–2026," (internal document)
- Caribbean Development Bank (2025) "D-3: Reporting Template – Support for Issuance and Reporting," (internal document)
- Caribbean Development Bank (2025) "Review of CDB's Governance Framework: Final Recommendations Report," (internal document)
- Caribbean Development Bank (2025) "Review of CDB's Governance Framework: Final Recommendations Summary," (internal document)
- Caribbean Development Bank (2025) "CDB President calls for stronger institutions to drive Caribbean resilience," <https://www.caribank.org/newsroom/news-and-events/cdb-president-calls-stronger-institutions-drive-caribbean-resilience>
- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)
- Caribbean Development Bank (2025) "Organisational chart," (internal document)

- Caribbean Development Bank (2026) “Transforming the Caribbean for resilience: The 10-year strategy 2026–2035”
- Office of Independent Evaluation (2020) “Country strategy and programme evaluation – Barbados: Final report with management response,” <https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Office of Independent Evaluation (2021) “Country strategy and programme evaluation – Suriname: Final report with management response,” https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
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MI 1.2 Analysis

Element 1.2.1: The MO’s organisational architecture is congruent with the strategic vision.

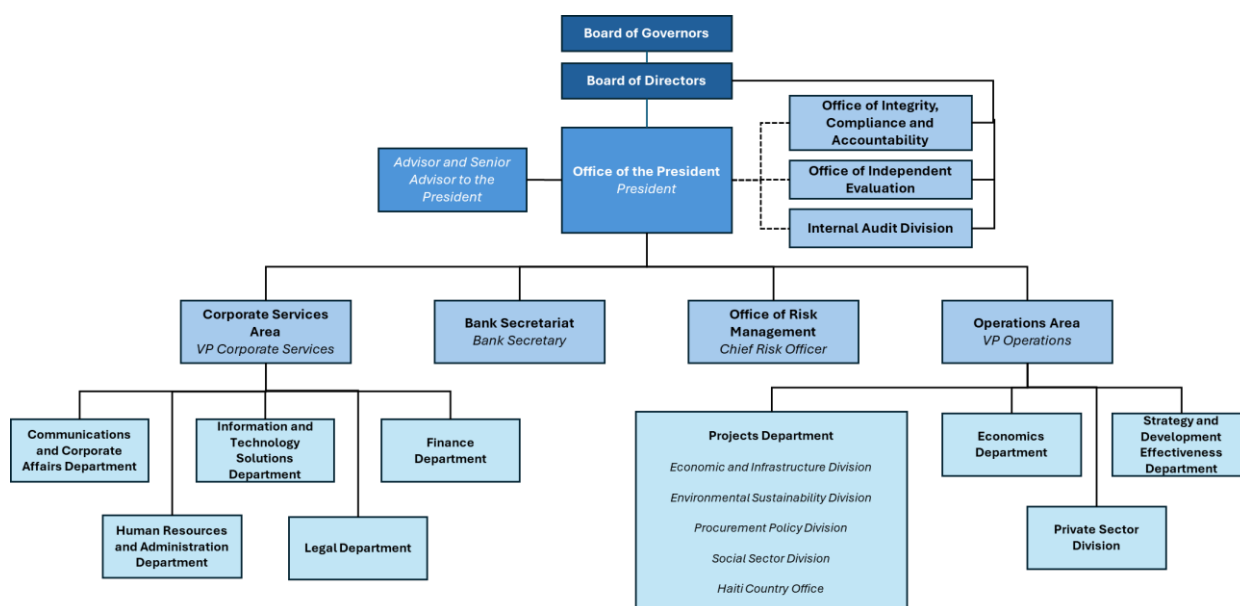
CDB’s existing structure is primarily driven by the structure of its operational processes rather than by its strategic priorities. Key corporate and operational functions fall under two Vice-Presidencies, resulting in a high span of control. Key risks are created by having key sector, thematic and fiduciary units subsumed under a single department. Increasingly, the existing structure is not fit for purpose to support a growing portfolio.

CDB is rated unsatisfactory for this element in view of the high span of control and lack of fitness for purpose to support a growing portfolio.

CDB’s structure is centred around two Vice-President Offices – Vice-President for Corporate Services and Vice-President for Operations. The Chief Risk Officer and the Board Secretary report directly to the President whereas the Office of Integrity, Compliance and Accountability (ICA), the Office of Independent Evaluation and the Internal Audit Department report directly to the Board of Directors.

The Bank’s Organisational structure as of April 2025 is presented in Figure 3, below:

Figure 3. Caribbean Development Bank Functional Chart



Source: CDB Management

Vice-President for Operations

The Vice-President for Operations oversees the Bank's lending operations and economic programming. The Office of the Vice President (Operations) is responsible for all operational activities, including project appraisal, implementation, and technical assistance across areas such as infrastructure, social development, and environmental resilience. The Vice-Presidency includes the Projects Department, the Economics Department, the Strategy and Accountability Office, Infrastructure Partnerships, and the Private Sector Division:

- The following units and divisions make up the Projects Department: Economic Infrastructure Division, Environmental Sustainability Division, Procurement Policy Unit, Social Sector Division, and the Haiti Country Office.
- The Economics Department comprises the Country Policy & Programming Division, the Research and Statistics Division, and the Regional Cooperation and Integration Unit.

The Economics Department is responsible for preparing Country Engagement Strategies and the Projects Department for implementing the CESs through projects. The responsibility for country relationship management does not lie with a single person or department.

Vice-President for Finance and Corporate Services

The Vice-President for Finance and Corporate Services is responsible for the development, and delivery of the Bank's corporate and financial services. This includes oversight of the Finance Department, the Information and Technology Solutions Department, Human Resources and Administration, the Communications and Corporate Affairs Department, the Legal Department, and the Content Management and Disclosure Unit. These departments collectively support the Bank's internal operations and with the objective of ensuring sound financial stewardship, and efficient deployment of institutional resources.

Fitness for Purpose of the Current Structure

CDB's current organisational structure is not optimal to support a growing portfolio. A key risk is that the Operations Vice-Presidency and the Corporate Services Vice Presidency cover the Bank's core processes, including operations, economic analysis, strategy, human resources, finance and information technology, creating a relatively high span of control. This creates potential bottlenecks that work against agile operational decision-making.

Human resources allocated to thematic priorities are typically subsumed within these larger functional structures which bring together experts under different sectors, themes and accountability functions. This creates the risk that some key functions and thematic areas will not have sufficient resources, visibility, leadership and independence to deliver on the priorities of the Strategic Plan and SPU. The Private Sector Division is a notable exception, with a reporting line to the VPO. In other areas, CDB's resources to support key cross-cutting themes that form the basis of strategic priorities have been limited, particularly for gender, youth and digitalisation – with some individual staff in these areas stretched across up to 94 ongoing operations.

Furthermore, unlike other IFIs, key accountability functions such as the Environmental and Social Safeguards Unit and the Procurement Policy Unit have been subsumed as a unit within the Projects Department. To date, stakeholders in these units report that they are able to ensure that projects meet key safeguards and fiduciary requirements prior to approval. However, as CDB's portfolio grows, the risk of potential conflict of interest will grow and these units increasingly merit a separate reporting line and delegated authorities.

Element 1.2.2: The MO's operating framework supports implementation of the strategic vision.

CDB's country-driven business model, funding sources and modalities and range of instruments are well-aligned to the needs and vulnerabilities of Caribbean countries. Although the operating framework supports the strategic vision overall, CDB faces some experiences implementation bottlenecks due to the lack of country focal points.

CDB is rated satisfactory. Despite some challenges, the operating framework is mostly aligned with standard practice across MDBs.

CDB's Operational Framework and the extent to which it supports CDB's strategic vision, has been assessed from the perspective of CDB's governance structure business model, financing modalities and instruments.

Country-driven Business Model

Like most IFIs, CDB's delivers its support to its BMCs through a country-driven delivery model. CDB's interventions are guided by Country Engagement Strategies (CESs), which serve as the main strategic and planning instrument for guiding CDB's operations in BMCs. CES are developed through a structured, consultative, and multi-disciplinary process that culminates in CDB's strategic approach to supporting a country's development objectives and poverty reduction goals over a four-year period.

CES are designed to be results-oriented, responsive, and relevant to the development context and key development priorities of each BMC. It articulates the rationale for CDB's engagement, the proposed interventions (including investment projects, policy reform programmes, and technical assistance), and the expected outcomes. It also serves as a monitoring and evaluation tool, tracking performance throughout the strategy period. The CES integrates both public sector operations and private sector development initiatives. It is informed by a portfolio review of CDB's existing projects to identify and take up relevant lessons.

CES are refined through formal discussions with BMCS to identify a potential pipeline of interventions aligned with country needs and CDB's strategic vision. Following drafting and internal review, the CES is shared with BMC officials for review and sign-off, ensuring alignment with national policies and securing government commitment. Once approved by CDB's Board of Directors, the CES enters the implementation phase, with performance monitored annually through a Country Strategy Brief (CSB). These briefs serve as the primary reporting tool during years when no new CSP is scheduled and help maintain ongoing dialogue between CDB and the BMC.

- Despite its country-driven model and role as a trusted regional partner, CDB has faced ongoing challenges in promoting responsive and continuous engagement with BMCs throughout the CES period. A review of three CSPEs produced over the assessment period found that a lack of ongoing engagement with BMCs contributes to implementation challenges and lack of alignment of CDB's operations with changing contexts:
- The 2024 Bahamas CSPE noted that alignment "decreased during implementation as many planned interventions failed to proceed." Reasons included not only external events such as Hurricane Dorian and COVID-19, but also "insufficient CDB engagement." Additionally, the utility of the RMF was reduced because it was not updated in response to contextual changes and insufficient public data to assess progress.
- The 2024 Trinidad and Tobago CSPE found that "the CSP was highly relevant at the time of design," but "the translation of strategic intent into meaningful development outcomes was uneven." Specifically, projects faced limited uptake and underperformance in fund disbursement. Additionally, the RMF "lacked real-time data, alignment with national systems, and flexibility to reflect emerging changes"
- The 2023 Jamaica CSPE noted that there was "limited uptake of interventions and insufficient consideration of executing agency capacity" and that CDB "did not engage effectively or sufficiently with partners or succeed in leveraging complementarities." These shortcomings partly led to not achieving the anticipated CSP results.

During interviews, stakeholders in BMCs emphasized that CDB engagement was often a bottleneck during project implementation.

Financing Sources and Modalities

CDB's resource framework includes three main resource pools:

- Ordinary Capital Resources (OCR), which are core operating resources from paid-in capital, reserves and market borrowing which primarily fund loans on non-concessional terms;
- The Special Development Fund (SDF), which services as CDB's primary concessional window, providing grants and highly concessional loans that support Technical Assistance, capacity building, social development, infrastructure and climate resilience. SDF funds are often blended with OCR to reduce project financing costs to BMCs;
- Other Special Funds and Donor Trust Funds, which build on donor partnerships to support project preparation, technical assistance and project financing addressing targeted sectors.

CDB's Lending Policy provides an overarching framework for identifying the different resources BMCs can access (Table 1.3). CDB's 19 BMCs span a range of income classifications, with most categorized as high-income economies. A few BMCs, including Belize, Jamaica, and Saint Lucia, are upper middle-income, while Haiti is the only lower middle-income country and is also designated as a fragile and conflict-affected situation (FCAS).

Table 2. Country Groupings and Eligibility (as presented in the 2016 Lending Policy)^{3,4}

Group	Countries	OCR Eligibility	SDF Eligibility	Notes
OCR Group 1	The Bahamas, Barbados, Cayman Islands, Trinidad and Tobago	Yes	Yes (Group 1 SDF)	SDF access limited to regional projects and some Climate Change and Disaster Risk funds unless otherwise specified.
OCR Group 2	Anguilla, Antigua and Barbuda, British Virgin Islands	Yes	Yes (Group 1 SDF)	Eligible for both OCR and SDF
OCR Group 3	Belize, Dominica, Grenada, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Turks and Caicos Islands	Yes	Yes (Group 2 SDF)	Eligible for blended financing
OCR Group 4	Guyana, Suriname, Haiti	Yes	Yes (Group 2 SDF – Guyana and Suriname & Group 3 SDF – Haiti)	Haiti is eligible for grants only

Source: https://www.caribank.org/sites/default/files/publication-resources/Lending-policies_Dec2016.pdf

Whereas all BMCs are eligible for OCR financing, the terms vary by group. SDF primarily targets less developed countries, offering concessional financing with lower interest rates and longer maturities and countries facing persistent poverty and social development challenges (Table 1.3). However, a key feature of CDB's business model is that all BMCs can access SFR resources, with BMC vulnerability taken into consideration in SDF allocation.

CDB has been able to allocate SDF resources to Group 1 Countries (e.g. Antigua and Barbuda, The Bahamas, Barbados Saint Kitts and Nevis and Trinidad and Tobago) in certain policy-defined circumstances, including:

- For regional projects;
- In cases of natural disasters, extreme events or emergencies;
- For projects with strong development externalities that promote regional public goods;
- When projects are linked to a regional integration or public good objective; and
- Subject to explicit Board approval on a case-by-case basis.

The specific conditions under which Group 1 countries can access SDF resources are negotiated in the context of each SDF Replenishment.

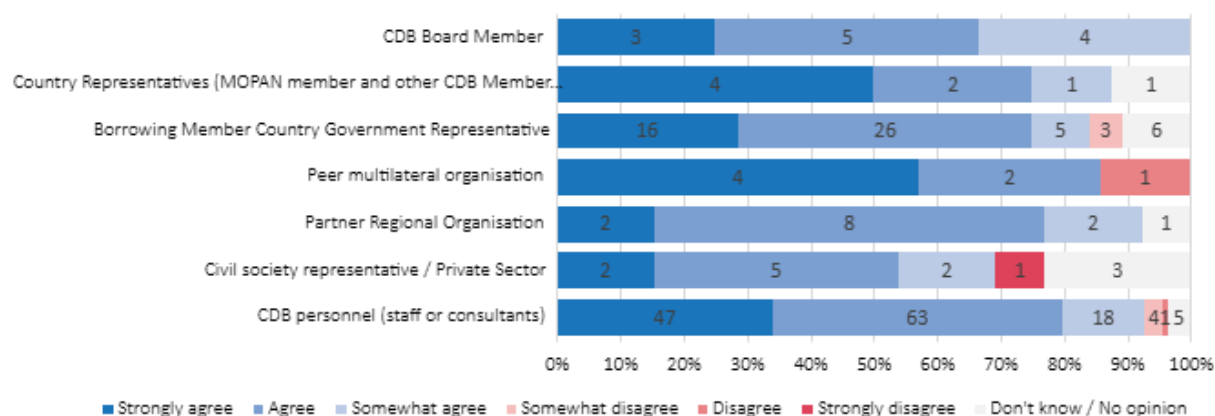
These policy exceptions, negotiated with CDB's members, reflects: (i) CDB's pivotal role in address persistent challenges related to poverty and inequality and social development among CDB's BMCs; (ii) CDB's mandate to enhance regional cooperation and integration to promote economic development across the region; and (iii) the enhanced vulnerability of CDB's BMCs to climate impacts and natural disasters.

³ The Resolution and Report of Contributors on SDF 10 identifies a different grouping of countries. Group 1 (Mainly OCR): Anguilla, Antigua and Barbuda, The Bahamas, Barbados, British Virgin Islands, Cayman Islands, Montserrat, St. Kitts and Nevis, Trinidad and Tobago and Turks and Caicos Islands; Group 2 (SDF and OCR Blend): Belize, Dominica, Grenada, Guyana, Jamaica, St. Lucia, St. Vincent and the Grenadines, Suriname; Group 3 (Mainly SDF): Haiti. [Resolution and Report of Contributors on SDF 10 | Caribbean Development Bank](#)

⁴ The Resolution and Report of Contributors on SDF 11 identifies a different grouping of countries. Group 1 (Mainly OCR): Anguilla, Antigua and Barbuda, The Bahamas, British Virgin Islands, Cayman Islands, Guyana, Montserrat, St. Kitts and Nevis, Trinidad and Tobago and Turks and Caicos Islands; Group 2 (SDF and OCR Blend): Barbados, Belize, Dominica, Grenada, Jamaica, St. Lucia, St. Vincent and the Grenadines, Suriname; Group 3 (Mainly SDF): Haiti. [Resolution and Report of Contributors on SDF 10 | Caribbean Development Bank](#)

Overall, 76% of respondents to MOPAN's partner survey agreed or strongly agreed that "CDB is responsive to the needs of Small Island Developing States." Of 45 respondents who provided open text responses, 40% spoke to CDB's mandate and identity as inherently aligned with the needs of SIDS, with support to climate resilience playing a central role. However, slow and bureaucratic processes and limited responsiveness to BMC needs were noted as important challenges.

CDB is responsive to the needs of Small Island Developing States.



Instruments and Products

CDB provides support to BMCs through a range of instruments, including grants, PBOs, disaster and emergency response instruments and technical assistance instruments that reflect the specific needs and vulnerabilities of its BMCs.

Sovereign Investment loans are CDB's principal product. Each investment loan is expected to meet the following criteria: (i) consistency with the Bank's Charter, strategic focus, operating policies and CES; (ii) is aligned to national development needs and priorities; (iii) is justified on financial and economic grounds; and (iii) contributes to poverty reduction through sustainable social and economic development. Sovereign investment loans include: (i) project / investment loans; (ii) lines of credit to development banks and other financial intermediary lending; and (iii) contingent loans for national disasters.

CDB also provides **Policy-Based Operations**, which are budget support operations linked to policy and institutional reforms, including public financial management reforms, climate and disaster risk governance reforms, social protections reforms and support for growth and competitiveness. CDB officers macroeconomic PBOs, Sector PBOs, Crisis response PBOs and Regional Public Goods PBOs.

CDB provides a range of **disaster and emergency response instruments** that reflect the vulnerabilities of Caribbean economies. These include (i) emergency response grants, designed as fast-acting grants to assist governments in the immediate aftermath of a disaster; (iii) post-disaster rehabilitation loans, provided at a concessionary rate to the Government to meet its expenses for the clearing and cleaning of affected areas and for emergency restoration of critical infrastructure and essential public services; (iii) rehabilitation and reconstruction loans, intended to help the government of the affected BMC achieve the objectives of its recovery strategy and specifically to rehabilitate social and economic infrastructure and the restoration of key economic sectors; (iv) disaster response policy operations; and (iv) contingent emergency response components (CERC), a flexible tool that can be activated to provide immediate assistance following a qualifying disasters.

Technical Assistance (TA) is another of CDB's core instruments, supporting capacity building, project preparation and institutional strengthening. TA includes: (i) project preparation TA (e.g. feasibility studies, designs and environmental and social assessments); (iii) institutional strengthening TA, including support

to ministries, public sector management, statistical systems and procurement; (iv) sector or thematic TA, including to support disaster preparedness; and (v) regional TA benefitting multiple BMCs.

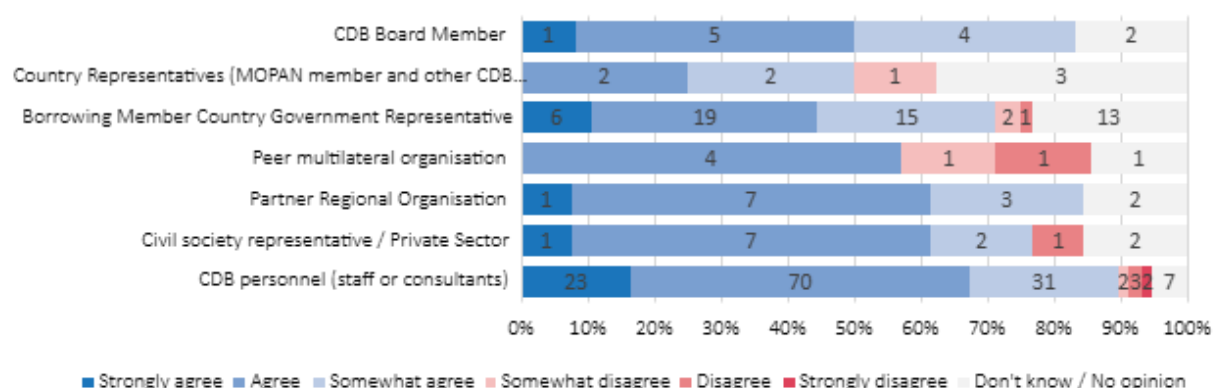
CDB provides **grants** through its SDF and a range of other donor funded partnerships that are designed to help Caribbean countries invest in people, institutions and infrastructure. Through the SDF and other partnerships, grants are used to support institutional strengthening, capacity building, climate resilience, social protection and human development, especially in vulnerable countries. CDB's Basic Needs Trust Fund is a regional poverty reduction programme that supports community-led poverty reduction projects. Grants are enablers of policy and institutional reform and can be used to support project preparation, including through the Climate Change Project Preparation Fund. In 2024, CDB established the CDB-managed Climate Change Project Preparation Fund (CC PPF) to provide grant financing for early-stage project preparation, including feasibility studies, climate risk assessments, and concept development for climate-related investments.

CDB uses **guarantees** to help improve access to financing, particularly for the private sector. CDB recently launched a Trade Finance Guarantee Programme to help MSMEs access trade finance through providing partial guarantees against defaults. The Caribbean Debt-for-Resilience Joint Initiative, implemented together with IDB and CAF leverages guarantees from MDBs and private sector actors to help countries expand fiscal space for resilience investment.

CDB can issue **green, social, and sustainability bonds** and loans to mobilize financing for resilient and inclusive development in its BMCs. The CDB Sustainable Finance Framework (November 2022) establishes the Bank's approach to issuing these bonds and loans. It aligns with international standards (ICMA and LMA principles) and is built around four core components: use of proceeds, project selection, management of proceeds, and reporting. The framework defines eligible investment areas, including climate change adaptation, renewable energy, energy efficiency, water and sanitation, education, MSME support, and food security. It incorporates environmental and social safeguards, exclusion criteria, and MDB climate finance methodologies. Proceeds are tracked and allocated within defined timelines, and the Bank commits to annual allocation and impact reporting, supported by standardized indicators and external review. The 2025 Reporting Template operationalizes the framework by providing a standardized structure for annual allocation and impact reporting of sustainable bond issuances. It emphasizes clear disclosure of how funds are used and what results are achieved, encouraging separation of green vs. social impacts and highlighting good practices such as reporting periods, financed shares, and detailed project descriptions.

Overall, 58% of respondents to MOPAN's partner survey agreed or strongly agreed that "CDB offers a mix of instruments that support countries in responding to crises." Of 65 respondents who provided open test responses, 11% spoke to the need for greater diversity and a more modern mix of instruments, with stakeholders tying this issue to CDB's ability to be responsive to the changing needs of BMCs. It was recognised that CDB's instrument mix was evolving, albeit slowly.

CDB offers a mix of instruments that support countries in responding to crises.



Element 1.2.3: The MO's operating framework is reviewed regularly to ensure its continued relevance.

CDB has not implemented an overall review or reform of its operating framework under a single, unified vision. Furthermore, there is no systematic process in place to review the operating framework on a periodic basis. Change processes have been siloed and incremental.

CDB is rated **unsatisfactory** based on the lack of a systematic process to review the operating framework periodically and the fragmentation of change initiatives that have taken place over the assessment period.

Over the course of the assessment period, incremental change processes have primarily sought to address two challenges: (i) the need to enhance the efficiency of processes and support digitalisation; and (ii) the need to enhance responsiveness to clients.

In the Strategic Plan 2020–2024, CDB presents its Transformation Programme as a central pillar of institutional reform. It is designed to make the CDB more agile, financially strong, and responsive to the needs of its BMCs. The programme was intended to include a comprehensive review of business processes across operational and corporate services areas, aiming to eliminate inefficiencies and improve client satisfaction. A key feature was to be the adoption of a new IT strategy to support digital transformation.

The IT Strategy: Becoming Digital (2019–2022) outlines a shift in CDB's IT function from a support role to a strategic enabler of innovation, efficiency, and decision-making. It is anchored in a vision to deliver value across the organization through enabling technologies and to support broader institutional transformation.

The strategy is structured around four core priorities:

- Data democratization – treating data as a strategic asset by improving analytics capacity, dashboards, and governance to support evidence-based decision-making.
- Collaboration and productivity – enhancing staff and client engagement through modern tools (e.g., document management systems, CRM, collaboration platforms).
- Business resilience – strengthening IT infrastructure through cloud adoption, improved cybersecurity, and system integration to ensure continuity and reduce costs.
- Agile teams and partnerships – restructuring IT delivery through outsourcing, service agreements, and agile practices to improve flexibility and access to expertise.

The strategy also highlights key institutional challenges—including outdated infrastructure, fragmented systems, weak data management, and limited security—which justify the need for transformation. In response, it proposes a new IT operating model (e.g., data and cloud “studios,” DevOps, stronger governance via an IT Steering Committee) and emphasizes that digital transformation should go beyond technology to improve processes, decision-making, and organizational performance.

The TP was designed to consolidate previous reforms and focused on four key goals:

- Improving client engagement through a redesigned engagement model, the deployment of a new CRM system, and the assignment of Regional Implementation Officers (RIOs) to strengthen operational interfaces with BMCs.
- Enhancing business resilience by transitioning from legacy IT systems to cloud-based infrastructure, discontinuing physical disaster recovery sites, and establishing geographically distributed cloud operations.
- Optimizing efficiency via cost-saving measures and restructuring, including the centralization of private sector operations under unified leadership to foster collaboration and strategic coherence.
- Cultivating a supportive organizational culture aligned with the vision of a reimagined CDB.

Stakeholders report that the Transformation Programme was not implemented as a cohesive organisational reform, but rather as a series of siloed initiatives that were packaged as a programme. The initiative included no overall progress monitoring nor means of measuring the impact of change initiatives on key operational metrics. Furthermore, stakeholders noted that the actual objectives of these reforms was to reduce headcount rather than transform the operating model.

The Strategic Plan Update 2022–24 builds on this foundation and redefined the Transformation Programme as a process of continuous improvement rather than a finite initiative. It emphasizes institutionalizing the capacity to change, embedding innovation and reform into the Bank’s operations. This shift supports the broader goal of achieving a “One CDB” vision, which refers to a unified, integrated, and client-centric institution.

The Update outlines specific actions to operationalize this vision, including the implementation of a Client Relationship Management (CRM) system, a robust pipeline management programme, and reforms to enhance responsiveness and delivery of results. The Bank also commits to strengthening staff capacity, improving client engagement, and increasing its in-country presence through the Resident Implementation Officer (RIO) programme, whereby CDB identifies local implementation support officers to promote responsiveness and implementation.

The SPU revisits the RIO programme, acknowledging that RIOs had been engaged for approximately eight months with varying levels of success. The RIOs are described as playing a key operational interface role between CDB and BMCs, with the intended outcome being improved responsiveness, deeper country engagement, and enhanced implementation capacity through a more client-centric model.

The SPU notes that while the original goals remain unchanged, the Bank has learned from the pilot phase and now recognizes the need for a more contextual and BMC-specific approach, rather than a modular one. Currently, CDB has one RIO located in Saint Lucia. In addition, CDB has one country office located in Haiti. All other staff are located at headquarters in Barbados. To date, there has been no additional movement in implementing the RIO programme.

Element 1.2.4: The MO’s operating framework allows for strong co-operation across the organisation.

CDB designs and reviews CES and Operations through cross-functional teams and committees at different levels of the institution. CDB also maintains a number of cross-functional management teams to support decision-making.

CDB is rated **satisfactory**. The use of cross-functional teams and committees to design and approve projects is in line with good practices. However, there are opportunities to strengthen roles, responsibilities and accountabilities between team members and functions.

CES Preparation

CES are developed by a cross-functional team led by a Country Economist with contributions from operations offices across key divisions, including economic infrastructure, social sector, technical cooperation, private sector development and environmental sustainability. The Country strategy process begins with a Completion Report which is an assessment of the previous CES and identifies lessons learned that will inform the preparation of the new CES. Together, this team drafts a framework paper, which identifies key development challenges and potential areas for CDB support. This paper forms the basis for dialogue with BMCs and international development partners. A visit to the BMC by the Chief Economist and Country Economist helps formalize potential interventions. Following a series of internal and external reviews, the BMC signs off on the final CES.

Once approved, the CSP enters the implementation phase, with performance monitored annually through a Country Strategy Brief (CSB). These briefs serve as the primary reporting tool during years when no new CSP is scheduled and help maintain ongoing dialogue between CDB and the BMC. However, the Country Team does not play a formal role in engaging with BMCs on an ongoing basis to update or refine the CES.

Project Appraisal and Supervision

Project appraisals follow a similar process where a Project Coordinator convenes a cross-functional team to address different aspects of the appraisal process, largely across different units within the Projects Department. A project team typically includes: (i) the Project Coordinator; (ii) a Sector Specialist; (iii) a Technical Specialists (e.g. economic analysis and M&E systems); (iv) a Financial Analyst; (v) an Environmental and Social Specialist; (vi) a procurement specialist; (vii) Project Assistant and (viii) other sector and thematic experts as deemed appropriate.

The supervision team comprises the project officers assigned to the specific country. Generally, the team is the same as the team which conducts the appraisal (the exception is the Engineer, which may be different to the one conducting appraisal Experts in some key thematic and fiduciary areas report that, although they systematically engage in project appraisals, resource gaps make it challenging to engage as part of supervision teams.

Management Reviews

Project Appraisal Reports are reviewed at a series of cross-functional meetings that bring together staff at different levels of seniority throughout the Bank, including the Divisional Review, the Departmental Review and the ARC. CES are reviewed by similar cross-functional body called the Country Committee.

Furthermore, CDB maintains a number of senior management committees to support strategic decision making within the Bank. These include:

- The Adjudication and Review Committee: a management-level committee that serves as the Bank's final internal review and credit decision body for financing proposals (loans, grants, technical assistance) before submission to the President or Board of Directors. It ensures proposals are sound, compliant with procedures, and aligned with CDB's strategy, and reviews management papers and submissions from independent units before escalation. Chaired by the Vice President (Operations), it comprises senior management (e.g., Chief Risk Officer, General Counsel, Directors of key departments), meets regularly, and functions as part of the due diligence and risk management process, rather than reporting formally to the Board.
- The Human Resources and Budget Committees
- The Asset and Liability Committee (formerly called Investment Committee)

- **The Enterprise Risk Committee:** The Enterprise Risk Committee is a senior management committee responsible for overseeing the Bank's enterprise-wide, non-project risks, including credit, market, liquidity, operational, and environmental risks. It monitors portfolio performance, financial exposures, capital adequacy, and asset-liability management, and makes decisions or recommendations on risk mitigation and investment strategies. Chaired by the Chief Risk Officer and composed of senior management (including the President and Vice Presidents), the ERC meets at least monthly and plays a central role in internal risk governance and control, supporting management decision-making rather than reporting directly to the Board.
- **The Strategic Advisory Team,** which includes senior management across Vice-Presidencies and Department heads across the Bank.

However, it is not clear that the roles of each member and the process for reaching decisions have been established in clear Terms of Reference for all of the mentioned Committees. Objections are tabled, discussed, clarified and resolved as part of the review meeting process. If needed, follow-up discussions, the provision of additional information is done for the issue to be addressed according to the satisfaction of the review team member. At the end, members are to indicate 'non-objection' as part of the decision record for the project to move forward. All review meetings are recorded and an "issues log" prepared at each review stage.

Stakeholders indicated that most cooperation and coordination within the organization is informal, occurring largely through personal relationships or shared interest in specific topics. Collaboration tends to be ad hoc, inconsistent and dependent on individual initiative rather than embedded in organisational processes.

Currently, the Bank's compact size and flat hierarchy foster open communication; however, despite cross-functional management units, operational and corporate units still work largely in parallel. As the institution grows in size, the absence of clear accountabilities for ensuring different perspectives are included in decisions and clear decision-roles within teams may pose challenges for promoting cross-functional collaboration in future.

Element 1.2.5: The MO's operating framework clearly delineates responsibilities for results.

CDB's OPPM identifies different levels of clearance within the organisation for the approval of new operations and changes to ongoing operations. However, it does not have a clear delegation of authority matrix which identifies the role and accountabilities of team members representing different functional areas in the design and approval of operations.

CDB is rated **unsatisfactory** based on the lack of a delegation of authority matrix to guide the design, approval and monitoring of operations. These matrices reflect good practice across IFIs.

Overall, CDB's delegation structure is more suitable to a smaller institution where project management structures and working relationships can be managed in a more informal way. As CDB's operations and portfolio grow, the current structure poses increasing risks for the management of key fiduciary requirements. Stronger independence of key fiduciary and risk functions and a formal delegation of authority matrix will be required to ensure the quality at entry of operations as the portfolio grows. Since 2021, CDB's approvals have grown at a compound annual rate of 29%.

The sections below identify some challenges emerging from the absence of a delegated authority matrix for key operational activities.

Country Engagement Strategies

Country Engagement Strategies (CES) are usually prepared every four years for each BMC, however, the time period can range from three to seven years. The CES process begins with a Completion Report of

the previous CES which reviews the performance of the CES and highlights lessons learned that can inform the new CES. The Mid-Term Review of the CES and joint portfolio/CES reviews are used to assess progress and identify emerging challenges to the Strategy. CES are prepared by a multi-disciplinary team led by the Country Economist and bringing together operational officers reflecting key themes and sectors as well as the Environmental Sustainability Unit. These resources come together to produce a Framework Paper to reflect on development challenges in the BMC and review lessons from the ongoing portfolio. A multidisciplinary Country Committee led by the VPO reviews the final proposal, including the identified priorities, pipeline and results. Annual country strategy reviews and Mid-term reviews are conducted to assess progress and identify emerging problems, yet the accountability of the country team for addressing systemic challenges in implementing the portfolio and updating the CES to reflect an emerging context are less clear.

Despite recent initiatives around biannual portfolio reviews for BMCs with struggling portfolios, implementation challenges have largely addressed via a project-by-project approach rather than through a strategic country approach. It is not clear which group of operational staff hold the accountability for results at the country-level.

Project Appraisal and Approval

Under the existing OPPM, a request for assistance is reviewed by the VPO, Director of the Projects Department and Division Chief and a Project Coordinator. The Project Coordinator assembles a project team covering different areas of expertise depending on the needs of the project. A project team typically includes: (i) the Project Coordinator; (ii) a Sector Specialist; (iii) a Technical Specialists (e.g. economic analysis and M&E systems); (iv) a Financial Analyst; (v) an Environmental and Social Analyst; (vi) a procurement specialist; (vii) Risk Officer; and (viii) other sector and thematic experts as deemed appropriate.

Whereas each expert has a defined role in contributing to project design, CDB does not identify a matrix of accountabilities across these teams. While individual members of the team are responsible for preparing inputs related to their areas of expertise. They may not always have the final say in what is or is not included in project design. The Project Coordinator (PC) is responsible for pulling the, sometimes disparate, priorities of individual experts/ team members together into one cohesive Report looking at all the issues/ concerns that inform project design and taking on board the requirements of our clients, other stakeholders, and the policies and procedures of the Bank. The Issues Memo is intended to highlight and record concerns that arise during the appraisal process, including significant differences of opinion that cannot be resolved at the team level that ought to be considered and resolved through management inputs at the various Review stages. Individual team members do not formally certify their inputs. The team as a whole (led by and signed-off by the PC) "certifies" that the content of the Appraisal Report is correct; aligns with CDB's Strategies, policies and procedures; and meets the development needs of our clients. The different levels of approval at the Divisional Level, Departmental Level and with the ARC bring different functions and teams together to review operations prior to their presentation to the Board. However, it remains unclear how disagreements are resolved around the readiness and potential risks related to specific proposals. Whereas some colleagues remark they have the ability to prevent operations from moving forward when specific safeguards and risk issues have not been addressed, others have noted that operations have proceeded even though reservations have been raised. And in those cases, there is typically a plan to address those reservations, or there is an agreed project design solution that allows for the project to move forward. Clarity in delegated authorities between functions is an important means of addressing these challenges.

The October 2025 Review of CDB's Governance Framework places strong emphasis on clarifying and expanding delegation of authority, particularly to improve efficiency while preserving Board oversight. The report explicitly recommends increasing Management's delegated authority, especially for operational decisions. This includes raising approval thresholds for technical assistance projects (to USD 1 million)

and allowing Management to approve low- to medium-risk investment projects, based on a more sophisticated, multi-dimensional delegation framework (including risk, client history, and project type—not just financial size). The rationale is to reduce bottlenecks, speed up decision-making, and allow the Board of Directors to focus on strategy and oversight rather than transactional approvals.

Project Supervision

As operations are implemented, Project Supervisors (PS) are responsible for monitoring the progress of project implementation and the performance of projects in operation on behalf of CDB. The PS establishes a supervision team to reflect the different risks and relevant issues for each operation to ensure that environmental and social, procurement, gender, implementation and results issues are addressed. The PS has a critical role in identifying when projects require specific changes, including variation in project scope and change or extension of lending conditions, to be approved at different levels of authority across the Bank. Whereas stakeholders confirm that PS work continuously with BMC counterparts in supervising operations, it can be challenging to ensure that each project receives sufficient attention from different functional and thematic experts as needed due to heavy workloads.

MI 1.3: Strategic plan supports the implementation of global commitments and associated results.

- Element 1.3.1: The MO's strategic vision is aligned to the 2030 Sustainable Development Agenda and other relevant global commitments as appropriate and their results.
- Element 1.3.2: The MO applies a system to track results aligned to the 2030 Sustainable Development Agenda and other relevant global commitments.
- Element 1.3.3: The MO's progress on implementation and aggregated results against global commitments, including Agenda 2030 and other global commitments, are published at least annually.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 1.3	Satisfactory	3.00	
Element 1.3.1	Satisfactory	3	Medium
Element 1.3.2	Satisfactory	3	Medium
Element 1.3.3	Satisfactory	3	Medium

MI 1.3 Evidence documents

- Caribbean Development Bank (2019) “*Strategic Plan 2020–2024*,” <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) “*Development effectiveness review – 2020*” <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2020>
- Caribbean Development Bank (2021) “*Paris alignment assessment: Monitoring and reporting tool*,” (internal document)
- Caribbean Development Bank (2021) “*Strategic Plan Update 2022–2024: Repositioning for Resilience*,” <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>

- Caribbean Development Bank (2023) “*Development effectiveness review – 2021*,” <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2021>
- Caribbean Development Bank (2023) “*Development Effectiveness Review – 2022*,” <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) “*Development Effectiveness Review – 2023*,” <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) “*Development Effectiveness Review – 2024*,” (internal document)
- World Resources Institute (2022) “*COPs contributions: Meeting to support progress on the MDB joint statement on nature, people, and planet*,” (internal document)
- World Resources Institute (2022) “*Summary of the meeting to support progress on the MDB joint statement on nature, people, and planet*,” (internal document)
- World Resources Institute (WRI) (2022) “*Synthesis of relevant work and priorities ahead: Meeting to support progress on the MDB joint statement on nature, people, and planet*,” (internal document)

MI 1.3 Analysis

Element 1.3.1: The MO’s strategic vision is aligned to the 2030 Sustainable Development Agenda and other relevant global commitments as appropriate and their results.

CDB’s Strategic Plan 2020–24 and associated policies explicitly align the Bank’s vision with the 2030 Agenda for Sustainable Development, the Paris Agreement on Climate Change, and the Sendai Framework for Disaster Risk Reduction.

CDB is rated **satisfactory**. Strategic plans and results frameworks over the period are clearly aligned with the Sustainable Development Agenda and other global commitments.

Strategic Plans:

CDB has embedded the SDGs into its strategic planning through its Strategic Plan 2020–2024 and the Strategic Plan Update 2022–2024. The Bank’s five resilience pillars—social, environmental, production, financial, and institutional—are directly aligned with the SDGs. CDB’s mission—“Reducing poverty and transforming lives through resilient, sustainable and inclusive development”—is aligned with SDGs 1, 10, and 13.

CDB’s core Strategic Objectives (SOs) from the 2022-24 SPU are explicitly mapped to the SDGs. CDB supports these objectives through loans, grants, and technical assistance:

- Building Social Resilience: Aligned with SDGs: 1 (No Poverty), 2 (Zero Hunger), 4 (Quality Education), 5 (Gender Equality), 6 (Clean Water and Sanitation), 8 (Decent Work and Economic Growth), 10 (Reduced Inequalities), 11 (Sustainable Cities and Communities).
- Building Production (formerly Economic) Resilience: Aligned with SDG 9 (Industry, Innovation and Infrastructure) through efforts to improve infrastructure, promote MSMEs, and enhance competitiveness
- Building Environmental Resilience: Aligned with SDG 13 (Climate Action), SDG 14 (Life Below Water), and SDG 15 (Life on Land) through climate adaptation, disaster risk reduction, and sustainable natural resource management

- Building Financial Resilience: Strengthening public financial management and fiscal sustainability (SDG 16).
- Building Institutional Resilience: Capacity building for implementation and governance reforms (SDGs 16, 17).

The Strategic Plan's RMF includes 75 indicators across four levels, a large share of which are mapped to the SDGs:

- Level 1: Caribbean Development Progress - Tracks regional progress on SDGs 1, 4, 7, 8, 10, 13, and 16.
- Level 2: CDB's Contribution to Development Outcomes: Measures outputs and outcomes in areas such as education, agriculture, water and sanitation, MSMEs, energy, and climate resilience—all linked to relevant SDGs.
- Level 3 & 4: Operational and Organisational Efficiency: Includes indicators for gender equality, climate-informed design, digitalisation, and governance, aligned with SDGs 5, 9, 13, 16, and 17

However, whereas the RMF indicators are mapped to the SDGs, the RMF itself does not incorporate official SDG indicators but rather proxy indicators for SDG progress.

This practice of aligning the Strategy Plan and RMF to the SDGs has continued with the new TYS.

Addressing Climate and Disaster Risk

CDB's Climate Resilience Strategy (CRS) 2019–2024 emphasizes climate-resilient, sustainable development. It directly links to SDG 13 (Climate Action) and has cross-cutting relevance to other SDGs (poverty reduction, water, energy, infrastructure). According to the CRS, all BMCs have ratified the Paris Agreement and committed to implement Nationally Determined Contributions (NDCs). CDB aims to support NDC implementation through:

- Scaling up adaptation and resilience investments in climate-sensitive sectors (water, agriculture, infrastructure, urban development).
- Mobilizing concessional climate finance and leveraging partnerships (e.g., Green Climate Fund, Adaptation Fund).
- Building institutional capacity for climate risk screening, monitoring, and reporting.

The CRS requires that disaster risk management and climate resilience be integrated into all operations and promotes:

- Strengthening early warning systems, risk assessments, and community-level resilience.
- Promoting ecosystem-based adaptation and resilient infrastructure.
- Supporting policy and governance reforms for integrated climate and disaster risk management.

The CRS results framework indicators directly link to SDG 13- Climate Action, while providing indirect support to additional indicators, and to the NDCs. The CRS RF also includes indicators related to disaster risk management.

In 2021, CDB committed to delivering at least 30 % of total approvals as climate finance by 2025 and that 100% of its operations would be Paris-aligned by 2022. In the most recent SDF 11 Framework paper, CDB commits to targeting up to 35% climate finance through its allocations during the first two years and 40 percent by the fourth year.

CDB signed the joint statement by the MDBs: Nature, People and Planet in 2021 as part of its intention to mainstream nature into policies, analysis, and investments. CDB participates in the MDB Nature Group, which brings together MDBs to collaborate on biodiversity, nature-based solutions, and nature-positive finance. The Meeting to Support Progress on the Multilateral Development Bank Joint Statement on

Nature, People, and Planet: Synthesis of Relevant Work and Priorities Ahead" (2022) notes that CDB aims to allocate 25–30% of its resources to climate action by 2024, leveraging concessional finance to deliver adaptation and nature-related outcomes.

Through its operations, CDB supports BMCs' adaptation and mitigation strategies, screens projects for climate risks, and integrates climate resilience work in disaster risk management. However, while CDB has applied the common MDB methodology since 2023 and publicly reports alignment status in its Annual Reports, it has not yet published a Bank-specific detailed methodology or internal guidance note and does not report on the proportion of its operations that are Paris-aligned.

Element 1.3.2: The MO applies a system to track results aligned to the 2030 Sustainable Development Agenda and other relevant global commitments.

CDB tracks its contribution to progress toward the SDGs through its annual Development Effectiveness Reviews (DERs). CDB monitors its contribution toward SDG progress and other long-term development objectives across the Caribbean through its Level 1 and Level 2 indicators in its RMF.

CDB is rated **satisfactory**. CDB has mechanisms for tracking progress toward the SDGs and CDB's contribution through its RMF.

At Level 1, CDB provides a regional snapshot of progress, reflecting the collective efforts of governments and development partners. At Level 2, the Bank links its operational results to SDG-related outcomes more by mapping the outputs of its operations (such as classrooms built, teachers trained, water systems upgraded, renewable energy installed, and climate resilience strengthened) to specific targets for the 2020–24 period. These targets were revised upward for 2025 following the extension of the SPU. Rather than a formal tagging of projects to different SDGs, CDB cascades its Level 2 indicators to operations in different sectors, enabling a picture of how its operations contribute to the SDGs. Progress is communicated using traffic light signals card and cumulative results tables. For example, the 2023 DER highlights contributions to SDG 4 through the construction of over 2,200 classrooms and training of more than 6,000 educators.

With respect to other global commitments 2024 DER reports progress on SDG 13 through climate finance commitments, reaching 33.5% of total approvals and greenhouse gas reductions of 178,000 tonnes of CO₂ equivalent in 2024. Additionally, CDB reports on: (i) the number of BMCs with strengthened regulatory frameworks, strategies or policies to build resilience and adaptive capacity to climate-related hazards; (ii) Additional communities with improved capacity to address CC and DRM (number); (iii) Beneficiaries (direct) of resilient infrastructure construction/enhancements; and (iv) the proportion of capital projects with climate-informed design or a Climate Vulnerability Risk Assessment. These indicators aligned to MDB commitments under the Paris Agreement and the Sendai Framework.

CDB conducted a Paris Alignment Assessment in 2021 using the CDB Paris Alignment Assessment: Monitoring and Reporting Tool. It provides a structured framework to evaluate the Bank's alignment with the goals of the Paris Agreement. The tool assesses performance across six building blocks and 36 indicators, covering mitigation, adaptation and resilience, climate finance, policy engagement, reporting, and internal institutional alignment. Each indicator is rated on a scale from Unaligned to Transformational, allowing the Bank to track progress toward Paris alignment and identify areas requiring improvement.

The 2021 assessment found that CDB was largely aligned with the Paris Agreement, with 29 of the 36 indicators assessed as Paris-aligned, five showing some progress, and two remaining unaligned. Strong performance was noted in areas such as climate risk screening, adaptation and resilience programming, community protection, climate finance mobilization, integration of climate considerations into country strategies, and institutional policies supporting vulnerable groups and disaster risk reduction. The assessment also notes that CDB integrated climate change across sector strategies and adopted measures to reduce the carbon footprint of its internal operations.

However, the assessment identified some gaps that limit full alignment. Notably, the Bank lacked policies restricting fossil-fuel financing and does not apply shadow carbon pricing, and progress remained partial in areas such as tracking climate finance, improving transparency of climate-related information, ensuring coherence between national plans and climate commitments, and encouraging financial intermediaries to adopt climate resilience targets.

Element 1.3.3: The MO's progress on implementation and aggregated results against global commitments, including Agenda 2030 and other global commitments, are published at least annually.

CDB publishes its DER annually, providing an overview of how the expected results of operations contribute to progress toward the SDGs across the region.

CDB is rated **satisfactory** based on the quality of its annual reporting on SDG progress throughout the region.

The Development Effectiveness Review, published annually, provides a holistic assessment of progress toward SDG-aligned development indicators, taking stock of regional progress and key drivers, based on Level 1 of CDB's RMF. Level 2 of the framework identifies the outputs of approved projects under CDB's different corporate priority areas aligned to SDG-aligned indicators in Level 1, providing an illustration of how CDB's operations are contributing to the SDGs across the region, providing illustrative examples in different countries.

Each DER presents aggregated results mapped to SDG targets, including poverty reduction, education, gender equality, climate action, and governance. Progress toward corporate targets are communicated through traffic-light scorecards, trend analysis, and cumulative results tables. It is not clear, however, to what extent targets at Level 2 cover overall investment needs of the region required to achieve different SDG targets for core indicators.

Of note, the target data provided reflects ex-ante projections from approved projects and results achieved are presented ex-post based on actual implementation. Furthermore, it is not clear to what extent CDB's operational targets at Level 2 of its RMF reflect the level of investment and outputs needed to achieve the SDGs.

MI 1.4: Financial Framework supports mandate implementation.

- Element 1.4.1: The MO's financial and budgetary planning ensures that all priority areas have adequate funding in the short-term or are at least given clear priority in cases where trade-offs are required.
- Element 1.4.2: The MO has a single integrated budgetary framework that ensures transparency.
- Element 1.4.3: The MO's financial framework is reviewed regularly by its governing body.
- Element 1.4.4: The MO has Trust Funds and grants in place to complement lending activities and support thematic priorities and Global Public Goods.
- Element 1.4.5: A framework is in place to enable and guide the raising of funds including from donors, own income and other sources, to support advisory services, technical assistance, analytical work and blended concessional finance to deliver on the MO's corporate objectives.
- Element 1.4.6: Policies/measures are in place to ensure that funds raised from the capital markets as well as from donors and other partners are managed efficiently and applied flexibly to target priority themes and markets as needed.
- Element 1.4.7: The MO manages concessional funds to optimise development impact in line with strategic priorities agreed with donors. When concessional funds are provided as part of a financing

package, they are applied flexibly in line with the DFI Enhanced Blended Concessional Finance Principles for Private Sector Operations.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 1.4	Satisfactory	2.71	
Element 1.4.1	Unsatisfactory	2	Medium
Element 1.4.2	Satisfactory	3	Medium
Element 1.4.3	Satisfactory	3	High
Element 1.4.4	Satisfactory	3	High
Element 1.4.5	Satisfactory	3	High
Element 1.4.6	Satisfactory	3	High
Element 1.4.7	Unsatisfactory	2	Medium

MI 1.4 Evidence confidence

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MI 1.4 Analysis

Element 1.4.1: The MO’s financial and budgetary planning ensures that all priority areas have adequate funding in the short-term or are at least given clear priority in cases where trade-offs are required.

CDB develops an annual two-year rolling indicative Work Program and a corresponding budget, articulated in CDB’s Work Programme and Budget (WPB). Although the budget provides a clear picture of funding across all sources, income and budget outturn, it does not clearly present whether the administrative budget is sufficient to support priority areas or where potential trade-offs might arise.

CDB is rated **unsatisfactory**. CDB presents an integrated budget but is not clear that all priority areas have adequate funding in the short-term..

CDB develops an annual two-year WPB, approved each December, that serves as the Bank's work programme and resource framework. This document is anchored in the Strategic Plan Update 2022–2024 and aligned with its strategic objectives (Building Resilience, Enhancing Competitiveness, and Promoting Inclusion) while integrating cross-cutting themes of good governance, gender equality, regional cooperation and integration, and digital transformation.

The WPB includes projections for project approvals disaggregated by strategic objective, by country classification (Groups 1–3), and by funding modality (OCR investment lending, policy-based lending, grants from Special Funds Resources (e.g. SDF and OSF), and intermediary financing). It combines indicative country work programmes for BMCs with resource envelopes calibrated against capital availability, project readiness, and strategic fit.

Anticipated activities and lending are presented alongside the Bank's available resources, capital adequacy and anticipated income from securities and lending activities. The WPB 2025-26 (approved December 2024) maintains a principle of zero real growth in administrative expenses while accommodating inflationary adjustments (3.8%) and strategic investments in technology, governance reforms, and climate-resilience tools.

CDB's budgeting process is collaborative but not formally iterative (e.g. the "W" process utilized by the World Bank). It incorporates scenario analysis (baseline, optimistic, and pessimistic) in the annual WPB and uses one efficiency indicator -- administrative expense ratio (administrative expense per USD million of total project disbursements, three-year average). A capital budget is presented, illustrating planned investments in facilities, equipment and systems.

A key challenge lies in how human resources are reflected, accounting for approximately 70% of the overall administrative budget. Until 2024, all human resource allocations were reflected as a single consolidated budget line mapped to the Human Resources Department. Only the most recent budgets for 2025-26 and 2026-27 provide a breakdown of position numbers across departments. However, this mapping across departments does not constitute an alignment of the budget to strategic priorities nor results.

Furthermore, because there is no breakdown of the staff hours required to perform different tasks, it is unclear whether the proposed budget is sufficient to deliver on the priorities of the SP/SPU. If trade-off have been made, it is unclear where they lie and what are the implications for results. These constraints make is very challenging to understand if institutional budget is sufficient to enable delivery on results. Compared with most MDBs which incorporate full scenario analysis, multiple efficiency ratios, and dollar-based headcount flexibility, CDB's BPB offers clear strategic alignment but limited forward-looking agility, scenario planning, and transparency.

This challenge is reflected in feedback from CDB staff, BMCs and Board members who responded to MOPAN's partner survey, with only 45% of these respondents agreeing that budgeting and human resource allocation is transparent and aligned to strategic priorities.

CDB's budgeting and resource allocation is transparent and aligned to strategic priorities.



Element 1.4.2: The MO has a single integrated budgetary framework that ensures transparency.

CDB maintains a single integrated budgetary framework through its annual WPB that identifies planned activities across all fund sources.

CDB is rated **satisfactory**. Its integrated budget framework reflects good practice across IFIs.

CDB's rolling two-year WPB document provides a full view of all resources, including the Bank's current capital position, available SDF resources, income and earnings and overall budget outturn. It provides a consolidated picture of the Bank's resources available to deliver its on its strategic priorities and its capital position.

In its annual WPB, CDB outlines strategic, operational, and human-resource needs underpinning the proposed budget directions. The WPB presents a baseline scenario; optimistic (high-case), and pessimistic (low-case) scenarios. The framework details indicative approvals and disbursements, administrative expenditure by cost category (compensation, travel, consultants, etc.), and capital investments in the OP365 platform, risk-management tools, and governance reforms.

Between 2022 and 2025, CDB's administrative budget grew 14% in nominal terms to accommodate expanded operations and institutional strengthening, while maintaining a policy of zero real growth in administrative expenses.

Element 1.4.3: The MO's financial framework is reviewed regularly by its governing body.

CDB's financial framework is subject to multiple layers of periodic review by its Board of Directors, including through annual approval of the Work Programme and Budget, ongoing review of the Capital Adequacy Framework and the four-year SDF Replenishment Process.

CDB is rated **satisfactory** based on regular review of different aspects of its financial framework by management and its Board of Directors.

Review of the WPB

As noted above, CDB's Board reviews its two-year rolling Work Programme and Budget (WPB) on an annual basis. This includes an overview of the income and capital position.

Beyond the WPB, CDB's Board has actively engaged with CDB management over the assessment period to review and enhance the Bank's Capital Adequacy Framework (CAF) through a multi-year reform programme. These actions were driven by internal priorities, portfolio developments, and external guidance emerging from the G20 recommendations on multilateral development bank (MDB) capital adequacy.

Evolution of the Capital Adequacy Framework

In 2021, the Board approved a new Capital Adequacy Framework built around the Risk-Adjusted Capital (RAC) model, replacing CDB's prior economic-capital approach. The 2021 Annual Report notes that the Board adopted the RAC methodology to provide a more comprehensive and risk-sensitive assessment of capital coverage across credit, market, concentration, and operational risks. This change also allowed for clearer risk-weighting of a broader range of exposures and stronger alignment with industry standards for MDBs. The RAC model sets a policy floor of 24% and an internal monitoring threshold of 27%, noting that while the policy floor will be met, the internal threshold could be breached under baseline assumptions. Stress tests show potential breaches under severe downgrades.

In 2022, after significant market volatility and associated unrealised losses caused the RAC ratio to temporarily fall below the 24% policy threshold, the Board took two major actions. First, it conducted a review of the RAC policy and reaffirmed the appropriateness of the 24% minimum requirement. Second, it authorised a temporary waiver for the breach through end-2023, allowing Management time to implement

corrective actions, including a new hedging programme to mitigate interest-rate risk. These measures were documented in Moody's 2023 rating action.

Throughout 2023, the Board oversaw the development of a capital adequacy reform roadmap, responding to the evolving G20 CAF agenda. This roadmap includes planned reforms to strengthen CDB's approach to managing credit risk, concentration risk, market risk, operational risk, and liquidity processes. The Board was also engaged in reviewing Management's exploration of balance-sheet optimisation instruments, including portfolio insurance, exposure exchange agreements, and guarantees.

In 2024, the Board advanced a deeper transformation of capital governance. It endorsed the development and testing of a new economic capital model, to operate alongside the RAC and further enhance solvency analysis. It also approved a plan to develop a formalised callable capital framework, clarifying how callable capital may be assessed and mobilised in extreme stress scenarios. These steps strengthened alignment with peer MDBs and improved transparency around capital utilisation and risk buffers.

CDB is currently moving to adopt an Economic Capital Adequacy (ECAP) framework as part of enhancing its capital adequacy approach and aligning with G20 CAF recommendations and peer MDB practices. This shift is driven by the need for a more granular, institution-specific and forward-looking approach to capital adequacy that better reflects the Bank's risk profile and development mandate, while also responding to evolving expectations from credit rating agencies and global financial standards.

ECAP provides a risk-sensitive method for assessing capital needs by modelling risks (credit, market, operational, etc.) using advanced techniques such as scenario analysis and Monte Carlo simulations. It complements the existing Risk-Adjusted Capital (RAC) approach, with ECAP guiding internal decision-making (e.g., risk appetite, capital planning) while RAC supports external benchmarking and credit rating alignment. The framework strengthens risk management, financial resilience, and strategic capital allocation, enabling the Bank to better absorb shocks, improve investor confidence, and potentially support credit rating upgrades. It also aligns CDB with other AAA MDBs that already use ECAP. Implementation will be integrated into the Bank's risk appetite framework, with regular monitoring and reporting, and is expected to be fully operational by 2026.

The most recent comprehensive CAF review, approved in June 2023, raised the minimum capital adequacy ratio from 35% to 40%, aligned prudential ratios with international standards, and enhanced CDB's lending headroom by approximately USUSD250 million.

These reviews are supported by analytical inputs from the Finance Department and the Office of Risk and Compliance, including financial projections and annual stress-testing exercises (baseline, adverse, severely adverse scenarios). While oversight is robust, reviews occur on an event-driven basis (typically every 4–6 years) rather than a fixed cycle, and public documentation of Board decisions remains limited; only summary minutes are posted. Compared with peers, who have a highly structured review process explicitly linked to their rolling Work Programs and Budget Frameworks, CDB's approach demonstrates strong governance and sound prudential oversight, though less formalised in timing, scenario disclosure, and public transparency.

This ongoing review of the Bank's Financial Framework has contributed to the strong financial position of the organisation. Key Strengths of CDB's financial framework include:

- Capitalization: Fitch assesses CDB's capitalization as "excellent," with a usable capital/risk-weighted assets ratio of 68% and equity-to-adjusted assets of 45% as of September 2024, well above thresholds for top-tier MDBs. S&P reports a RAC ratio of 29.7% as of mid-2024, exceeding its 23% benchmark for "extremely strong" capital adequacy.
- Callable Capital: S&P notes USUSD205 million in eligible callable capital from highly rated shareholders (Canada, UK, Germany), providing an additional solvency buffer.

- Liquidity: Moody's highlights that CDB's liquidity coverage improved to over 400% of net outflows in 2024, supported by conservative liquidity policies and diversified funding sources. Fitch rates liquidity as "aaa," citing coverage of short-term debt at 9.0x and high-quality treasury assets.
- Leverage: Moody's reports leverage at 1.6x in 2024, still low compared to similarly rated MDBs.

To address concentration risk and enhance resilience, CDB has implemented Enterprise Risk Management Framework (ERMF) reforms, which include:

- Updating internal risk appetite statements and strengthening capital adequacy monitoring.
- Executing a USUSD450 million Exposure Exchange Agreement (EEA) with CABEL in May 2025, reducing single-name exposure from 17% to 9% and top-10 exposures from 87% to 68%.
- Negotiating a USUSD200 million Portfolio Credit Guarantee with Canada to transfer credit risk and create lending headroom.
- Maintaining high prudential limits, such as single-borrower exposure caps (40% of loans or 50% of available capital).

Replenishment of the Special Development Fund

CDB's Board of Directors also reviews CDB's management and allocation of Special Funds through the Special Development Fund (SDF) Replenishment process

The SDF replenishment is a structured, multi-year negotiation and approval process through which contributing member countries agree on new financial resources and strategic priorities for the Fund. Overall, the SDF replenishment process serves as both a financing mechanism and a governance platform, aligning donor priorities, regional development needs, and CDB's strategic direction.

Because the SDF is CDB's largest pool of concessional financing, the replenishment process is central to shaping the Bank's support for poverty reduction, resilience building, and sustainable development across its Borrowing Member Countries (BMCs).

Each replenishment covers a cycle of four years. CDB first implements a range of analysis of the development context, results from the previous cycle, demand for concessional resources, and institutional performance. These analyses support early consultations with contributors and borrowers, helping frame the strategic direction and financing needs for the upcoming cycle. This is followed by a formal negotiation process with CDB's member to discuss: (i) the overall replenishment size; (ii) burden-sharing among donors; (iii) the policy and strategic priorities of the new cycle; and (iv) any reforms to allocation rules, instruments, or results frameworks.

A key output of negotiations is the SDF Replenishment Paper, which includes the proposed financial envelope, Performance-Based Allocation (PBA) parameters, thematic focus areas, policy actions, and results framework. Contributors agree on specific reforms or operational commitments expected from CDB during the cycle. Once consensus is reached, donors formally announce their pledges.

The process concludes with the Resolution and Report of Contributors, which is submitted to CDB's Board of Governors for approval. This document codifies the agreed contributions, strategic objectives, governance provisions, and monitoring requirements. After approval, the new cycle becomes effective, allowing CDB to commit and disburse resources according to the replenishment agreement.

During the cycle, CDB provides annual reporting to donors—through SDF Annual Reports and mid-term reviews—to demonstrate progress on targets, financial performance, and policy commitments. This transparency and ongoing dialogue lay the foundation for the next replenishment, making the process cyclical and iterative.

Element 1.4.4: The MO has Trust Funds and grants in place to complement lending activities and support thematic priorities and Global Public Goods.

CDB complements its lending operations with concessional resources mobilised through the Special Development Fund (SDF), its largest and oldest special fund, and other grant-based instruments. Beyond the SDF, CDB implements a range of other Special Fund Resources in partnership with its members to address different priorities. These may be received from members and non-members (e.g., EIB, IDB, or AFD).

CDB is rated **satisfactory**. Its range of special funds resources to address thematic priorities, poverty and vulnerability reflect good practice across IFIs.

The SDF is replenished in four-year cycles through negotiations with 27 donors and approved by the Board of Governors. It plays a critical role in financing poverty reduction, resilience-building, and thematic priorities such as climate change, disaster risk management, gender equality, and regional cooperation.

Article 8 of CDB's Articles of Agreement establishes the legal foundation for the SDF and other special funds, requiring full separation from OCR. These resources enable lending on softer terms (longer maturities and lower interest rates) than ordinary operations. The Bank may also establish and administer other special funds aligned with its purpose, subject to rules approved by its governing bodies. No paid-up capital, reserves, or OCR borrowings may be allocated to special funds.

Strategic Plan 2020–2024 and its Update 2022–2024 position the SDF as CDB's primary concessional financing window to complement lending and advance thematic priorities such as poverty reduction, climate resilience, gender equality, and disaster risk management. Both plans emphasize resource mobilization through replenishments and partnerships, blending SDF with Ordinary Capital Resources to reduce borrowing costs for Borrowing Member Countries.

Under SDF 10 (2021–2024), contributors agreed on a programme level of USUSD383 million, financed by USUSD156 million in new contributions and USUSD227 million in internally generated resources. The cycle introduced set-asides for emergency response (USUSD40 million) and resilience-building, alongside targeted support for Haiti and the Basic Needs Trust Fund (BNTF 10). Priority sectors were grouped under Social, Economic, and Environmental Resilience, with cross-cutting themes of gender, governance, digitalisation, and RCI.

For SDF 11 (2025–2028), approved in March 2025, the Board-endorsed framework expands to five resilience pillars—environmental, social, production, financial, and institutional—supported by cross-cutting themes of gender equality, good governance, innovation inclusive of digitalisation, and regional cooperation and integration. Contributors endorsed a programme level of USUSD460 million, including USUSD126 million in new contributions and a USUSD82 million structural gap (currently down to USD54 million) to be closed via additional pledges and partnerships. SDF 11 introduces a USUSD25 million Project Preparation Facility focused on climate projects and sets a climate finance target of 35% of approvals (up from 28% in SDF 10), leveraging GCF accreditation and co-financing. SDF 11 support to the PPF is USD 3 million and other funding sources are to be sought. Priority sectors include:

- Environmental Resilience: climate action, disaster risk financing, biodiversity, renewable energy (ASERT-2030)
- Social Resilience: education (SEN policy), WASH, social protection, health, citizen security
- Production Resilience: climate-smart agriculture, MSME support, resilient infrastructure
- Financial Resilience: PFM, debt sustainability
- Institutional Resilience: digitalisation, implementation capacity
- Cross-cutting: gender (GEAP set-asides), governance, RCI (trade, IP ecosystem)

CDB also administers thematic trust funds and grant facilities, including the Cultural and Creative Industries Innovation Fund (CIIF), Climate Action Line of Credit (CALC), EU-Caribbean Investment Facility, and disaster risk financing instruments under DiMSOG 2021. These enable flexible channelling of global public goods.

Table 3. CDB Programmes and Funds

Programme/Fund	Description	Focus Area
AFD/EU Caribbean Infrastructure Facility (CIF)	€33 million initiative to fund sustainable infrastructure projects. There has since been a second AFD facility approved in 2023 of USD 50 million. The new facility also includes a grant element of EUR 5 million.	Infrastructure, climate resilience
Caribbean Action for Resilience Enhancement (CARE)	€14 million, five-year initiative supporting disaster risk management and climate resilience.	DRM, climate resilience
Supporting Resilient Green Energy (SuRGE)	Supports capital investments and technical assistance for sustainable energy.	Renewable energy, resilience
EIB Water Management and Clean Oceans Framework	Supports investments in integrated water resources management	Water and sanitation and climate resilience
UK Caribbean Infrastructure Partnership Fund (UKCIF)	Provides grant financing for infrastructure projects.	Infrastructure, economic development
EPA and CSME Standby Facility for Capacity Building	EU-funded pool for trade-related projects advancing the CSME and EPA.	Trade, regional integration
EU-CDB Regional Food Security Programme	Enhances sustainability and resilience of food systems.	Food security, agriculture
Sustainable Energy for the Eastern Caribbean (SEEC)	Multi-donor trust fund and grant facility for energy security.	Energy security, sustainability
Special Development Fund (SDF)	Largest pool of concessional funds for poverty and human development.	Poverty reduction, human development
Bank Programmes Supported (or part-funded) by the Special Development Fund		
Basic Needs Trust Fund (BNTF)	Flagship poverty reduction programme providing grants to vulnerable communities.	Poverty reduction, community development
Caribbean Technological Consultancy Services (CTCS)	Supports development of MSMEs through technical assistance.	Private sector, MSME development
Cultural and Creative Industries Innovation Fund (CIIF)	Multi-donor fund supporting the creative industries sector.	Creative economy, cultural industries
SheTrades Caribbean Hub	Resource centre supporting women entrepreneurs.	Gender equality, entrepreneurship
Compete Caribbean	Multi-donor private sector development program	Private Sector and Innovation
Climate Change Project Preparation Fund	Fund to identify, design and prepare high-impact programmes and projects which address climate change adaptation and mitigation needs	Climate change

Source: <https://www.caribank.org/our-work/programmes>

CDB provides robust oversight for its use of the SDF resources, including through standalone annual reports, annual audits and separate financial statements. CDB produces an annual report for the SDF that provides an overview of: (i) the total resource envelope, including total funds pledged for the cycle and paid-in versus pledged contributions; (ii) financial statements for the fund; (iii) annual commitments and disbursements and cumulative totals by cycle; (iii) allocation of SDF resources to each BMC; and (iv) allocation of resources by sector, theme and instrument. Finally, these reports provide a clear breakdown of the results achieved (output and outcome level) and progress against targets, both annual and cumulative.

Element 1.4.5: A framework is in place to enable and guide the raising of funds including from donors, own income and other sources, to support advisory services, technical assistance, analytical work and blended concessional finance to deliver on the MO's corporate objectives.

CDB's SDF resources and resources from other donor partnerships play a critical role in supporting the provision of Technical Assistance.

CDB is rated **satisfactory**. Its financial framework enables it to channel concessional resources to support its corporate priorities by providing technical assistance and blended finance is highly relevant to the needs of its BMCs.

Technical Assistance (TA) is among CDB's core operational support modalities and plays a key role in reinforcing its comparative advantage. In 2024, CDB approved USD 303.5 million in Technical Assistance for BMCs.

CDB primarily delivers TA to BMCs through its Special Development Fund resources and bilateral and multi-donor partnerships. The SDF is the cornerstone of CDB's TA support to BMCs, including through SDF-funded programmes such as the Basic Needs Trust Fund and the Caribbean Technological Consultancy Services Programme Fund.

With respect to delivery of TA, SDF grants support:

- Project Preparation TA that supports pipeline development and bankability through feasibility studies and project designs;
- Implementation TA that strengthens project execution and implementation quality through support to PMUs and provision of procurement and financial management training;
- Institutional strengthening for BMCs to improve national capacity, particularly in the areas of PFM, planning and regulatory reform;
- Thematic TA to support capacity for cross-cutting issues, including climate, gender and digitalization;
- Rapid Response TA to address urgent support needs and provide advisory support during emergencies; and
- Regional TA, including regional development capacity programmes that provide training and build knowledge networks across BMCs.

Beyond these activities, SDF grants play an important role in supporting regional workshops, knowledge platforms, peer learning and work through Caribbean regional institutions.

Other partnerships that support CDB's provision of TA include:

- The United Kingdom Caribbean Infrastructure Programme (UKCIF), a Pound 350 million grant-funding initiative that supports climate-resilient economic infrastructure in eligible countries;
- The EIB/EC EUR 100 million loan to support projects in water/waste/stormwater management, combined with a EUR 17.35 million grant from EC's Caribbean Investment Facility (CIF);
- The AFD/EU Caribbean Infrastructure Facility, a US 33 million initiative to support sustainable infrastructure with a new USD 50 million agreement signed in 2023 and a grant of EUR 5mn signed in 2025;
- The Climate Change Project Preparation Fund;
- Caribbean Action for Resilience Enhancement (CARE);
- Supporting Resilient Green Energy (SuRGE); and
- Sustainable Energy for the Eastern Caribbean (SEEC).

Unlike some other MDBs, CDB does not currently identify an own-income fund to provide flexible support for its TA activities. Given the importance of TA provision for CDB's business model and strong financial position, an own-income TA fund provides the possibility of allocating additional funds to BMCs to support strategic and programmatic approaches to delivering TA without requiring countries to draw down their SDF allocations.

Element 1.4.6: Policies/measures are in place to ensure that funds raised from the capital markets as well as from donors and other partners are managed efficiently and applied flexibly to target priority themes and markets as needed.

CDB's SDF plays an important role in ensuring that funds raised by donors are managed efficiently and can be applied flexibly to support delivery of strategic priorities.

CDB is rated **satisfactory**.

Donor and trust-fund resources are managed through segregated accounts subject to annual external audit and separate financial statements with some flexibility to reallocate funds under certain circumstances.

Of note, all of CDB's BMCs can access SDF resources. For loans it is based on Performance-based allocation (PBA) system, aligned to the high level of climate vulnerability across its BMCs. Category 1 countries can only access these resources to support regional operations and for disaster resilience support. However, Category 1 countries have access to other components (e.g., environmental resilience loans and grants GE grants). Stakeholders report that the SDF plays an important role in enhancing the efficient management of Special Funds Resources across the Bank by consolidating negotiations around country allocations and agreed themes and maximising flexibility in how these funds can be allocated. CDB does not charge an administrative fee for management of the SDF.

CDB recently updated its PBA System for SDF 11 to enhance consideration of country vulnerability and resilience factors. The updated system involves the calculation of a composite score that considers GDP against the Caribbean Multidimensional Vulnerability Index and the number of poor people in the country. This system is used to allocate SDF resources to CDB's group 2 countries. Under SDF 11, these include Barbados, Belize, Dominica, Grenada, Jamaica, Saint Lucia, Saint Vincent and the Grenadines and Suriname. Under the new framework, Guyana moves to Group 1.

Stakeholders note, however, that working through OSF can incur additional transaction costs with respect to administrative fees that are negotiated for each fund between the Bank and the donor involved. The administrative fee is negotiated individually for each fund and can vary. Additional transaction costs can come from specialised reporting requested by specific donors. "

CDB is currently in the process of drafting a resource mobilisation strategy to guide its activities in mobilising partnership funds from philanthropies, the private sector and other donors, including non-member countries. At present, the SDF accounts for the majority of partnership resources, promoting greater efficiency. However, as partnerships with other actors expand, CDB may need to identify common governance frameworks and reporting frameworks to avoid additional transaction costs.

Element 1.4.7: The MO manages concessional funds to optimise development impact in line with strategic priorities agreed with donors. When concessional funds are provided as part of a financing package, they are applied flexibly in line with the DFI Enhanced Blended Concessional Finance Principles for Private Sector Operations.

CDB lacks a means of demonstrating that blended finance provided to nonsovereign clients has been done in alignment with the DFI Enhanced Principles.

CDB is rated **unsatisfactory** because its existing processes do not reflect good practice. Blended finance is likely to play an increasingly important role in CDB's operations going forward. It will be essential to identify means of formally demonstrating additionality and demonstrating minimum conditionality in line with best practice as the nonsovereign portfolio expands.

- CDB's Private Sector Development Strategy 2023–2028 outlines its approach to managing and applying blended finance, particularly in the context of expanding private sector development and

resilience. The strategy proposes a multi-source, multi-instrument approach to mobilise resources for private sector that includes:

- Blending resources from public and private sectors.
- Co-financing arrangements with bilateral, multilateral, and international partners.
- Crowding in private capital through market-based instruments such as loan syndication, equity and quasi-equity investments, guarantee instruments and credit insurance, including through a new Trade Finance Guarantee Programme (TFGP).
- Replenishing the Private Sector Development Fund and the Caribbean Technological Consultancy Services (CTCS) to expand lending and technical assistance capacity.

The strategy explicitly uses concessional resources to de-risk direct private sector lending and pilot innovative instruments (e.g., partial credit guarantees, trade finance facilities) while protecting the AA+ rating through strict exposure limits. It also channels concessional climate finance into private sector adaptation/mitigation under the Climate Resilience Strategy 2021–2025, targeting 35% climate-tagged private operations by 2028. CDB's concessional private sector architecture remains small (USUSD180 million) but sharply focused on de-risking and regional MSME resilience.

As CDB expands activities in this area, there is a need for a more formalised and transparent approach to ensuring these funds are allocated in line with the DFI Enhanced Blended Finance Principles for Private Sector Operations. CDB's 2017 Private Sector Development Policy and Strategy and 2023-28 Private Sector Strategy both identify additionality as a central principle, meaning that "CDB's interventions will bring additionality to the flow of funds to the private sector, in cases where the project cannot be implemented without the Bank's support." However, CDB does not possess a formal framework for assessing financial and non-financial additionality in its nonsovereign operations.

Furthermore, CDB does not have a formalised approach for ensuring alignment with the DFI Enhanced Principles nor in reporting on the level of subsidy among nonsovereign operations receiving blended finance. It will be important to develop systematic tools and approaches to demonstrate CDB's additionality to the Board of Directors and enhance transparency around ensuring minimum concessionality for transactions as CDB's nonsovereign portfolio expands.

KPI 2: Structures and mechanisms in place and applied to support the implementation of global frameworks for crosscutting issues at all levels, in line with the 2030 Sustainable Development Agenda principles.

Ratings

KPI /MI	Rating	Scores
KPI 2	Unsatisfactory	2.13
MI 2.1	Satisfactory	2.83
MI 2.2	Unsatisfactory	1.66
MI 2.3	Satisfactory	2.83
MI 2.4	Unrated	N/A
MI 2.5	Unsatisfactory	1.83
MI 2.6	Highly Unsatisfactory	1.50

MI 2.1: Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for gender equality and the empowerment of women.

- Element 2.1.1: The MO has a dedicated policy statement on gender equality and empowerment of women available with evidence of application.

- Element 2.1.2: The MO has gender equality and empowerment of women indicators and targets that are fully integrated into its and corporate objectives.
- Element 2.1.3: The MO's accountability systems (including corporate reporting and evaluation) reflect gender equality and empowerment of women indicators and targets.
- Element 2.1.4: The MO applies gender equality and empowerment of women screening checklists or similar tools to inform the design of investments and other operations.
- Element 2.1.5: The MO has identified human and financial resources to address gender equality and empowerment of women issues.
- Element 2.1.6: The MO's staff are trained on and/or have access to staff with expertise on gender equality and empowerment of women.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 2.1	Satisfactory	2.83	
Element 2.1.1	Satisfactory	3	Medium
Element 2.1.2	Satisfactory	3	Medium
Element 2.1.3	Satisfactory	3	Medium
Element 2.1.4	Satisfactory	3	Medium
Element 2.1.5	Satisfactory	3	Medium
Element 2.1.6	Unsatisfactory	2	Medium

MI 2.1 Evidence

- Caribbean Development Bank (2017) "Gender Marker System," (internal document)
- Caribbean Development Bank (2019) "Gender Equality Policy and Operational Strategy," <https://www.caribank.org/about-us/policies-and-strategies/2019-gender-equality-policy-and-operational-strategy>
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2020) "Gender Equality Action Plan 2020–2024," (internal document)
- Caribbean Development Bank (2021) "Strategic Plan Update 2022–2024: Repositioning for Resilience," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) "Development Effectiveness Review – 2023," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2024) "The Updated Gender Equality Action Plan 2025–2027," (internal document)
- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)

MI 2.1 Analysis

Element 2.1.1. The MO has a dedicated policy statement on gender equality and empowerment of women available with evidence of application.

CDB has dedicated policy statements for gender equality which is embedded in the Bank's strategic vision. CDB demonstrates a strategic commitment to gender equality through formal policies, action plans, and integration in its Strategic Plan. The frameworks are conceptually strong and aligned with international norms.

CDB is rated **satisfactory** based on alignment to good practice across IFIs.

CDB's 2019 Gender Equality Policy and Operational Strategy (GEPOS) outlines a comprehensive framework to advance gender equality both within its BMCs and within CDB. GEPOS promotes both gender mainstreaming and targeted actions to address systemic inequalities. The Gender Equality Action Plan 2020–2024 (GEAP), approved in 2020, sets out the Bank's approach to implementing the GEPOS. CDB's Strategic Plan 2020–2024 positions gender equality as a critical cross-cutting priority. The strategy views gender equality as essential to poverty reduction and inclusive development and aims to integrate it across all strategic objectives and operations. The Strategic Plan Update also includes gender equality as a critical cross-cutting area.

GEPOS 2019 builds on the original 2008 GEPOS and a 2018 independent evaluation. The evaluation found that while the 2008 policy had raised awareness of gender issues within the Bank and among BMCs, its implementation was uneven. Key findings and recommendations highlighted by the evaluation include:

- A stronger partnership with national gender machineries and partnership with regional institutions, such as CARICOM or UWI, and international development partners to leverage impact.
- Greater leverage of PBLs to support policy reforms and capacity-building.
- Linking gender equality more clearly to the other Bank development goals.
- Improved accountability and learning systems with attention to gender equality in work planning and performance reviews to hold individual staff members accountable. Additionally, improved production of evidence and knowledge products, such as the Country Gender Assessment publications.
- Tracking gender change at outputs and outcomes levels.
- Data analysis to demonstrate the effectiveness of gender mainstreaming and gender-targeted projects.

The evaluation also recommended developing a new Gender Equality Action Plan. These recommendations directly informed the 2019 revision of GEPOS, which introduced clearer targets, a dual-track approach for gender mainstreaming, and a more comprehensive framework for both internal and external gender transformation.

GEPOS 2019 aligns with the SDGs, specifically SDG 5, and sets targets for 2024, including ensuring that 90% of projects are gender-mainstreamed or gender-specific and that 80% of Gender Equality Action Plan projects deliver expected outputs.

To achieve its dual objectives—gender equality in BMCs and within CDB—GEPOS is structured around nine action pillars:

- External Pillars (BMCs):
 - Equitable access to infrastructure services for all;
 - Economic empowerment of all;
 - Education and training for all;

- Eliminating gender-based violence for all; and
- Resilience for all.
- Internal Pillars (CDB):
 - Work-life balance for all;
 - CDB's core values for the benefit for all;
 - Equitable treatment and empowerment of all; and
 - Safety and security for all.

These pillars are guided by five principles: “advocacy; partnerships and policy dialogue with multiple and diverse stakeholders; inclusive and participatory approaches that acknowledge diversity of social groupings; a dual-track approach of gender mainstreaming and gender-targeted support; institutional strengthening in BMCs; and enhancing leadership for, and increasing compliance with, gender equality.” Monitoring and evaluation mechanisms include gender audits, training programs, and grievance tracking to ensure transparency and progress. Through this strategy, CDB commits to embedding gender equality as a cornerstone of sustainable development across the Caribbean.

The Gender Equality Action Plan 2020–2024 (GEAP 2020-2024), approved in 2020, sets out the Bank’s approach to implementing the GEPOS. According to the GEAP, CDB is committed to mainstreaming gender equality (GE) across all projects and programs, fostering a culture of continuous learning, and ensuring sustainable development impact both internally and in BMCs. The GEAP includes a range of defined projects such as TA interventions, capital projects and sub-components, training initiatives, country assessments, and research activities. Internal organizational procedures outlined in the plan encompass policy guidelines, training, and the dissemination of gender-related tools and knowledge products. To measure the integration of gender into operations, all interventions will be scored using the Gender Marker—a tool designed to enhance project quality and support learning.

The GEAP 2020-2024 clarifies the main indicators that will be used to track GEPOS 2019:

- Ninety percent (90%) of all approved projects are classified as Gender Mainstreamed (GM);
- Ten percent (10%) of all approved projects are classified as Gender Specific; and
- Eighty percent (80%) of all projects implemented under the GEAP successfully achieve their expected gender-related outputs.

Additionally, the GEAP 2020-24 calls for CDB to enhance its internal gender networks and Community of Practice, assigning responsibility for gender-related performance indicators across all management levels. Gender Champions, Specialists, and Social Analysts will support the institutional framework by providing technical guidance for gender activities and monitoring and evaluation.

CDB, in 2024, updated its Gender Equality Action Plan (GEAP) for the period 2025–2027 in response to a series of global crises—including the COVID-19 pandemic, the war in Ukraine, and the ongoing climate emergency—that have disproportionately impacted vulnerable populations in the Caribbean. The updated GEAP builds on the foundation of the 2019 GEPOS and the GEAP 2020–2024, while introducing new priorities and approaches to address emerging challenges. Despite progress, the Caribbean continues to face persistent gender inequalities. Additionally, the lack of sex-disaggregated data and technical capacity hampers evidence-based policymaking and effective gender mainstreaming. The GEAP 2025-27 reported on the progress of the GEAP 2020-24 targets: by 2023, 78% of projects were gender-mainstreamed, 3% were gender-specific, and 70% achieved expected gender outputs. Implementation was delayed due to global disruptions, highlighting the need for a more responsive and resilient GEAP. Lessons learned from the previous plan included the need to strengthen National Gender Mechanisms (NGMs), improve financing mechanisms, address resistance to GE, and enhance data availability and institutional capacity.

The GEAP 2025–2027 introduces several new strategic changes. It has five pillars—Infrastructure for All, Economic Empowerment, Elimination of GBV, Resilience for All, and Internal Institutional Strengthening and External Partnerships—while integrating education as a cross-cutting theme rather than a standalone pillar. The updated plan emphasizes evidence-based approaches, including research and data generation to inform policy and operations. A total of USD 7.115 million is required for implementation of the updated GEAP. The GEAP 2025–27 proposed that the following modalities for fund allocation set aside: “(a) To extend eligibility for grant funding for gender interventions to all Client Countries independently of the country group; (b) To make grant funding available to infrastructure solutions for gender.” The plan maintains previous targets but updates the third indicator to track whether projects are achieving outputs as planned, acknowledging that not all will be completed by 2027. A new indicator will track the number of individuals benefitting from interventions that advance, disaggregated by sex.

The updated GEAP also outlines an indicative and proposed roadmap for revising the GEPOS for the 2027–2034 period. This includes an analytical foundation phase in 2025, extensive stakeholder consultations through 2026, and finalization of the revised GEPOS and GEAP by early 2027. The roadmap emphasizes inclusivity, evidence-based policymaking, and alignment with global best practices.

Element 2.1.2. The MO has gender equality and empowerment of women indicators and targets that are fully integrated into its and corporate objectives.

CDB has established a clear and progressively structured results framework for gender equality, integrating measurable indicators into its CRF, Strategic Plan 2020–2024, and Strategic Plan Update 2022–2024. These frameworks demonstrate the Bank’s intent to embed gender equality and women’s empowerment outcomes in its strategic and operational management systems. Gender indicators are well defined in the Corporate RMF and tracked through the annual DERs.

CDB is rated **satisfactory** based on alignment to good practice across IFIs.

CDB’s Strategic Plan 2020–2024 RMF includes the following indicators related to gender equality:

- Level 2: CDB’s Contribution to Development Results includes gender-disaggregated data is tracked across sectors such as education (and other social sectors), economic infrastructure, and private sector development.
- Level 3: How Well CDB Manages its Operations includes two gender-specific indicators: (i) Approved projects with a gender specific or gender mainstreamed rating (as a % of total projects) with a target of 90 percent by 2024 and ii) Projects reporting on gender results during implementation (%) with a target of 100 percent by 2024.

The SPU includes the following indicators:

- In addition to the Level 2 indicators mentioned above, includes (i) Number of persons benefiting from social protection initiatives disaggregated by gender and (ii) Direct beneficiaries of gender/GBV/social inclusion initiatives, which tracks outreach and impact of gender-targeted programs.
- Level 3 Includes the following modified indicators:
 - Approved projects rated as gender mainstreamed (as a % of total approved projects) - target of 90 percent by 2024
 - Approved projects with a gender specific change rating (as % of total approved projects) – target of 10 percent by 2024
 - Percentage of project within the Gender Action Plan (2020–2024) implemented within BMCs and CDB – 80 percent target by 2024

The Level 3 indicators from the SPU are adopted from the GEAP 2020 and are used to track GEPOS 2019.

In addition, the GEAP 2020-24 presents a detailed matrix of outcomes, indicators, outputs, activities, budgets, and completion dates aligned with the Bank's strategic gender equality objectives. These indicators are presented in Table 4, below.

Table 4. Activities, Outputs and Indicators from the 2020-24 GEAP.

Focus Area	Indicators	Outputs	Activities	Budget (thousands)	Completion
Equitable Access to Infrastructure Services	Equal access; satisfaction ratings; % female-headed households with access	90% of approved projects rated GM	Gender mainstreaming in infrastructure; TA for gender policy development	USD85	Dec 2024
Economic Empowerment for All	% female MSME beneficiaries; certification in non-traditional fields	Gender-responsive services and policies	Gender criteria for financial access; training workshops; studies on gender inequality	USD600	Dec 2024
Education and Training for All	Dropout/enrollment rates; participation in TVET/STEM	Gender-sensitive curricula and classrooms	Curricula reform; outreach programs; training kits	USD1,000	Dec 2024
Eliminating Gender-Based Violence (GBV)	Reduction in GBV victims/recidivism; satisfaction ratings	Awareness campaigns; national GBV policies	Crisis centers; regional workshops; prevalence surveys	USD1,200	Dec 2024
Resilience for All	Satisfaction with psychosocial support	Gender-responsive psychosocial programs	Extension of support projects to 5 BMCs	USD500	Dec 2020
Work/Life Balance	Staff reporting improved balance	Institutional policy	Work-life amenities assessment	USD100	Dec 2020
Core Values and Institutional Culture	Staff awareness of conduct and diversity	Revised Code of Conduct; grievance mechanisms	Institutional assessments	USD100	Dec 2021
Equitable Treatment and Empowerment	Awareness of HR mechanisms; gender equity in employment	Gender-specific HR policies; EDGE certification	Gender pay audits; career flow analysis	USD300	Dec 2023
Gender-Responsive Leadership & Instruments	% Gender Champions; % female staff in leadership	Staff training; gender-based reviews of 60% instruments	Leadership training; policy development; dissemination of tools	USD150	Dec 2024
Safety and Security for All	Satisfaction with health and safety systems	Duty of Care plan; safety policy	Institutional assessment	USD50	Dec 2020

The GEAP 2025–2027 includes a set of indicators and targets designed to monitor progress across five strategic pillars. It has corporate-level indicators that apply across all pillars and reflect overall Bank performance:

- Percentage of approved projects rated as Gender Mainstreamed - Target: 90%
- Percentage of approved projects rated as Gender Specific - Target: 10%
- Percentage of projects under the GEAP achieving outputs as planned - Target: 80% (Note: This replaces the previous indicator that tracked full implementation, acknowledging that some projects may not be completed by 2027.)
- New Indicator: Number of persons benefitting from interventions that advance gender equality - Target: Aggregated across all pillars, disaggregated by sex.

The pillar-specific indicators are illustrated in Table 5.

Table 5. pillar-specific gender indicators in GEAP (2025-27).

Infrastructure for All	Economic Empowerment	Eliminating GBV	Resilience for All	Institutional Strengthening & Partnerships
• % of infrastructure projects with GM rating • # of NGMs & line ministries using gender mainstreaming tools • Target: 2,000 beneficiaries (1,000 female) • Development & deployment of 4 gender mainstreaming toolkits • Training of 450 persons in client countries & 150 CDB staff	• # of WMSMEs benefiting via DFIs • # of women beneficiaries of economic empowerment initiatives • Production of 5 knowledge products • Technical assistance to 5 DFIs • Training of 10 fund managers in 2X Global criteria • Development of gender lens investing thesis & feasibility study for GE fund	• # of direct GBV service beneficiaries (sex-disaggregated) • # of countries adopting standardised GBV policies • Retrofitting of 2 one-stop centres • Implementation of GBV behavioural change programmes in 2 countries • 300 participants in GBV awareness activities (120 female) • Completion of GBV prevalence and economic cost studies	• # of trained participants in climate & DRM sectors (sex-disaggregated) • % of CDB projects under DIMSOG rated gender-mainstreamed • Development of 1 toolkit for integrating GE in climate action • Training of 100 persons (50 female) & 19 women's networks • Development of gender equality framework for DIMSOG	• % of projects gender-mainstreamed • % of staff believing in equal hiring opportunities • Measurement of unexplained gender pay gap (UGPG) • Development of DEI strategy and indicators • Increase in women in management from 37% to 45–55% • 100 staff participating in GECOP sessions • 600 participants in advocacy events (300 female) • Development of M&E framework for GE tracking

Element 2.1.3: The MO's accountability systems (including corporate reporting and evaluation) reflect gender equality and empowerment of women indicators and targets.

CDB has an accountability architecture for gender equality that is anchored in its CRF, DER process, and periodic policy evaluations. The gender accountability system reflects steady progress in linking corporate commitments to operational performance and reporting.

CDB is rated **satisfactory** based on alignment with good practice across IFIs.

The 2023 DER reports on progress in achieving the goals and targets in the GEPOS 2019 and GEAP 2020-2024. According to the DER in 2023, 78% of approved operations were rated as gender-mainstreamed (based on Gender Marker scores at appraisal), while 3% were classified as gender-specific. The set aside for the GEAP fell short of the proposed six million USD, only two million was allocated. This set aside would have been critical to implement the GEAP in full and also reach the target of 10 percent gender-specific projects. By the end of 2023, 70% of the activities outlined in the GEAP had either been completed or were actively underway.

Key highlights include:

- Three National Gender Policies (currently under implementation) in St. Vincent and the Grenadines, Antigua and Barbuda, and St. Kitts and Nevis.

- Four Country Gender Assessments (ongoing) in Trinidad and Tobago, Saint Lucia, Belize and Jamaica.
- Three workshops with CARICOM and Statistics Canada on gender-based analysis, related infographics and data sharing with three National Statistical Offices (in St. Vincent and the Grenadines, Antigua and Barbuda, and St. Kitts and Nevis).
- A study on the Impacts of Gender Inequality on Caribbean Labour Markets (completed).
- Development of tools to integrate gender equality and social inclusion in project implementation within the framework of UKCIF.
- Gender training with Community Liaison Officers of BNTF; and Gender sensitisation training of early childhood educators in Grenada within the framework of BNTF.

Element 2.1.4: The MO applies gender equality and empowerment of women screening checklists or similar tools to inform the design of investments and other operations.

CDB applies a Gender Marker System Assessment to all projects (capital and technical assistance). This system demonstrates advantages in terms of its holistic scope; however, the Gender Marker System assessment does not require projects to identify gender-related outcomes.

CDB is rated **satisfactory** based on the consistency with which the Gender Marker is applied. Opportunities to better align to good practice include requiring projects to embed gender equality in the results logic of projects, ensuring that gender results are reflected at the outcome level.

In 2017, CDB revised its Gender Marker System to assess how well gender equality considerations are integrated into the design, implementation, and monitoring of projects. The Gender Market was also integrated into the OPPM. It serves as both a quality assurance mechanism and a performance rating system. The system was developed in response to commitments made in the Gender Action Plan 2013–2016 and the Gender Baseline Study of 2015, and is aligned with the Bank’s GEPOS, as well as its RMF at time of development.

The Gender Marker is applied at the design stage of a project, making it a “quality-at-entry” tool. The system allows the Bank to track the allocation of funds to gender-mainstreamed projects and report on development effectiveness. It also provides guidance to staff on how to incorporate gender equality throughout the project cycle.

There are two versions of the Gender Marker: one for capital projects and technical assistance (TA) projects valued at USD 1 million or more, and a simplified version for TA projects under USD 1 million. The comprehensive version assesses four stages of the project cycle—analysis, design, implementation, and monitoring and evaluation—using specific criteria at each stage. Each criterion is scored, typically in increments of 0.5, with a maximum total score of 4.

Projects are classified based on their total score:

- Gender Specific (GS): 3–4 points, where the principal purpose is to advance gender equality.
- Gender Mainstreamed (GM): 3–4 points, where gender considerations are fully integrated.
- Marginally Mainstreamed (MM): 1.5–2.5 points, indicating limited potential to contribute to gender equality.
- No Gender Integration (NO): 0–1 point, where gender is not meaningfully addressed.

Key criteria include the use of sex-disaggregated data, consultations with gender-relevant stakeholders, identification of gender disparities in socioeconomic and institutional contexts, and the inclusion of gender-specific objectives and indicators. Implementation arrangements may involve capacity building for gender mainstreaming, engagement with gender-focused organizations, and inclusion of gender responsibilities

in project management terms of reference. Monitoring and evaluation components require sex-disaggregated data and gender-specific indicators to track progress.

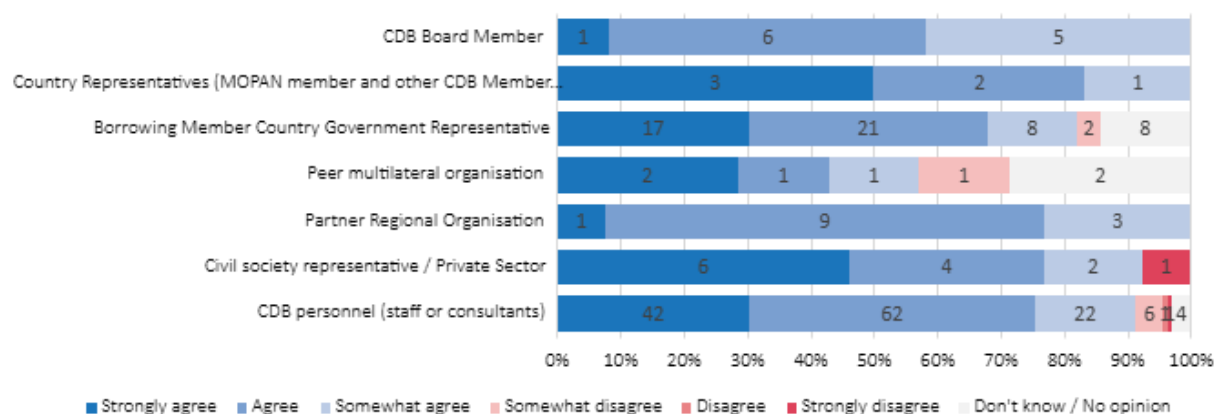
An advantage of CDB's approach is that it considers the process of mainstreaming gender into operations more holistically beyond project components and results (e.g. implementation arrangements). However, this approach demonstrates a gap to good practice with respect to the lack of an explicit requirement that gender be incorporated into results frameworks at the outcome level.

The simplified version for smaller TA projects focuses primarily on analysis and design, omitting implementation and M&E dimensions due to the limited scope and absence of detailed monitoring frameworks. This version aims to reduce administrative burden while maintaining accountability for gender integration.

According to stakeholders, all projects must undergo the gender marker assessment. The gender screening in projects during appraisal is done by both the Social Analysts and Gender Specialists. A Social Analyst is assigned to every appraisal team. A Gender Specialist leads the work in each project which is Gender-Specific. To ensure that the gender screening/gender mainstreaming is done, a gender Specialist is a member of the Divisional Review Committee, where one is not part of the appraisal team. The involvement of a gender specialist in capital projects is coming earlier in the project design phase to allow more influence on project design and the gender indicators. Gender specialists are usually involved at a later stage for TA projects.

Overall, 72% of respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB promoted gender equality through its operations and strategies." Of 45 respondents who provided open-text feedback for this question, 29% spoke to CDB's support for gender equality and the empowerment of women, including CDB's strong commitment to supporting gender equality. However, concerns were raised regarding gaps in CDB's internal culture supporting gender equality, gaps in mainstreaming and greater demand for evidence of contribution to gender outcomes.

CDB promotes gender equality through its operations and strategies.



Element 2.1.5: The MO has identified human and financial resources to address gender equality and empowerment of women issues.

CDB has made some progress in allocating resources for gender equality through the establishment of a small team and the creation of a structured, multi-year GEAP with defined budgets. However, overall resources remain limited and the extent to which GEAP budgets are implemented in CDB's annual WPB is unclear.

CDB is rated **satisfactory**. The limited scope of resources have posed an important constraint in delivering on the ambition of the 2020-24 GEAP. CDB has allocated a larger scope of resources to support the implementation of the 2025-27 GEAP, but some issues remain with respect to the funding and roll-out of actions supporting the institutional pillars of the GEAP.

CDB's gender team is located in the Projects Department of the Bank. There are two gender specialists and one young professional working on gender equality issues at CDB. In addition, there are six social analysts who also work on gender equality issues. Despite this, stakeholders report a very heavy workload. Gender Specialists are expected to lead Gender Specific Projects. Part of the challenge is the need for gender experts (who are intended to serve an advisory role primarily), are increasingly substantively involved in the development of projects they support, with stakeholders reporting an unsustainable working across new and ongoing projects.

The total budget across all activities included in the GEAP 2020-24 was USD 6,750,000. The actual amount of resources allocated to these activities was USD 2,000,000, with 99.7 percent committed. In addition USD250k was allocated to the gender and youth forum, but from another set-aside.

An enhanced allocation was identified to support the 2025-27 GEAP in CDB's SDF 11 with an allocation of USD 9 million to support Gender Equality against an estimated resource need of USD 7.1 million to implement the updated GEAP. This resource commitment and the proposal in the GEAP to extend access to concessional resources to address gender equality issues in all BMCs is positive and supports the achievement of the GEAP's Economic Empowerment, Resilience, GBV and Education pillars. However, these funds are not clearly ring-fenced in CDB's Work Programme and Budget as a separate line item and are mostly indicative rather than a clear institutional commitment.

Furthermore, dedicated funding remains uncertain for the GEAP's institutional actions around work-life balance, equitable treatment and empowerment, safety and security, core values and work-life balance will be funded.

Element 2.1.6: The MO's staff are trained on and/or have access to staff with expertise on gender equality and empowerment of women.

CDB's GEAPs have laid out a comprehensive training program on gender equality. However, its implementation has been limited due to a limited number of gender specialists.

CDB is rated **unsatisfactory** due to limitations in the roll-out of planned gender equality training.

The GEAP 2020-24 includes a comprehensive set of staff training initiatives aimed at strengthening gender equality both within the Bank and across its BMCs. Including:

- A gender-responsive leadership training programme for staff, led by HRD and VPO.
- Training in Gender Analysis and Cultural Diversity to support gender-responsive financial instruments, policies, and operational strategies.
- Training Linked to Gender Tools Dissemination, including use of the Gender Marker, Technical Guidance Notes, and Gender Analysis tools.
- Diversity and gender-responsiveness training delivered through four regional workshops for: Financial intermediaries, Business support organizations, Consultants, Contractors, Project Staff and Education practitioners.
- Gender-Based Violence (GBV) Response - Regional sensitization and training workshops for support service providers, consultants, and project staff.

The GEAP 2025–2027 includes a set of staff training activities aimed at strengthening internal capacity for gender equality at the Bank. The types of staff training proposed are:

- Training on Gender Mainstreaming Toolkits

- CDB staff will be trained in the use of newly developed gender mainstreaming toolkits tailored to sectors such as water and sanitation, transport, renewable energy and energy efficiency (REE), and agriculture.
- These trainings will focus on applying an intersectional lens and using the Bank's Gender Marker Framework in line with international standards.
- Internal Capacity-Building Workshops
 - Workshops will be conducted for internal clients (staff and management) to build capacity in gender analysis, participatory planning, and gender-responsive budgeting.
 - These sessions will also include sensitization on workplace policies and practices that promote gender equity.
- Transformational Leadership Training
 - Senior management will receive targeted training to foster transformational leadership for gender equality.
 - This is intended to embed GE principles into strategic decision-making and institutional culture.
- Knowledge Exchange through GECOP
 - Staff will participate in a knowledge transfer series facilitated by the Gender Equality Community of Practice (GECOP).
 - These sessions will promote employment transparency, equal access to talent development, and the use of gender-responsive instruments and policies.
- Training on Diversity, Equity and Inclusion (DEI) Standards
 - CDB will align its internal policies with global DEI standards, including EDGE and 2X Global certification frameworks.
 - Staff will be trained on DEI indicators and strategies to ensure inclusive hiring, equal pay, and workplace equity.

The specific targets for staff training are:

- 150 CDB staff trained in the use of gender mainstreaming tools (disaggregated by sex).
- 100 staff (including 50 women) participating in GECOP knowledge exchange sessions.
- 22 middle and senior managers trained in gender equality and gender mainstreaming.
- DEI strategy implemented with a target of increasing women in management from 37% to 45–55%.

According to stakeholders, gender equality training has stagnated because of limited gender specialists, the deployment of gender specialists on gender mainstreaming of projects, and because the training itself was not programmed and delivered as planned. Some training on the gender marker has been done but staff coverage is limited. Stakeholders emphasized that more training and procedures are needed in order to reduce discretion and lessen need for gender specialists. Additional training is programmed within the GEAP 2025-27. Enhancing the delivery of gender training will be essential to promote stronger ownership of the Bank's gender vision, enable gender officers to focus on delivering advice to project teams and enhance overall mainstreaming into operations.

MI 2.2 Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for the empowerment youth.

- Element 2.2.1: The MO has a dedicated policy statement on empowerment of youth available with evidence of application.

- Element 2.2.2: The MO has empowerment of youth indicators and targets that are fully integrated into its and corporate objectives.
- Element 2.2.3: The MO's accountability systems (including corporate reporting and evaluation) reflect empowerment of youth indicators and targets.
- Element 2.2.4: The MO applies empowerment of youth screening checklists or similar tools to inform the design of investments and other operations.
- Element 2.2.5: The MO has identified human and financial resources to address empowerment youth issues.
- Element 2.2.6: The MO's staff are trained on and/or have access to staff with expertise on empowerment of youth.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 2.2	Unsatisfactory	1.66	
Element 2.2.1	Satisfactory	3	High
Element 2.2.2	Unsatisfactory	2	High
Element 2.2.3	Unsatisfactory	2	High
Element 2.2.4	Highly Unsatisfactory	1	High
Element 2.2.5	Highly Unsatisfactory	1	High
Element 2.2.6	Highly Unsatisfactory	1	High

MI 2.2 Evidence

- Caribbean Development Bank (2019) "*Strategic Plan 2020–2024*," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2020) "*Youth Policy and Operational Strategy*," <https://www.caribank.org/about-us/policies-and-strategies/youth-policy-and-operational-strategy>
- Caribbean Development Bank (2021) "*Strategic Plan Update 2022–2024: Repositioning for Resilience*," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2023) "*Development Effectiveness Review – 2022*," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) "*Development Effectiveness Review – 2023*," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) "*Development Effectiveness Review – 2024*," (internal document)
- Office of Independent Evaluation (2025) "Formative Evaluation of the Youth Policy and Operational Strategy (YPOS) 2020 and Youth-Related Operations at the Caribbean Development Bank, 2020–2025: Evaluation Report (Vol. I)," (internal document)

MI 2.2 Analysis

Element 2.2.1: The MO has a dedicated policy statement on empowerment of youth available with evidence of application.

CDB has a dedicated policy statement for youth, which is embedded in the Bank's strategic vision. There is evidence that the YPOS has informed some youth-focused initiatives and engagement activities despite constraints for implementation.

CDB is rated **satisfactory**. The YPOS is regarded as a strong strategy and there has been some tangible evidence of implementation, even if not fully in line with ambitions.

Of note, there are important differences in the emphasis given to youth in CDB's Strategic Plan (2020-2024) and the SPU (2022-24). The 2020-24 Strategic Plan frames youth as a clear operational focus area, with the intention that youth considerations are mainstreamed across CES, sector strategies and projects. As described below, this intention to mainstream is clearly reflected in the YPOS. However, CDB's 2022-24 SPU walks back this commitment to mainstreaming, with youth framed as an operational focus area under its social resilience pillar. Youth has been retained as a cross-cutting issue for this assessment on the basis of the mainstreaming commitment in YPOS. However, youth is no longer identified as an official cross-cutting theme in the SPU.

The YPOS:

CDB developed its first Youth Policy and Operational Strategy (YPOS) in 2020 to guide support for Positive Youth Development (PYD) across its 19 Borrowing Member Countries (BMCs). This strategy aligns with global and regional frameworks such as the 2030 Agenda for Sustainable Development, the SDGs, and the CARICOM Youth Development Action Plan (CYDAP). YPOS responds to the demographic reality that approximately 60% of the Caribbean population is under 30, presenting an opportunity to harness a demographic dividend if youth are healthy, educated, and employed.

Despite progress in education and health, young people in the region face significant challenges. Youth unemployment rates range from 18% to 47%, with young women disproportionately affected. In some countries, more than 35% of youth are not in employment, education, or training (NEET). Skills mismatches between education and labour market needs persist, and many youth experience poverty, violence, mental health issues, non-communicable diseases, and adolescent pregnancy. Limited participation in decision-making, fragmented programming, and data gaps further constrain progress.

YPOS envisions healthy, socially connected, educated, economically empowered, and actively engaged youth contributing to peaceful, prosperous, and sustainable societies. Its overarching objective is enhanced youth empowerment in BMCs. The strategy adopts a life-cycle approach targeting ages 10–35 and employs a dual-track method: mainstreaming youth considerations across all CDB operations and delivering targeted programmes for vulnerable groups.

The strategy is built on six pillars: enhancing youth participation in sustainable economic growth; strengthening social and intellectual capital through quality education; creating healthy, safe, and nurturing communities; promoting youth action on climate change and environmental sustainability; supporting active citizenship and democratic participation; and building institutional capacity for youth mainstreaming and targeted interventions. Implementation is guided by principles of rights-based approaches, gender responsiveness, intersectionality, technology and innovation, authentic youth participation, partnerships, and results-based management.

Expected outcomes include improved youth capacity for economic growth, peacebuilding, and healthy lives; greater youth participation in democratic and development processes; and strengthened institutional capacity for inclusive youth programming. Resourcing will combine existing sector resources, grants, loans, and a dedicated Youth Fund for innovative projects. Monitoring and evaluation will rely on a results

framework with indicators such as youth unemployment and NEET rates, participation in policy processes, and capacity-building achievements. YPOS emphasizes evidence-based decision-making and robust systems to track progress and ensure accountability.

The 2025 Formative Evaluation of the Youth Policy and Operational Strategy (YPOS) 2020 and Youth-Related Operations at the Caribbean Development Bank, 2020–2025 finds that while the YPOS strengthened the CDB’s strategic commitment to youth development, its implementation has been constrained by weak institutional foundations. The absence of an approved action plan, dedicated funding mechanisms, clear accountability structures, and specialized staff has limited the strategy’s authority and Bank-wide ownership. At the same time, youth outcomes are only partially captured in the Bank’s monitoring and reporting systems, and limited investment in institutional capacity has contributed to low awareness of the strategy among staff and external stakeholders. Although CDB has piloted several youth-focused initiatives that demonstrate potential, these remain small-scale and fragmented rather than forming a sustained programmatic approach. As a result, the Bank’s role in youth development is not widely recognized by partners, despite the presence of committed internal champions whose efforts have catalysed progress but remain constrained by limited resources and institutional support.

Focus on Youth in Strategic Plans:

The CDB Strategic Plan 2020–2024 positions youth development as a core component of building social resilience in BMCs. It acknowledges that Caribbean youth are generally more educated, healthier, and digitally connected than previous generations, and they have the potential to drive innovation and resilience in their communities. However, many young people still face serious challenges such as limited access to decent work and entrepreneurship opportunities, youth poverty, social exclusion, and involvement in crime and risky behaviours.

The document identifies systemic issues that hinder effective youth development responses, including:

- Inconsistent political support and under-resourced policy environments.
- Capacity constraints among youth-serving institutions and practitioners.
- Fragmented and siloed programming approaches.
- Weak evidence-based policy frameworks and gaps between policy and practice.
- Insufficient youth engagement in development processes.

CDB emphasizes that youth are not a homogeneous group; outcomes vary by gender, age, ethnicity, disability, and other intersecting identities. Interventions will therefore be guided by the YPOS. The Bank plans to support psychosocial and mental health programs, youth-led initiatives, and capacity-building for both institutions and young people. It will adopt a dual-track approach: mainstreaming youth considerations across all operations and implementing targeted positive youth development interventions. Special attention will be given to vulnerable and at-risk youth, including those with disabilities, young women, and indigenous youth, in line with the SDG principle of “Leave No One Behind.”

CDB’s Strategic Plan Update 2022–24 places youth development within its broader agenda of building social resilience, alongside education reform, social protection, and gender equality. The plan acknowledges that the COVID-19 pandemic has exacerbated vulnerabilities for young people, including high unemployment, learning loss, and social exclusion. Youth unemployment rates remain elevated, and disruptions in education have been severe, particularly for disadvantaged groups and persons with disabilities. Gendered impacts are also highlighted: young women face increased poverty risks and unpaid care burdens, while boys are disproportionately represented among underperforming learners.

To address these challenges, the Bank proposes a transformational approach to education. This includes shifting from rote learning to student-centred, inquiry-based methods that foster innovation and problem-solving. Curricula will emphasize 21st-century skills and applied learning to improve employability. The Bank will support ICT-enabled learning environments to ensure continuity during crises and disasters, and

it will implement initiatives such as the Regional Model Learning Recovery and Enhancement Programme and a gender-responsive Inclusive Education Policy and Strategy. Additional measures include expanding access to devices and connectivity, and training teachers and principals for blended and online learning environments.

Social protection is another critical area of focus. The Bank aims to scale up cash transfers and social care services for vulnerable groups, including unemployed youth, while addressing intersecting vulnerabilities related to age, gender, disability, and socio-economic status. Adaptive social protection systems will incorporate skills training and active labour market programs to improve resilience and inclusion.

CDB demonstrates a strategic commitment to youth empowerment through formal policies and integration in its Strategic Plan. The framework is conceptually strong and aligned with international norms. However, the main challenges relate to institutionalization, staffing, and consistent application of tools, particularly for youth mainstreaming. Sustained investment in human resources, training, and monitoring systems will be essential for translating policy intent into measurable and lasting results.

Element 2.2.2. The MO has empowerment of youth indicators and targets that are fully integrated into its and corporate objectives.

CDB has established a results framework for youth empowerment, with some elements integrated into CDB's RMF, Strategic Plan 2020–2024, and Strategic Plan Update 2022–2024. However, there is little evidence that youth indicators are systematically monitored and reported.

CDB is rated **unsatisfactory**. Although youth indicators are embedded in the RMF, the absence of a project tagging system makes it difficult to ensure that the full scope of youth-related results are reported.

These frameworks demonstrate the Bank's intent to embed youth empowerment outcomes in its strategic and operational management systems. There is no Youth Marker System to track mainstreaming at design stage, using standardized criteria for participation, employment, and inclusion.

YPOS includes an RMF. There are three main outcomes, each linked to the six strategic pillars, illustrated in Table 6.

Table 6. CDB's YPOS RMF

Outcome 1: Youth in BMCs have enhanced capacity to contribute to and enjoy economic growth, peacebuilding, social opportunities, environmental sustainability, and healthy lives	Outcome 2: Youth have greater capacity to actively participate in democratic and development processes at community, local, national, regional, and global levels	Outcome 3: CDB and BMCs have increased capacity for delivering gender-responsive and inclusive youth mainstreaming and youth-targeted interventions
- Youth unemployment rate (by sex). - NEET (Not in Employment, Education, or Training) rate (by sex). - Level of income among youth beneficiaries of CDB-funded projects (disaggregated by sex, age, disability, ethnicity). - Percentage of youth beneficiaries starting or scaling up MSMEs. - Percentage of youth beneficiaries developing technological or innovative solutions. - Youth crime rates (by sex). - Number of initiatives promoting peacebuilding and social cohesion.	- Number of young people contributing to policymaking and planning processes (disaggregated). - Number of policy processes with youth engagement. - Youth perception of readiness to engage in governance.	- Number of youth-mainstreamed policies with action plans. - Number of BMCs with youth-friendly budgets. - Percentage of Youth Fund resources utilized. - Number of CDB policy documents integrating youth inputs. - Percentage of CDB projects rated youth-mainstreamed.

The RMF also includes enabling environment indicators, such as:

- Number of evidence-based products produced and disseminated.
- Percentage of CDB staff trained in youth mainstreaming and PYD.
- Development of monitoring tools for PYD outcomes.
- Number of communication and advocacy products developed.
- Capacity-building in BMCs for evidence-based decision-making and youth mainstreaming.

The SP 2020-24 includes youth development indicators, but it does not specify numeric targets (those are to be included in a YPOS Action Plan; Table 7).

Table 7. SP 2020-24 youth development indicators by pillar.

Economic Empowerment & Education	Health & Safety	Climate & Environment	Active Citizenship	Institutional Capacity
• Youth unemployment rate (disaggregated by sex) • NEET rate • Level of income among youth beneficiaries of CDB-funded projects • Number of youth starting/scaling MSMEs • Number of youth developing technological/innovative solutions • Number of out-of-school/NEET participants completing vocational qualifications • Percentage of students at risk of educational failure receiving psychosocial support	• Youth crime rates (by sex) • Number of initiatives promoting peacebuilding and social cohesion • Number of youth accessing mental health and psychosocial services	• Number of youth with increased skills/resources for climate resilience, disaster mitigation, food security, and environmental sustainability	• Number of youth participating in policymaking and planning processes • Youth perception of readiness to engage in governance	• Number of youth-mainstreamed policies with action plans • Number of BMCs with youth-friendly budgets • Percentage of Youth Fund resources utilized • Number of CDB policy documents integrating youth inputs

The SPU includes targets for youth-related indicators:

Level 1:

- Youth unemployment rate: Targets are not explicitly stated for Level 1, as these track regional trends rather than CDB-controlled outputs.

Level 2:

- Beneficiaries of youth-at-risk interventions: Target for 2024 – 3,900 (with sex disaggregation).
- Students benefiting from improved classroom conditions or teacher competence: Target – 215,000.
- Teachers and principals trained or certified: Target – 14,120.
- Direct beneficiaries of gender/GBV/social inclusion initiatives: Target – 3,000.
- Persons benefiting from social protection initiatives: Target – 48,587 (including youth).
- MSMEs benefiting from credit: Target – 638, which indirectly supports youth entrepreneurship.

Element 2.2.3. The MO's accountability systems (including corporate reporting and evaluation) reflect empowerment of youth indicators and targets.

CDB's accountability architecture systems for youth empowerment remain at an early stage of institutionalization. Youth-related accountability is largely confined to monitoring within specific projects and sectors. The YPOS 2020 introduced a results framework and monitoring indicators, but there is no evidence that the Bank has a consolidated system for tracking youth-related results at the corporate level.

CDB is rated **unsatisfactory**. Tracking of youth-related results is not fully embedded in the accountability architecture.

The DER reports track youth development through indicators related to education, employment, and social inclusion. At Level 1, youth unemployment is a regional indicator aligned with SDG 8.6. For example, the 2023 report shows youth unemployment averaging 19.3%, down from 29.1% in 2019, but still significantly higher than adult unemployment. Similarly, the 2024 report notes that youth unemployment remains a concern, averaging 30.5% across CARICOM states.

At Level 2, the Bank measures its direct contributions to youth development through several indicators linked to its strategic objective of Building Social Resilience. These include:

- Education and Training:
 - Classrooms and educational facilities built or upgraded.
 - Teachers and principals trained or certified.
 - Students benefitting from improved learning conditions (including TVET programmes).
- Youth at Risk Interventions:
 - Number of beneficiaries of youth-at-risk programmes, which include skills training, psychosocial support, and reintegration initiatives.
- Social Protection and Inclusion:
 - Persons benefitting from social protection initiatives, including youth-focused cash transfers and employment support.

The reports also link these indicators to SDG targets such as 4.3 (equal access to technical and vocational education) and 8.6 (reduce the proportion of youth not in employment, education, or training). For instance:

- In 2023, 2,185 youth-at-risk beneficiaries were reported, against a target of 3,910 by 2024.

- Education interventions benefitted over 200,000 students and trained more than 6,000 educators during 2020–23.
- TVET completion rates improved significantly, with 86.9% of female students and 87.1% of male students completing at least one Level 1 course in 2023.

Despite integration of specific youth indicators into the RMF, there remain important challenges in embedding youth into CDB's accountability architecture. As noted in the YPOS evaluation, whereas project-level documents and fund reports capture youth participation in isolated cases, youth is not a consistently measured, age-disaggregated indicator stream. Some youth metrics are captured at project level (e.g., counts of youth beneficiaries, occasional employment or education measures), but these are not standardised, age-disaggregated, nor routinely aggregated to demonstrate contribution to YPOS objectives. A major gap involves the lack of a youth flagging system that would identify when youth indicators are relevant and should be incorporated into project results frameworks.

As a result, the Bank can demonstrate fragmented, individual youth-focused interventions but cannot reliably aggregate, compare or trend youth impacts across its portfolio at the corporate level.

Element 2.2.4: The MO applies empowerment youth screening checklists or similar tools to inform the design of investments and other operations.

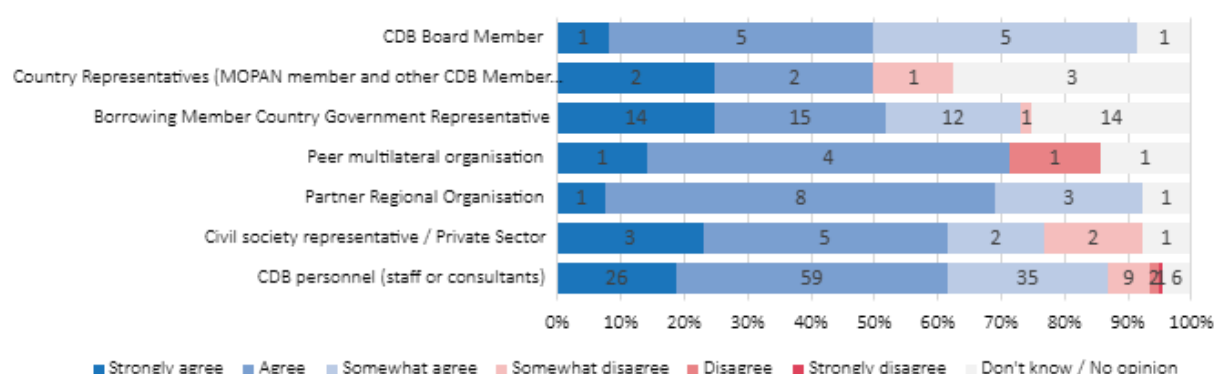
CDB does not currently have or use any empowerment of youth screening checklists or similar tools during investment design.

CDB is rated highly **unsatisfactory** due to the absence of a screening system.

There is not a screening checklist or tool for embedding youth development into CDB projects. Additionally, not every CDB project, included those designed with youth as the primary beneficiaries, goes to the youth focal points for review.

Overall, 58% of respondents to MOPAN's Partner Survey agreed or strongly agreed that CDB supports youth empowerment in its operations. Of 45 respondents who provided open text feedback, 16% provided feedback on youth empowerment, identifying this as an emerging priority for the Bank. However, respondents also noted uneven implementation of this theme across projects, citing capacity constraints. They also identified the need for CDB to take a stronger leadership role for policy engagement in this area.

CDB promotes youth empowerment through its operations and strategies.



Element 2.2.5: The MO has identified human and financial resources to address empowerment of youth issues.

CDB has not identified sufficient human or financial resources to address empowerment of youth issues. There are no designated youth specialists at the Bank.

CDB is rated highly **unsatisfactory** due to the absence of designated human resources to support youth programming.

According to stakeholders, the staffing and resources for youth initiatives at CDB need to be revisited. Currently, CDB does not have any officers designated as youth development specialists. The team of Operations Officer (Social Analyst) in SSD lead on youth development programming/projects as well as address youth empowerment issues across policies and programmes for the countries which they are assigned. These two Operations Officers (Social Analysts) serve as primary and secondary youth development focal points.

The Bank's human and financial resources for youth empowerment, however remain inadequate, with only two focal points responsible primarily for youth engagement activities and no dedicated budget line for implementation of the YPOS.

Element 2.2.6: The MO's staff are trained on and/or have access to staff with expertise on empowerment youth.

There is no dedicated staff training in place for issues related to the empowerment of youth.

CDB is rated highly **unsatisfactory** due to the absence of designated training programmes.

According to relevant stakeholders there has been no training of CDB staff on the youth development theme.

MI 2.3: Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for climate change, resilience, biodiversity and nature.

- Element 2.3.1. The MO has a dedicated policy statement on climate change, resilience, biodiversity and nature available with evidence of application.
- Element 2.3.2. The MO has climate change, resilience, biodiversity and nature indicators and targets that are fully integrated into its corporate objectives.
- Element 2.3.3. The MO's accountability systems (including corporate reporting and evaluation) reflect climate change, resilience, biodiversity and nature indicators and targets.
- Element 2.3.4. The MO applies climate change, resilience, biodiversity and nature screening checklists or similar tools to inform the design of investments and other operations.
- Element 2.3.5. The MO has identified human and financial resources to address climate change, resilience, biodiversity and nature issues.
- Element 2.3.6. The MO's staff are trained on and/or have access to staff with expertise on climate change, resilience, biodiversity and nature.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 2.3	Satisfactory	2.83	
Element 2.3.1	Satisfactory	3	High
Element 2.3.2	Satisfactory	3	High
Element 2.3.3	Satisfactory	3	Medium
Element 2.3.4	Satisfactory	3	Medium
Element 2.3.5	Unsatisfactory	2	Medium
Element 2.3.6	Satisfactory	3	Medium

MI 2.3 Document Evidence

- Caribbean Development Bank (2014) *"Environmental and Social Review Procedures,"* <https://www.caribank.org/about-us/policies-and-strategies/environmental-and-social-review-procedures>
- Caribbean Development Bank (2018) *"Climate Resilience Strategy 2019–2024,"* <https://www.caribank.org/about-us/policies-and-strategies/climate-resilience-strategy-2019-2024>
- Caribbean Development Bank (2019) *"Strategic Plan 2020–2024,"* <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) *"Paris Alignment Assessment: Monitoring and Reporting Tool,"* (internal document)
- Caribbean Development Bank (2021) *"Strategic Plan Update 2022–2024: Repositioning for Resilience,"* <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2022) *"Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2021 (Paper BD49/22),"* (internal document)
- Caribbean Development Bank (2023) *"Development Effectiveness Review – 2022,"* <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) *"Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2023 (Paper BD71/24),"* (internal document)
- Caribbean Development Bank (2024) *"Development Effectiveness Review – 2023,"* <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) *"Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2024 (Paper BD57/25),"* (internal document)
- Caribbean Development Bank (2025) *"Development Effectiveness Review – 2024,"* (internal document)
- Caribbean Development Bank (2025) *"Draft Environmental and Social Review Framework – for National Consultation,"* (internal document)
- Caribbean Development Bank (no date) *"OP365 Work Instructions,"* (internal document)

- Inter-American Development Bank & Caribbean Development Bank (2025) *"Climate Finance Training: Joint Collaboration between Caribbean Development Bank and Inter-American Development Bank,"* (internal document)
- World Resources Institute (2022) *"Meeting to Support Progress on the Multilateral Development Bank Joint Statement on Nature, People, and Planet: Background Paper – Synthesis of Relevant Work and Priorities Ahead"* (internal document)
- World Resources Institute (2022) *"Meeting to Support Progress on the Multilateral Development Bank Joint Statement on Nature, People, and Planet: COPs Contributions"* (internal document)
- World Resources Institute (2022) *"Meeting to Support Progress on the Multilateral Development Bank Joint Statement on Nature, People, and Planet: Summary"* (internal document)

MI 2.3 Analysis

Element 2.3.1: The MO has a dedicated policy statement on climate change, resilience, biodiversity and nature available with evidence of application.

Both the Strategic Plan 2020-24 and Strategic Plan Update 2022-24 identify climate change as a priority. CDB guides its climate change operational activities through its Climate Resilience Strategies (CRSs); CDB's current CRS (2019-2024) aligns with global frameworks such as the Paris Agreement. CDB is currently planning to develop a Natural Capital and Biodiversity Strategy and Action Plan.

CDB is rated **satisfactory**. Its existing policy statements on climate change reflect good practice and it is taking steps toward developing new policies for natural capital and biodiversity as emerging themes.

CDB developed the Climate Resilience Strategy (CRS) 2019–24 to guide its support to BMCs in addressing the escalating impacts of climate change (CC). The strategy builds on the previous CRS 2012–17 and aligns with global frameworks such as the Paris Agreement, the Samoa Pathway, the Sendai Framework for Disaster Risk Reduction, and the Sustainable Development Goals (SDGs) particularly SDG 13: Climate Action. The 2012–17 strategy was not formally evaluated but internally reviewed. It found that concessional financing was a strong motivator for climate investments, especially when blended with market resources to reduce borrowing costs. Internal capacity building through training and climate risk screening tools proved essential, though limited staffing constrained scale-up. The strategy also highlighted the need for robust climate data, which remains sparse across the region, and emphasized the importance of adopting a formal climate finance tracking system to improve transparency and accountability. These insights directly informed the design and priorities of the 2019-24 strategy.

CDB's vision for CRS 2019–24 is to promote climate-resilient, sustainable development through enhanced and sustained climate actions. The strategy focuses on four main outcomes: mobilizing increased concessional resources, improving resilience in vulnerable sectors, strengthening enabling environments for climate action, and enhancing CDB's internal capacity to deliver climate-related interventions.

The Strategy has the four following priority area:

1. Mobilising Concessional Resources -CDB aims to scale up climate financing and facilitate BMCs' access to global climate funds. It will establish a dedicated pool for project preparation, support public-private partnerships (PPPs), and assist MSMEs in adopting renewable energy (RE) and energy efficiency (EE) technologies. The Bank will also help national financial institutions integrate climate risk into their operations.

Scaling Up Climate Resilience in Vulnerable Sectors -CDB will intensify investments in five key sectors:

- Infrastructure: Promote resilient design and maintenance, including ecosystem-based adaptation.

- Urban Development: Integrate land use planning, DRM, and infrastructure investment.
- Communities: Support community-driven development, early warning systems, and basic services.
- Land and Water Management: Improve watershed management, sanitation, and water access.
- Agriculture: Advance climate-smart agriculture and parametric insurance for farmers and fishers.

Supporting an Enabling Environment -The Bank will assist BMCs in translating NDCs into actionable policies and investment plans. It will support institutional strengthening, data systems, and knowledge dissemination. Regional institutions like CIMH and CDEMA will be key partners in enhancing forecasting and early warning systems.

Operationalising the Strategy - CDB will mainstream climate considerations across its operations, including country strategies, project design, and sector policies. Staff training, internal coordination, and enterprise risk management will be enhanced. Gender equality will be integrated into climate actions, recognizing the differentiated impacts of CC.

The CRS not only emphasises the need to strengthen resilience in vulnerable communities and sectors, but also protecting biodiversity and promoting nature-based solutions:

- Resilience is a central theme throughout the strategy. It is defined as the capacity of systems—social, economic, and environmental—to cope with climate-related hazards while maintaining essential functions and adapting to change. The strategy emphasizes building resilience in vulnerable sectors such as infrastructure, agriculture, water resources, and urban development. It promotes both structural and non-structural measures, including ecosystem-based approaches, to enhance resilience.
- Biodiversity and Nature-Based Solutions are integrated primarily through the promotion of ecosystem-based adaptation. The strategy supports the use of biodiversity and ecosystem services to help communities adapt to climate change. Specific interventions include restoring coastal ecosystems (e.g., coral reefs and mangroves), integrated watershed management, and sustainable land use practices. These are seen as co-beneficial for both climate adaptation and environmental protection.
- The strategy also highlights the importance of protecting and rehabilitating biodiversity as part of rural and urban resilience efforts. It commits to identifying opportunities for environmental benefits and integrating ecosystem-based adaptation into national development and sector policies.

CDB also has initiated work on developing a biodiversity strategy and action plan. Beyond this, CDB currently addresses biodiversity through a demonstrated performance requirement in its Environmental and Social Review Procedures. The ESRPs require that all projects identify and mitigate potential impacts on natural habitats and ecosystems, with a requirement that impacts are completely avoided where possible. Projects are restricted in areas of critical habitat (areas with a high biodiversity value) with comprehensive assessments required for projects in modified, natural or critical habitats. Furthermore, the ESRPs require sustainable management of living natural resources, ensuring that productive activities do not deplete regional biodiversity.

CDB is currently updating the current CRS. The draft updated strategy was scheduled for presentation to CDB's Board of directors in September 2026. CDB signed the joint statement by the MDBs: Nature, People and Planet in 2021 as part of MDBs demonstration of the intention to plan to mainstream nature into policies, analysis, and investments. Additionally, CDB participates in the MDB Nature Group, which brings together MDBs to collaborate on biodiversity, nature-based solutions, and nature-positive finance. This engagement supports knowledge exchange, methodological development, and alignment with emerging MDB good practice on nature. CDB uses this learning and experience to forge strengthen opportunities

to integrate nature base solutions into its project work. The Bank will also use this to inform the draft natural capital and biodiversity strategy and action Plan (NCBS) currently planned for CDB's BOD meeting in December 2026.

CDB's Strategic Plan 2020-24 is anchored in building social, economic, and environmental resilience (the SP's three SOs). Climate change is framed as a major threat to poverty reduction and development. The plan emphasizes climate-resilient infrastructure, disaster risk management (DRM), and climate change adaptation (CCA) in agriculture, water, urban development, and energy. CDB commits to scaling up concessional climate finance and integrating climate risk into national development plans. The strategy highlights ecosystem-based adaptation as a key approach, recognizing the role of biodiversity and ecosystem services in reducing vulnerability. It supports sustainable land and marine resource management, particularly through blue economy initiatives and community-based DRM. The plan supports renewable energy (RE) and energy efficiency (EE) to reduce fossil fuel dependence and enhance competitiveness, while acknowledging the need for policy reform and institutional capacity.

The SPU 2022-24 reinforces climate resilience as a central pillar, with a target to allocate 25–30% of CDB's own resources to climate finance by 2024. It emphasizes integrating DRM and climate considerations into sectoral strategies, public investment programs, and community-level interventions. While biodiversity is not a standalone theme, the update supports ecosystem-based adaptation and nature-based solutions within broader climate resilience efforts. It promotes environmental sustainability through improved planning, governance, and restoration of ecological services. The update expands on the 2020–24 plan by focusing on climate risk screening, disaster risk financing instruments (e.g., parametric insurance), and partnerships to mobilize concessional resources. It also supports BMCs in implementing their Nationally Determined Contributions (NDCs) and biodiversity strategies. The update sets a regional target of 47% RE in electricity generation by 2027 and commits to supporting wind, solar, and geothermal investments. It also emphasizes gender-responsive climate finance and green job creation.

CDB's commitment to climate resilience and biodiversity is also reflected in the new TYS. Biodiversity is identified as an indicative area under the environmental resilience pillar. The TYS envisions support for nature-positive investments that conserve biodiversity and sustain natural capital. CDB aims to integrate biodiversity considerations into country programmes and investments, strengthen ecosystem resilience through measures such as mangrove and coral restoration, and promote green and blue economy approaches that link conservation with sustainable growth.

Element 2.3.2. The MO has climate change, resilience, biodiversity and nature indicators and targets that are fully integrated into its corporate objectives.

CDB's indicators and targets for climate change and resilience are well developed, measurable, and embedded in the Bank's corporate objectives and reporting systems. The framework demonstrates clear alignment between policy priorities and operational performance, with consistent monitoring through the CRF and DERs.

CDB is rated **satisfactory**. Climate change is well reflected in CDB's existing corporate objectives and results architecture. Biodiversity and nature are currently underrepresented

The CRS outlines four priority areas, each with specific expected outcomes, performance indicators, baselines, and indicative targets (Table 8).

Table 8. Results targets in CDB's CRS (2019-24)

Priority Area 1: Scale-up Adaptation and Climate Resilient Investments	Priority Area 2: Mobilising Concessional Financial Resources	Priority Area 3: Supporting an Enabling Environment for Climate Action	Priority Area 4: Operationalising the Strategy
• People using climate-resilient roads: Baseline: 21,000; Target: 275,185 • Households with reduced flood risk: Baseline: 730; Target: 9,791 • Households benefitting from increased water capacity: Baseline: 21,660; Target: 93,539 • Farmers using climate-smart agriculture: Baseline: 3,000; Target: 6,000 • Land with improved water management (ha): Baseline: 1,770; Target: 3,970	• BMCs accessing climate finance for project preparation: Baseline: 2; Target: 10 • Projects financed through global climate funds: Baseline: 0; Target: 8 • Risk-sharing instruments developed/deployed: Baseline: 0; Target: 1 • Financial institutions integrating climate risk: Baseline: 1; Target: 6	• New monitoring networks and early warning systems: Baseline: 3; Target: 4 • Regulatory frameworks incorporating climate change: Baseline: 0; Target: 5 • National spatial/land use plans integrating climate risks: Baseline: 1; Target: 5 • BMCs with DRM and adaptation plans: Baseline: 14; Target: 15	• Projects screened for climate and disaster risks: Baseline: 80%; Target: 100% • Operations staff trained on climate issues: Baseline: 60%; Target: 100% • Climate-sensitive sector investments incorporating adaptation: Baseline: 82%; Target: 95% • New policies/strategies integrating climate considerations: Target: 100%

In addition, the SP 2020-24 includes the following climate-related indicators (Table 9).

Table 9. Climate resilience indicators in CDB's 2020-24 Strategic Plan and RMF.

Level 1: Regional Development Progress	Level 2: CDB's Contribution to Development Outcomes	Level 3: Operational Performance	Level 4: Organisational Efficiency
• Renewable Energy (RE) as a % of total energy mix produced: <i>Baseline (2018): 11%; Target (2024): 30%</i> • Greenhouse gas emissions per capita: <i>Baseline (2014): 3.6 metric tons; Target (2024): 3.9 metric tons</i> • Reported economic losses from natural disasters and climate variability (% of GDP): <i>Baseline (2016–2018): 0.5%; Target (2024): <1.5%</i>	• Energy: Renewable power generation capacity installed (MW): <i>Target (2020–2024): 10 MW</i> • Greenhouse gas emissions reduction (t CO₂ equivalent/year): <i>Target: 400,000 tons</i> • Energy savings from EE and RE interventions (GWh): <i>Target: 44 GWh</i> • Communities with improved capacity to address climate change and disaster risk management (DRM): <i>Target: 88 communities</i> • Number of BMCs with strengthened resilience and adaptive capacity to climate hazards: <i>Target: 13 countries</i>	• Capital projects with climate-informed design or Climate Risk and Vulnerability Assessment (CRVA): <i>Target: 90% of projects</i>	• Climate-related bank commitments (adaptation and mitigation finance): <i>Baseline (2018): USD 171 million; Target (2024): USD 180 million</i>

The SPU further refined the climate-related indicators (Table 10).

Table 10. Climate resilience indicators in CDB's 2022-24 Strategic Plan Update and RMF

Level 1: Progress Towards Sustainable Development Goals and Regional Development Outcomes	Level 2: CDB's Contribution to SDGs, Country, and Regional Development Outcomes	Level 4: Organisational Efficiency
9. Renewable Energy (RE) as a % of total energy mix produced: Baseline (2019): 11%; Latest (2020): 11% 10. Greenhouse gas emissions (million tonnes of CO₂ per annum): Baseline (2018): 55.8 MtCO₂; Latest (2019): 56.2 MtCO₂ 11. Reported economic losses resulting from natural disasters and climate variability (% of GDP, 3-year average): Baseline (2017–2019): 15.5%; Latest (2020): 1.2%	15. Renewable energy and energy storage capacity installed (MW): Initial 2024 Target: 10 MW; Revised 2024 Target: 14 MW (↑ Increase) 16. Greenhouse gas emissions reduction (tCO₂ equivalent/year): Initial 2024 Target: 108,186 tCO₂; Revised 2024 Target: 100,000 tCO₂ (↓ Decrease) 17. Energy savings as a result of energy efficiency (EE) interventions (GWh/year): Initial 2024 Target: 100 GWh; Revised 2024 Target: 80 GWh (↓ Decrease) 18. Transmission or distribution lines installed or upgraded (km): Initial 2024 Target: 25 km; Revised 2024 Target: 30 km (↑ Increase) 19. Number of BMCs with strengthened regulatory frameworks, strategies, plans, and policies to build resilience and adaptive capacity to climate-related hazards: Initial 2024 Target: 13 BMCs; Revised 2024 Target: 15 BMCs (↑ Increase) 20. Additional communities with improved capacity to address climate change (CC) and disaster risk management (DRM): Target: 44 communities	6. Climate-related commitments (adaptation and mitigation finance as % of total commitments): Baseline (2020): 13%; 2024 Target: 25–30% (Methodology: Based on the Joint MDB Methodology for Tracking and Reporting on Climate Finance).

Element 2.3.3. The MO's accountability systems (including corporate reporting and evaluation) reflect climate change, resilience, biodiversity and nature indicators and targets.

CDB reports on climate change and resilience indicators and related progress in its annual DER. CDB does not yet have a standalone accountability framework or results reporting system for biodiversity and nature-based solutions.

CDB is rated **satisfactory**. Although biodiversity indicators are not fully embedded in accountability systems, CDB has consistently measured its support to climate change mitigation and resilience.

The most recent, 2024, climate-related results tracked through CDB's RMF and reported in CDB's DERs include:

- Climate Finance Commitments: 33.5% of total approvals in 2024, exceeding the 2025 target.
- RE Share in Energy Mix: Increased to 13% in 2023.
- GHG Emissions: Regional total of 74 MtCO₂ in 2023, down from 79.5 MtCO₂ in 2015.
- Economic Losses from Natural Disasters: Reduced from 15.5% of GDP (2017–2019) to 1.2% (2020–2023).

- RE Projects: Geothermal, solar PV, and energy efficiency projects across multiple BMCs (e.g., Dominica, Suriname, Barbados, Antigua, Belize).

Although biodiversity and nature-based solutions are integrated conceptually into climate and resilience operations, CDB does not yet have a standalone accountability framework or results reporting system for these dimensions. Ecosystem-related activities, such as mangrove restoration, watershed management, and coastal protection, are reported indirectly under climate adaptation or resilience indicators. There is currently no dedicated monitoring or evaluation of biodiversity impacts, ecosystem health, or natural capital restoration. In addition, CDB's results framework does not capture financial commitments or performance related to biodiversity investments.

In 2021 CDB conducted a Paris Alignment Assessment using a Monitoring and Reporting Tool, which evaluates alignment with the Paris Agreement across six building blocks and 36 indicators. The assessment found that most indicators were aligned, with strong performance in climate risk screening, resilience, and climate finance, but remaining gaps in areas such as fossil fuel policy, carbon pricing, and climate finance tracking, specifically:

- Clear tracking of the use of funds: The Bank has tracked climate finance historically and is now developing a more systematic tracking system aligned with joint MDB methodologies.
- Level of transparency of climate-related information: The Bank assesses climate impacts at the project level through its Climate and Vulnerability Risk Assessment process, but lacks mechanisms to evaluate policy-based lending and does not report on negative climate impacts or associated risks.

Notably, unlike other IFIs, CDB does not consistently implement a process to track the proportion of operations that are Paris-aligned. The indicators it does measure in the RMF are primarily linked to ex-ante finance and projected results rather than verified achievement ex-post. Finally, there is a need for CDB to update its climate and biodiversity indicators in line with harmonised indicators and approaches implemented across IFIs.

CDB's participation in the MDB Nature Group provides an avenue for engagement on harmonised biodiversity and nature indicators across IFIs. This engagement is useful to CDB as the Bank is in the process of preparing its nature capital and biodiversity strategy.

Under the new TYS, the revised RMF includes an indicator for climate resilience that has been harmonised with other IFIs: Number of people with improved resilience to climate-related shocks or strengthened disaster resilience (#). However, no indicators have been identified to track results related to biodiversity.

Element 2.3.4: The MO applies climate change, resilience, biodiversity and nature screening checklists or similar tools to inform the design of investments and other operations.

CDB's climate and disaster risk screening system is robust, consistently applied, and integrated into project design, appraisal, and supervision processes. The approach ensures that all projects are climate-informed and resilient, meeting best-practice standards for small island developing states (SIDS). Considerations for biodiversity and nature have been added to CDB's updated Environmental and Social Review Framework as a separate performance area.

CDB is rated as **satisfactory** (medium confidence) for this element. CDB has established procedures to address climate and disaster risk screening in line with good practice. New measures are being introduced to embed considerations for biodiversity and nature.

CDB's CRS 2019-24 requires that 100 percent of projects are to be systematically screened for climate and disaster risks and 95 percent of investments in climate-sensitive sectors are expected to incorporate adaptation and resilience measures. CDB became fully Paris-aligned in December 2022 such that all new

operations undergo climate-compatibility screening. In tracking climate finance, CDB uses the Joint MDB Climate Finance Tracking Methodology, integrated into an internal climate-finance tracking system.

According to the Climate Resilience Strategy 2019–24, CDB has integrated disaster and climate change risk screening into the design of all its investment projects. This process begins with a high-level screening tool that helps identify projects most at risk from climate and natural hazards. For those projects, the Bank conducts more detailed climate vulnerability risk assessments to inform the integration of adaptation and resilience measures into project design.

According to Work instruction for Task 201.4.4 – Complete Initial Climate Risk Vulnerability Screening, a climate risk screening is mandatory and aims to determine whether further interventions, such as a Climate Risk Vulnerability Assessment (CRVA), are required to address climate change impacts on a proposed project. The process begins by reviewing existing project information and any available documentation on potential climate-related impacts. Using this information, the Environmental Specialist completes the Initial Climate Risk Screening Tool and documents whether additional assessments are needed. The output of this task is the completed screening tool and a decision on whether a CRVA should be conducted later under Task 405. Quality assurance involves using a standard tool, with approval by the Head of Unit, Environmental and Social Unit (ESU), and tracking issues in the portfolio management system. According to the 2024 DER, CDB delivered CVRAs for 100% of projects in 2022, 2023 and 2024.

In addition to climate risk screening, CDB follows its 2014 Environmental and Social Review Procedures (ESRP) that integrate environmental and social considerations into all aspects of the Bank's operations. It builds on earlier guidelines from 1994 and 2004. The 2014 ESRP applies to both public and private sector projects and includes eight core Performance Requirements (PRs): pollution prevention, hazardous substances management, protection of cultural property, biodiversity conservation, engagement with directly affected communities, support for vulnerable groups, land acquisition and resettlement, and community and worker health and safety. Projects are categorized by risk level A (significant impacts), B (limited impacts), C (minimal impacts), and FI (financial intermediary)—to determine the scope of environmental and social assessment required.

The ESRP outlines procedures for environmental and social impact assessments (ESIA), management plans (ESMP), stakeholder engagement, grievance redress mechanisms, and information disclosure. It emphasizes meaningful consultation, transparency, and compliance with both national legislation and international standards. The ESRP also details monitoring, supervision, and reporting responsibilities, including project completion and ex-post evaluations. Special modalities are addressed, such as emergency projects, co-financed operations, and flexible instruments like policy-based loans. CDB maintains an exclusion list of activities it will not finance due to ethical, legal, or environmental concerns. The ESRP also provides templates, checklists, and guidance for implementing the ESRP across the project cycle, ensuring consistency, accountability, and alignment with CDB's sustainability goals.

CDB is in the process of developing an updated Environmental and Social Risk Framework (ESRF) with a draft currently being consulted with BMCs. The updated draft maintains this emphasis on climate and introduces a separate performance standard on biodiversity, conservation and sustainable management of natural resources. The updated ESRF will help further embed CDB's commitment to promoting biodiversity and nature through its operations.

Overall, 78% of respondents to MOPAN's partner survey agree or strongly agree that "CDB addresses climate change and supports climate resilience" in its operations. Of 45 respondents who provided open text feedback for this question, 18% spoke to CDB's support to climate change and climate resilience. Common themes included: (i) recognition of CDB's strong strategic commitment to climate and resilience; (ii) insufficient operational resourcing and internal capacity; (iii) climate mainstreaming remains uneven across operations; and (iv) the need for deeper engagement with BMCs around resilience.

Element 2.3.5: The MO has identified human and financial resources to address climate change, resilience, biodiversity and nature issues.

CDB has committed institutional and financial resources to support its climate change and resilience agenda, reflecting its strategic prioritization of environmental sustainability and disaster risk management. However, the Bank's human and financial capacity for biodiversity and nature-based solutions remains limited, with no specialized staff or formal resource framework to address ecosystem or natural capital issues.

CDB is rated **unsatisfactory**. Constraints in human resources have been an important constraint in fully operationalising CDB's climate change, resilience and biodiversity agenda.

Human Resources

CDB's climate change and resilience work is primarily managed through the ESU within the Projects Department. The Unit has 3 dedicated staff for climate change, including a Coordinator, climate finance specialist and climate change specialist supported by environmental specialists and disaster risk management experts and other specialists in the social sector division and the economic infrastructure division. All ESU staff are responsible for climate risk screening across projects, embedded in the Bank's Environmental and Social Review Procedures, technical assistance, and coordination of climate-related operations. CDB has recognized resource constraints and aims to mainstream climate expertise across operational divisions. The SPU 2022–24 also calls for strengthening coordination across the Bank's economic, social, and environmental pillars.

CDB currently has no dedicated staff for biodiversity or nature, and ecosystem management expertise is handled indirectly through environmental and social safeguards specialists. As biodiversity and nature-based solutions are increasingly recognized as critical to climate resilience, the Bank's staffing model will need to evolve to include expertise in ecosystem services, natural capital valuation, and green infrastructure. Establishing such capacity would align CDB with peer MDBs that have formal biodiversity and nature units or thematic leads. CDB's 2026 Budget includes resources for biodiversity, with a dedicated staff member onboarded by December 2026.

Financial Resources

CDB has gradually increased its internal and external financial allocations to climate change and resilience. Climate finance now represents one of the Bank's most significant areas of investment growth.

- Between 2021 and 2023, the share of climate-related approvals increased, with 13.6% reported in 2023, working toward the 25–30 percent target established in the SPU.
- The Bank has leveraged concessional resources through partnerships with the GCF, \ the Climate Investment Funds (CIFs), the Adaptation Fund and bilateral donors.
- It also facilitates BMC's access to the Caribbean Catastrophe Risk Insurance Facility (CCRIF SPC) and supports parametric insurance products for BMCs.

The CRS 2019–24 identifies resource mobilization as one of its four strategic pillars, with specific goals to: (i) expand the pool of concessional resources available for climate-related projects; (ii) strengthen CDB's role as an accredited entity to global climate funds; and (iii) increase co-financing through public and private partnerships. The Bank's operational budgets now include provisions for climate and disaster risk assessments, climate data systems, and project preparation for adaptation investments.

Nevertheless, financial resources dedicated specifically to biodiversity and nature-based solutions remain fragmented. While some projects incorporate ecosystem restoration or natural capital components, these are typically funded under broader climate or environmental budgets. There is currently no distinct funding line or thematic window for biodiversity or nature-positive investments.

Partnerships and Capacity Support

CDB's ability to mobilize and deploy resources for climate and resilience is strengthened through partnerships with regional and international institutions. Collaboration with CDEMA, CIMH, OECS, and CARICOM enhances technical capacity for disaster management, forecasting, and regional policy alignment. At the same time, cooperation with global MDBs such as the World Bank and ADB allows CDB to align methodologies for climate finance tracking, climate risk screening, and adaptation metrics. These partnerships compensate partially for limited internal staff capacity and provide access to specialized technical assistance.

However, partnerships related to biodiversity and natural capital remain limited. The Bank's engagement with regional environmental bodies such as the Caribbean Natural Resources Institute (CANARI) and UNEP-CEP had been ad hoc rather than institutionalized. However, in 2025 CDB initiated discussions with CANARI to establish a framework Agreement to enable a strategic working relationship. This agreement is expected to be completed by end of first quarter 2026. Additionally, CDB has an MOU with the United Nations to guide engagement.

Element 2.3.6: The MO's staff are trained on and/or have access to staff with expertise on climate change, resilience, biodiversity and nature.

CDB has developed limited institutional capacity and staff expertise on climate change, resilience, biodiversity, and nature issues through training, technical guidance, partnerships and access to expertise. The CRS 2019–2024 and the SPU 2022–2024 emphasize staff development as a component of climate mainstreaming. However, climate-related training is not mandatory. Training on biodiversity and nature-based solutions (NbS) remains limited, and access to specialized expertise in these areas is not yet institutionalized.

CDB is rated **satisfactory** based on evidence of training delivered to staff and partners on a range of topics. However, there are opportunities for CDB to strengthen the provision of training across staff, including for biodiversity.

At the global level, CDB's participation in the MDB Nature Group complements its regional partnerships by providing access to peer MDB expertise, emerging methodologies, and collective learning on biodiversity and nature-based solutions. This engagement partially mitigates internal capacity constraints.

Climate Change and Resilience

The CRS 2019–24 recognizes that internal capacity is essential for scaling up climate-informed investments. The Bank's training (not mandatory) approach focuses on integration of climate considerations across the project cycle, from risk screening and vulnerability assessment to design, implementation, and monitoring. Key elements of CDB's climate training and expertise development include:

- **Climate Risk Screening Training:** CDB has developed training on climate and disaster risk screening. This training ensures that operations staff can identify and document climate risks, determine the need for a Climate Risk Vulnerability Assessment (CRVA), and integrate adaptation measures into project design.
- **Technical Workshops on Climate Finance and Adaptation:** Design Specialized sessions delivered by the Environmental Sustainability Unit (ESU) and the Projects Department cover topics such as adaptation cost analysis, climate finance tagging, and alignment with the Joint MDB Climate Finance Methodology. These workshops are supported by partners including the IDB, GCF, and AF. For example, CDB in 2025 partnered with IDB to conduct joint training on climate finance.
- **Partnership-Based Capacity Building:** CDB collaborates with regional institutions such as the Caribbean Disaster Emergency Management Agency (CDEMA), the Caribbean Institute for Meteorology and Hydrology (CIMH), Caribbean Community Climate change centre, UWI Climate studies Group and the Organisation of Eastern Caribbean States (OECS) to deliver targeted

training on climate data, forecasting, and resilience planning. These partnerships extend expertise to both staff and BMCs).

- Knowledge Sharing and Learning Networks: The ESU facilitates internal seminars and communities of practice focused on resilience, adaptation finance, and disaster recovery. Staff also participate in cross-MDB knowledge exchanges through initiatives such as the MDB Working Groups.

The coverage and consistency of climate training remain uneven and is not mandatory. Furthermore, there is high staff turnover and reliance on external consultants for technical assessments. The SPU 2022–24 calls for integrating climate change learning into corporate learning platforms that will institutionalize training for staff and partners.

Biodiversity and Nature

Training and expertise on biodiversity and nature-based solutions are currently limited. While biodiversity considerations are partially addressed under the Environmental and Social Review Procedures (ESRP), there is no structured training program on ecosystem services, natural capital, or biodiversity conservation. At present, access to biodiversity expertise is primarily external. CDB occasionally engages consultants or partners such as UNEP, the Caribbean Natural Resources Institute (CANARI), and regional environmental agencies for specific assignments. However, the absence of in-house biodiversity specialists limits institutional learning and consistency across operations.

MI 2.4: Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for addressing fragility.

- Element 2.4.1. The MO has a dedicated policy statement on fragility available with evidence of application.
- Element 2.4.2. The MO has fragility indicators and targets that are fully integrated into its and corporate objectives.
- Element 2.4.3. The MO's accountability systems (including corporate reporting and evaluation) reflect fragility indicators and targets.
- Element 2.4.4. The MO applies fragility screening checklists or similar tools to inform the design of investments and other operations.
- Element 2.4.5. The MO has identified human and financial resources to address fragility issues.
- Element 2.4.6. The MO's staff are trained on and/or have access to staff with expertise on fragility.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 2.4		N/A	
Element 2.4.1	Unrated	N/A	
Element 2.4.2	Unrated	N/A	
Element 2.4.3	Unrated	N/A	
Element 2.4.4	Unrated	N/A	
Element 2.4.5	Unrated	N/A	
Element 2.4.6	Unrated	N/A	

MI 2.4 Documentary Evidence

- Caribbean Development Bank (2018) *"Climate Resilience Strategy 2019–2024,"* <https://www.caribank.org/about-us/policies-and-strategies/climate-resilience-strategy-2019-2024>
- Caribbean Development Bank (2019) *"Strategic Plan 2020–2024,"* <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2020) *"Position Paper: From Fragility to Resilience in Haiti (Paper SDF 10/1-NM-4),"* (internal document)
- Caribbean Development Bank (2021) *"Report on Negotiations of the Tenth Cycle of the Special Development Fund (SDF 10) (Paper BD 26/21),"* https://www.caribank.org/sites/default/files/publication-resources/BD%2026_21-Report%20on%20Negotiations%20of%20SDF%2010_redacted.pdf
- Caribbean Development Bank (2021) *"Strategic Plan Update 2022–2024: Repositioning for Resilience,"* <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2023) *"Country Engagement Strategy 2023–2025: Haiti,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-haiti-2023-25>
- Caribbean Development Bank (2024) *"Report of Contributors on the Negotiations of the Eleventh Cycle of the Special Development Fund (SDF 11),"* https://www.caribank.org/sites/default/files/publication-resources/ContributorsReportSDF11_redacted.pdf

MI 2.4 Analysis

Element 2.4.1: The MO has a dedicated policy statement on fragility available with evidence of application.

CDB does not yet have a formal corporate policy or institutional framework addressing fragility and conflict-affected situations (FCAS). However, the Bank's engagement in Haiti, the only BMC formally classified as fragile, has provided the foundation for a context-sensitive and learning-oriented approach to fragility. The experience in Haiti demonstrates CDB's emerging understanding of fragility dynamics in small and vulnerable states, though this remains largely country-specific and not yet mainstreamed across the institution.

This indicator has not been rated. Although CDB does not have a fragility strategy, it has identified a corporate approach implemented over time in its only fragile member country. There are opportunities for CDB to elaborate a more explicit corporate approach to addressing fragility.

Haiti is CDB's only BMC and the only country with a country office (opened in 2018). CDB prepared a position paper - "From Fragility to Resilience in Haiti" – for the 10th replenishment cycle of the SDF, which outlines a strategy for addressing Haiti's deep-rooted fragility and guiding its transition toward resilience. The paper identifies six dimensions of fragility—political, security, economic, societal, environmental, and migration-related—and emphasizes that these challenges have severely constrained development outcomes. The paper proposes a strategic shift from fragmented aid to a more coordinated, context-sensitive, and long-term engagement. It aligns with the OECD's Principles for International Engagement in Fragile States (PIEFS), which include "do no harm," prioritizing prevention, strengthening state institutions, and ensuring inclusive development. The paper emphasizes an approach of flexibility, local ownership, and sustained presence through its Haiti Country Office.

The proposed interventions focused on three priority sectors: education and training, community development and agriculture, and sustainable energy. In education, the Bank aims to improve access and

quality through investments in basic education and technical and vocational education and training (TVET). In agriculture, the focus is on increasing productivity through irrigation, watershed management, and support for rural enterprises. In energy, the Bank plans to expand access to renewable energy through mini-grid and off-grid solutions. Cross-cutting themes include public sector capacity building, support for micro, small, and medium-sized enterprises (MSMEs), disaster risk management (DRM), climate resilience, and gender equality. CDB will continue to support Haiti's participation in the Caribbean Catastrophe Risk Insurance Facility (CCRIF SPC) and invest in early warning systems, climate adaptation, and environmental sustainability. Gender equality will be mainstreamed across all interventions, with a focus on women's empowerment and inclusive service delivery.

In addition to the SDF position paper, Haiti's CESs serves as key tools for engaging within the country. The most recent CES (CES 2023-25), which includes a detailed risk matrix addressing fragility-related risks (e.g., governance, climate vulnerability, security) and mitigation strategies like flexible work arrangements and donor coordination, is structured around four strategic pillars, each with clearly defined goals, targets, and indicators to guide development outcomes:

- The first pillar, Enhancing Food and Nutrition Security and Productivity, aims to improve food and nutrition security by addressing high rural poverty, underinvestment in agriculture, environmental degradation, and limited market access. The targeted outcomes include increased investment in the agricultural sector, higher farm production, and strengthened national quality infrastructure and regulatory trade frameworks. The strategy sets a target of increasing community-based agriculture and rural development projects from two in 2023 to three by 2025 and strengthening at least one institution through adjustments to the national quality infrastructure and trade frameworks.
- The second pillar, Increasing Access to Sustainable Energy Options, focuses on improving energy security and expanding access to reliable, modern, and affordable energy. It addresses constraints such as limited energy access, over-reliance on imported petroleum, and weak institutional capacity. The expected outcomes are increased use of sustainable energy and improved energy security. Specific targets include connecting 2,000 households to sustainable energy sources via mini-grids by 2026 and achieving 250 kWh of renewable energy consumption by 2027.
- The third pillar, Improving Human Capital and MSME Capacity, is divided into two components. The education and training component seeks to enhance the quality, access, and relevance of education, particularly in basic education and technical and vocational education and training (TVET). It addresses issues such as inadequate infrastructure, insufficient trained teachers, and limited institutional capacity. Indicators include percentage increases in student enrolment in public schools and TVET programs, and in the number of trained teachers, all disaggregated by gender. The MSME component aims to promote a diversified small business sector by improving operational capacity and practices. It targets increased knowledge and skills among MSME beneficiaries through training programs, with indicators measuring the percentage of beneficiaries reporting improved competencies.
- The fourth pillar, Strengthening Environmental Resilience and Disaster Risk Management, seeks to enhance Haiti's capacity to manage natural resources and adapt to climate change. It addresses limited potable water resources, inadequate early warning systems, and threats to land and infrastructure. The expected outcome is strengthened climate resilience. Indicators include the number of priority interventions integrating disaster risk management and climate change adaptation by 2025, and the number of people protected by investments in early warning systems and climate-resilient infrastructure.

Each pillar is aligned with relevant SDG's including SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 13.

Element 2.4.2. The MO has fragility indicators and targets that are fully integrated into its and corporate objectives.

CDB lacks dedicated corporate indicators or targets for fragility or resilience in its CRF. Resilience is embedded in operations via the CRS 2019–24 and SP 2020–24, but political, social, and institutional fragility are not formally tracked or reported corporately. The absence of fragility indicators in the CRF limits measurement in contexts of instability, weak governance, or post-disaster recovery.

This indicator has not been rated. Fragility indicators are not fully integrated into corporate objectives.

In Haiti (CDB's only FCAS), the CES 2023–25 includes a country-specific monitoring framework with fragility-related targets, such as:

- People within protected investments in early warning systems and resilient infrastructure, including schools with emergency shelters
- Investments in agriculture and rural development (baseline: 2 projects; target: 3)
- Increase in beneficiaries expressing improved knowledge/skills from training (baseline: 0; target: TBD), including for MSMEs
- Institutions strengthened through adjustments to National Quality Infrastructure (baseline: 0; target: >1), focusing on key ministries like Finance, Agriculture, and Energy

These demonstrate fragility-sensitive results management but are country-limited and not aggregated into the corporate CRF or Development Effectiveness Reports (DERs).

Element 2.4.3. The MO's accountability systems (including corporate reporting and evaluation) reflect fragility indicators and targets.

CDB's CRF does not include any specific indicators or targets related to fragility.

This indicator has not been rated.

Although CDB's CRF does not include fragility indicators, some of Haiti's CES 2023-25 results indicators align with fragility dimensions, such as:

1. Strategic Pillar 1: Food and Nutrition Security
 - Number of community-based agriculture and rural development projects.
 - Number of institutions strengthened through adjustments to the National Quality Infrastructure (NQI) and Regulatory Trade Framework (RTF).
2. Strategic Pillar 2: Sustainable Energy
 - Number of households connected to mini-grids.
 - Renewable energy consumed (kWh).
3. Strategic Pillar 3: Human Capital and MSMEs
 - % increase in students (M/F) enrolled in public schools.
 - % increase in trained teachers (M/F).
 - % increase in MSME beneficiaries (M/F) reporting improved skills.
4. Strategic Pillar 4: Environmental Resilience and DRM
 - Number of interventions integrating disaster risk management (DRM) and climate change adaptation (CCA).
 - Number of people protected by early warning systems and resilient infrastructure.

The CES RMF provides a structured approach to monitoring and evaluating the outcomes of the CDB interventions in Haiti. It is organized around the four strategic pillars of the CES and outlines the country's development priorities, the specific sector constraints being addressed, the targeted outcomes, indicators for measuring progress, areas of CDB support, associated risks, mitigation strategies, and alignment with the SDGs. Additionally, CDB does not incorporate fragility indicators or issues into the PCRs for projects in fragile contexts.

Element 2.4.4: The MO applies fragility screening checklists or similar tools to inform the design of investments and other operations.

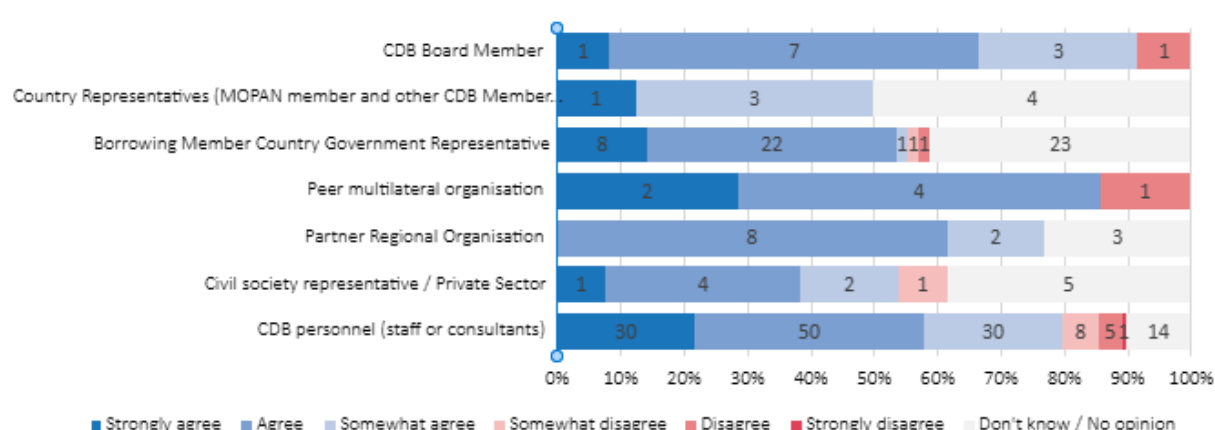
CDB does not have or use specific fragility screening checklists or similar tools used to inform project design in Haiti.

This indicator has not been rated.

However, feedback from CDB staff working in Haiti indicated that an understanding has been cultivated with respect to the flexibility needed in how CDB operates in fragile context with lessons and experience that could be applied to other countries should a fragile or conflict-affected context emerge in other BMCs.

Overall, 55% of respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB is responsive to the needs of fragile and country affected states." Of 45 respondents

CDB is responsive to the needs of fragile and conflict affected states.



Element 2.4.5: The MO has identified human and financial resources to address fragility issues.

CDB does not dedicate specific human or financial resources to fragility issues. However, there are resources specifically dedicated to Haiti, CDB's only fragile county. The SDF identifies a specific resource envelope for CDB's operations in Haiti.

This indicator has not been rated. The allocation of resources is currently aligned with its activities in FCAS contexts.

The SDF 10 "From Fragility to Resilience in Haiti" position paper proposed a resource envelope of USD 75 million for Haiti under SDF 10, with USD 65 million in grants and USD 10 million in concessional loans. Ultimately, SDF 10 set aside 45 million for Haiti.

CDB's country office had three staff (a country representative, an operations officer, and an administrative support staff) when launched in 2018. Recently, an education specialist has been hired. Haiti's country office is actively recruiting an economist and an agricultural and rural specialist.

Element 2.4.6: The MO's staff are trained on and/or have access to staff with expertise on fragility.

CDB staff are not trained on issues related to fragility.

This indicator has not been rated.

According to relevant stakeholders, there is no formalized structure within Bank Headquarters for staff to understand or be trained on issues related to Haiti or on fragility.

MI 2.5: Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for addressing regional cooperation and integration (RCI).

- Element 2.5.1. The MO has a dedicated policy statement on RCI available with evidence of application.
- Element 2.5.2. The MO has RCI indicators and targets that are fully integrated into its and corporate objectives.
- Element 2.5.3. The MO's accountability systems (including corporate reporting and evaluation) reflect RCI indicators and targets.
- Element 2.5.4. The MO applies RCI screening checklists or similar tools to inform the design of investments and other operations.
- Element 2.5.5. The MO has identified human and financial resources to address RCI issues.
- Element 2.5.6. The MO's staff are trained on and/or have access to staff with expertise on RCI.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 2.5	Unsatisfactory	1.83	
Element 2.5.1	Satisfactory	3	High
Element 2.5.2	Unsatisfactory	2	High
Element 2.5.3	Unsatisfactory	2	High
Element 2.5.4	Unsatisfactory	2	High
Element 2.5.5	Highly Unsatisfactory	1	Medium
Element 2.5.6	Highly Unsatisfactory	1	Medium

MI 2.5 Document Evidence

- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) "Report on Negotiations of the Tenth Cycle of the Special Development Fund (SDF 10) (Paper BD 26/21)," https://www.caribank.org/sites/default/files/publication-resources/BD%2026_21-Report%20on%20Negotiations%20of%20SDF%2010_redacted.pdf
- Caribbean Development Bank (2021) "Strategic Plan Update 2022–2024: Repositioning for Resilience," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2024) "Report of Contributors on the Negotiations of the Eleventh Cycle of the Special Development Fund (SDF

11), " https://www.caribank.org/sites/default/files/publication-resources/ContributorsReportSDF11_redacted.pdf

MI 2.5 Analysis

Element 2.5.1: The MO has a dedicated policy statement on RCI available with evidence of application.

CDB has a core operational policy supporting RCI, recognising this as part of the core mandate of the Bank. Furthermore, CDB's Strategic Plan 2020-24 and Strategic Plan Update 2022-24 include RCI as a cross-cutting theme.

CDB is rated **satisfactory**. However, there are opportunities to implement a more coherent approach to supporting RCI across operations.

OPPM 1/A5 OP recognises that support for RCI has been a key part of the mandate of CDB since its inception. Priorities for CDB's activities to support RCI, primarily through the SDF, are framed as support for Regional Public Goods implemented in partnership with other actors. Three focus areas are identified: (i) enhancing statistical data collection for improved policy-making and MfDR reporting; (ii) strengthening financial sector regulation and supervision for economic stability and growth; and (iii) improved intra-regional transportation for better movement of goods and persons.

Furthermore, CDB's Strategic Plan 2020-24 treats RCI as a cross-cutting theme. It is meant to be integrated in development operations, monitoring frameworks, and sectoral strategies. According to the SP, RCI is seen as a key aspect of accelerating economic growth, reducing poverty and disparities, raising productivity, and strengthening institutions. It is particularly important for narrowing development gaps between More Developed and Less Developed Countries. RCI also supports trade integration, development of intra-regional supply chains, and stronger financial links, helping slower economies to catch up. The SP commits to:

- Intensifying support for trade facilitation, aiming to boost intra-regional trade and investment.
- Helping BMCs improve quality assurance infrastructure and reduce trade barriers.
- Tracking progress through indicators in its Results Monitoring Framework (RMF), including: (i) Number of regional public goods (RPGs) created or strengthened; and (ii) Number of trade facilitation measures supported

The SPU retains RCI as a cross-cutting theme. It emphasizes promoting intraregional trade as a way to expand market opportunities and build export capacity; reducing trade costs, improving port and border infrastructure, and simplifying procedures to enhance regional competitiveness. The SPU confirms CDB's aim to strengthen RPGs and quality assurance infrastructure to meet international standards and facilitate regional market access. Additionally, the SPU encourages strategic partnerships with CARICOM, OECS, and other regional bodies to advance integration goals. CDB also seeks to leverage its comparative advantage as a trusted regional institution to foster cooperation among BMCs.

The RMF retains two RCI indicators:

Number of RPGs created or strengthened in line with international/regional market requirements.

Number of trade facilitation measures created, strengthened, or expanded

CDB's mandate and operational record demonstrate a sustained commitment to regional cooperation and integration, but this commitment remains largely implicit rather than codified in institutional policy. While the Bank actively supports regional projects in trade, energy, disaster risk management, and education, there is no dedicated RCI strategy or results framework. There is no institutional mechanism to prioritize, coordinate, or measure RCI outcomes across departments. As a result, RCI interventions are often treated as stand-alone regional projects rather than as part of a strategic integration agenda.

Element 2.5.2. The MO has RCI indicators and targets that are fully integrated into its and corporate objectives.

CDB's CRF has two key RCI indicators that are tracked annually. There are several additional indicators that are related to RCI are tracked in the CRF but are not consolidated under the RCI pillar, reducing visibility of CDB's RCI impact. Monitoring of RCI-related results will weaken under the revised RMF supporting the TYS.

CDB is rated **unsatisfactory**.

CDB has two key RCI indicators that were approved in the SP 2020-24 and SPU 2022-24:

5. Number of RPGs created or strengthened in line with international/regional market requirements.
6. Number of trade facilitation measures created, strengthened, or expanded.

According to the 2024 DER, CDB is close to achieving its five-year targets for both RCI indicators. By the end of 2024, 16 out of 20 planned regional public goods (such as quality infrastructure systems, standards frameworks, and certification bodies) have been delivered, and 26 out of 30 trade facilitation measures (such as harmonized customs procedures, SPS protocols, and regional standards) have been implemented.

Several indicators in the CRF indirectly capture aspects of regional cooperation and shared benefits. These include measures related to connectivity, institutional capacity, and cross-country resilience:

Level 1 – Regional and Development Context

- Intra-regional trade as a percentage of total exports
- Access to regional transport and ICT infrastructure

Level 2 – CDB's Contribution to Development Outcomes

- People benefiting from regional infrastructure projects
- Institutions and agencies strengthened to deliver regional public goods
- BMCs benefiting from harmonized regional policies or programs supported by CDB
- People and enterprises benefiting from energy and connectivity improvements through regional programs (e.g., CETI, CCREEE initiatives)

Level 3 – Operational Performance

- Number and value of regional projects approved annually
- Proportion of projects implemented jointly by two or more BMCs
- Volume of resources allocated to regional or multi-country initiatives

These indicators provide partial visibility of RCI-related activities but are not consolidated under a single reporting pillar. As a result, regional outcomes are typically reported within sectoral contexts—such as energy, transport, or education—without attribution to regional integration objectives.

Under the proposed RMF, monitoring of RCI-related results has been reduced to: Approved operations supporting RCI (% of # approved), which reflects a step backward in monitoring results for this theme.

Element 2.5.3. The MO's accountability systems (including corporate reporting and evaluation) reflect RCI indicators and targets.

RCI is embedded in CDB's Corporate RMF; however, there is no specific operational area responsible for promoting RCI across the Bank's operations in the same way as for other cross-cutting issues.

CDB's current accountability mechanisms reflect RCI primarily through three channels: project-level performance assessments, regional program reporting, and occasional thematic reviews. These are not coordinated through a corporate RCI accountability framework. DERs consistently report on RCI as one of CDB's cross-cutting themes, tracked primarily at Level 2 of the Results Monitoring Framework (RMF).

In 2024, the Bank reported 16 (cumulative 2020-24) regional public goods created or strengthened against a target of 20 (target of 20 for 2020-25) and 26 (2020-24) trade facilitation measures against a target of 30 (2020-2025). This represents progress but remains below target. Key achievements included developing guidelines to facilitate intra-regional trade in plant and animal products, strengthening regional statistical capacity in trade, climate, and gender data, and hosting a CARICOM-endorsed Education Reform Symposium. However, intra-regional trade continued to decline, accounting for only 10% of total regional trade compared to 12% in the 2019 baseline. In 2023, the Bank launched the Accelerated Sustainable Energy and Resilience Transition (ASERT) 2030 framework and convened a Regional Regulatory ASERT Dialogue to harmonize electricity sector rules. Despite these efforts, renewable energy's share in the regional energy mix stagnated at approximately 12%, underscoring persistent integration challenges.

Overall, the DERs reveal some progress on RCI. While collaboration with CARICOM, OECS, and other regional institutions has strengthened, bottlenecks remain in addressing trade inefficiencies and accelerating regional energy integration. Positive developments include the launch of ASERT 2030 and regional dialogues on energy and procurement systems, which are expected to drive future improvements.

Institutional arrangements and responsibilities

Responsibility for regional cooperation is distributed across departments rather than centralized. The Economics Department provides analytical and policy support to regional initiatives, while the Projects Department manages implementation through operations. In contrast, other multilateral development banks such as the ADB and WB have established explicit accountability structures for regional cooperation. CDB's accountability framework currently lacks such institutionalized processes. As a result, RCI achievements may be underreported, and management cannot systematically demonstrate how regional cooperation contributes to broader development outcomes.

Element 2.5.4: The MO applies RCI screening checklists or similar tools to inform the design of investments and other operations.

CDB lacks systematic tools for identifying and mainstreaming potential RCI considerations into operations. As a result, potential spillovers go unrecognised, undefined and are not measured.

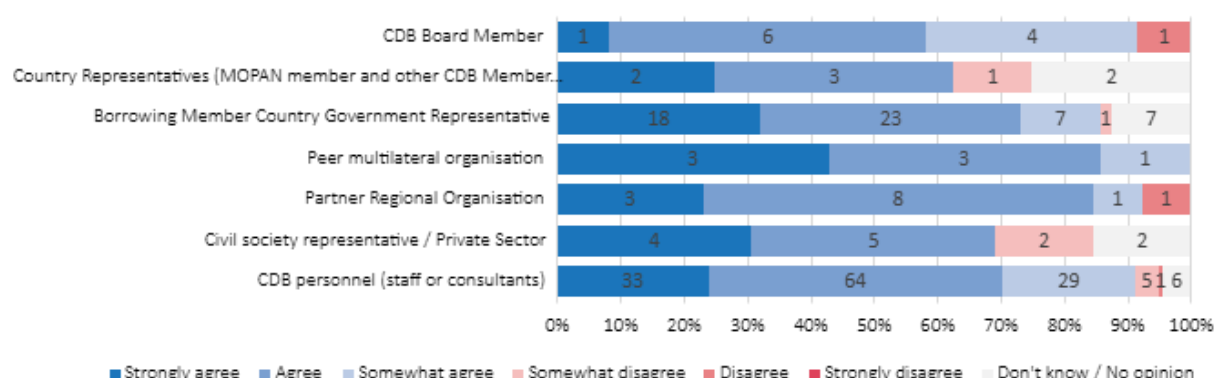
CDB does not yet have a formal screening tool or checklist to systematically identify or assess the RCI dimensions of its projects and programs. While RCI is referenced as a cross-cutting objective in the Strategic Plan 2020–24 and its Update (SPU 2022–24), it is not operationalized through standard project preparation or quality assurance instruments. Consequently, regional linkages are identified on an ad hoc basis, typically through staff expertise, dialogue with regional partners, or during project concept reviews, rather than through a consistent analytical framework.

An important downside is the absence of a systematic means to identify, define and measure potential spillovers from CDB's operations. Stakeholders note that often these spillovers go unrecognised and unmeasured such that the true impact of these operations is not identified.

Project appraisal documents do not include a standard section or screening question related to RCI potential, regional spillovers, or cross-country benefits. Projects that are explicitly regional—such as those implemented through CARICOM, OECS, or regional technical assistance programs—are reviewed through the standard operational process without a differentiated assessment of regional integration impact.

Overall, 76% of respondents to MOPAN's partner survey agreed or strongly agreed that “CDB supports regional cooperation and integration through its operations and strategies.” Of the 45 respondents who provided open text feedback, 38% referred to CDB's support to regional cooperation and integration. The main themes identified included recognition for CDB's strong historic role in promoting RCI, but also the recognition that support for RCI and coordination with regional organisations has become less visible or deprioritised in recent years. Furthermore, it was underscored that resourcing and staffing gaps constrain delivery. Finally, there was recognition of an increased need for stronger cross-country learning and multi-country programme approaches and stronger visibility of RCI activities.

CDB supports regional cooperation and integration through its operations and strategies.



Element 2.5.5: The MO has identified human and financial resources to address RCI issues.

The Bank does not have a dedicated structure or staffing model for managing RCI as an operational priority. RCI activities are funded and staffed across departments on an ad hoc basis, without a centralized coordination mechanism, results monitoring system, or earmarked financing.

CDB's responsibility for regional cooperation is dispersed across several departments rather than housed in a dedicated unit. The Projects Department manages the implementation of regional investments and technical assistance; the Economics Department leads analytical work and provides policy advice to regional institutions such as CARICOM and OECS; and the Corporate Strategy and Results Division (CSR) supports the integration of regional objectives into the Strategic Plan and results frameworks. However, there is no formal RCI coordinator, thematic lead, or team with specific accountability for driving the regional integration agenda.

In practical terms, the Bank relies on staff with overlapping responsibilities in trade, private sector development, and infrastructure to oversee RCI-related projects. Regional initiatives are often coordinated informally through interdepartmental collaboration, but without a permanent structure to ensure strategic coherence or continuity. The absence of a dedicated focal point also limits the Bank's ability to engage proactively in regional policy discussions, mobilize co-financing for regional projects, or systematically capture lessons learned.

Element 2.5.6: The MO's staff are trained on and/or have access to staff with expertise on RCI.

CDB does not yet have dedicated staff training on RCI.

The Bank does not yet have an institutional training program or structured access to expertise specifically focused on RCI. While staff engage regularly with regional institutions such as CARICOM and the OECS, knowledge sharing is not systematic and (probably) occurs through project-level collaboration and informal

networks rather than through a formal corporate framework for regional integration learning or expertise development.

MI 2.6: Corporate/sectoral and country strategies respond to and/or reflect the intended results of normative frameworks for addressing digital transformation.

- Element 2.6.1. The MO has a dedicated policy statement on digital transformation available with evidence of application.
- Element 2.6.2. The MO has digital transformation indicators and targets that are fully integrated into its corporate objectives.
- Element 2.6.3. The MO's accountability systems (including corporate reporting and evaluation) reflect digital transformation indicators and targets.
- Element 2.6.4. The MO applies digital transformation screening checklists or similar tools to inform the design of investments and other operations.
- Element 2.6.5. The MO has identified human and financial resources to address digital transformation issues.
- Element 2.6.6. The MO's staff are trained on and/or have access to staff with expertise on digital transformation.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 2.6	Highly Unsatisfactory	1.50	
Element 2.6.1	Unsatisfactory	2	High
Element 2.6.2	Unsatisfactory	2	Medium
Element 2.6.3	Unsatisfactory	2	Low
Element 2.6.4	Highly Unsatisfactory	1	Low
Element 2.6.5	Highly Unsatisfactory	1	Low
Element 2.6.6	Highly Unsatisfactory	1	Low

MI 2.6 Document Evidence

- Caribbean Development Bank (2019) *"Strategic Plan 2020–2024,"* <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) *"Strategic Plan Update 2022–2024: Repositioning for Resilience,"* <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2023) *"Development Effectiveness Review – 2022,"* <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) *"Development Effectiveness Review – 2023,"* <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) *"Development Effectiveness Review – 2024," (internal document)*

MI 2.6 Analysis

Element 2.6.1: The MO has a dedicated policy statement on digital transformation available with evidence of application.

Although, digital transformation is identified as a cross-cutting theme in both the Strategic Plan 2020-24 and Strategic Plan Update 2022-24 CDB does not have a dedicated digital transformation policy of strategy and lacks conclusive evidence of implementation.

CDB is rated **unsatisfactory**.

CDB's Strategic Plan 2020–24 treats digital transformation as a cross-cutting theme integrated into all operations. It aims to optimise performance at both the country and institutional levels, reduce transaction costs, and enhance development impact. The Bank recognises that while ICT adoption has improved across the Caribbean, benefits remain uneven, leaving many citizens behind. Digitalisation is therefore positioned as a key enabler of inclusive and sustainable growth, improved governance, and enhanced competitiveness. To achieve this, CDB will pursue a approach that combines governance structures, competitive ICT infrastructure, and skilled human resources. Internally, the Bank's Digital Transformation Initiative focuses on four pillars: collaboration and productivity, data democratisation, business resilience, and smart partnerships. Externally, CDB will leverage its lending and non-lending services to deepen ICT development, improve digital adoption rankings, and integrate technology into traditional sectors such as education and agriculture. Implementation priorities include allocating resources for digital transformation and data analytics, supporting regulatory reforms for data governance, expanding e-government platforms, and driving down IT-related costs. Expected outcomes include improved service delivery, greater operational efficiency, and stronger development results through technology-enabled solutions.

SPU 2022-24 reaffirms Digital transformation as a cross-cutting theme and a guiding principle under GP1: "Pursuing value-for-money through additionality, impact and digital transformation." The update highlights persistent digital gaps in the Caribbean, including limited access to ICT infrastructure, affordability issues, and uneven uptake of digital solutions. COVID-19 exposed these weaknesses, particularly in education, MSMEs, and public service delivery. Digitalisation is seen as essential for reducing transaction costs, improving competitiveness, and accelerating progress toward the SDGs. Key priority areas in the SPU include:

- Policy and Regulatory Frameworks: Support legislation on data protection, cybersecurity, and enabling environments for tech entrepreneurship.
- Infrastructure and Access: Expand broadband coverage, improve ICT platforms, and promote affordable connectivity for homes and schools.
- Public Sector Digitalisation: Reconfigure business processes to exploit digital solutions, streamline service delivery, and reduce bureaucratic inefficiencies.
- Sectoral Integration: Apply digital tools in agriculture, education, logistics, commerce, and disaster risk management.
- Private Sector Enablement: Promote electronic payment systems, fintech solutions, and digital banking to formalise MSMEs and improve tax collection.
- Capacity Building: Train teachers, principals, and public officials to operate in digital environments; develop skills for the Fourth Industrial Revolution.

The SPU commits to embedding digital solutions in all corporate priority areas and ensuring projects are assessed through a "digital lens." CDB aims to strengthen technical assistance and policy-based operations to advance e-government and digital platforms.

Element 2.6.2: The MO has digital transformation indicators and targets that are fully integrated into its corporate objectives.

CDB's CRF does not include any indicators that are categorized under the digital transformation cross-cutting area. Some indicators in the CRF categorized under the good governance cross-cutting area relate to and measure progress related to digital transformation, but digital transformation is not monitored coherently as a corporate objective.

CDB is rated **unsatisfactory**.

CDB's Strategic Plan 2020-24 references digital transformation in relation to improving efficiency, reducing transaction costs, and enhancing development results. These outcomes are reflected in broader RMF indicators under areas like governance, competitiveness, and institutional effectiveness. For example, targets related to ICT adoption in education, e-government reforms, and improved competitiveness rankings implicitly measure digital transformation progress. Internally, the Plan commits to implementing an IT strategy and business process reforms, but these are not expressed as numeric targets in the RMF.

The SPU 2022–2024 includes indicators related to digital transformation, but they are embedded under Good Governance:

- Level 2 – Cross-Cutting Areas (Good Governance):
 - *Indicator 32: Number of ministries, agencies, and departments with enhanced:*
 - a. Public procurement systems including e-procurement (MAPS).
 - b. Public service efficiency and delivery through modern systems and digital technologies (using tools like Digital Government Readiness Assessment and Open Data Readiness Assessment).
 - c. Statistical and data analytics capacity.
(Target: TBD for 2024)
- Level 3 – Strategic Focus: Approvals supporting cross-cutting areas as a % of total financing”
(Target: ≥5% by 2024)

Under the new RMF supporting the TYS, digital transformation is measured only in terms of approvals: Approved operations supporting digital transformation of BMCs (% of #).

Element 2.6.3: The MO's accountability systems (including corporate reporting and evaluation) reflect digital transformation indicators and targets.

CDB's DERs have limited reporting on digital transformation. The DERs treat digital transformation consistently as a cross-cutting theme under Good Governance and Institutional Resilience, but progress varies by year, with the 2024 DER reporting no data for the main digital transformation indicator.

CDB is rated **unsatisfactory**.

In 2022, the focus was largely conceptual, introducing digital transformation as a priority for modernising public service delivery and improving data analytics capacity. Tools such as the Digital Government Readiness Assessment (DGRA) and Open Data Readiness Assessment (ODRA) were highlighted to guide reforms, but measurable results were limited. By 2023, the Bank advanced practical initiatives. Digitalisation supported remote service delivery in social protection systems in countries like Guyana, Suriname, and Trinidad and Tobago. The Procurement Policy Unit launched an e-learning platform, training over 700 persons in 2023 (3,000 since 2020), and collaborated with other MDBs to develop an electronic government procurement (e-GP) assessment tool. Despite these steps, the main RMF indicator—tracking ministries with enhanced digital systems—still lacked clear data.

In the 2024 DER, digital transformation is highlighted as a cross-cutting theme under Good Governance and Institutional Resilience. The main corporate indicator—tracking the number of ministries and agencies with enhanced public service efficiency through modern systems and digital technologies—reported no data for the year, signalling delays in implementation or measurement. Despite this, progress was noted at the policy and tool development level: CDB collaborated with other multilateral development banks to create an electronic government procurement (e-GP) assessment tool, now publicly available. Sectoral initiatives also incorporated digitalisation, such as Suriname's Streetlight and Advanced Metering Infrastructure (AMI) Upgrade Project, which modernized the power sector. Additionally, digital platforms and remote service delivery approaches were used to expand access to social protection in some Borrowing Member Countries. Overall, while strategic frameworks and enabling tools are in place, measurable progress on digital transformation outcomes in 2024 remains limited, with implementation and reporting lagging behind expectations.

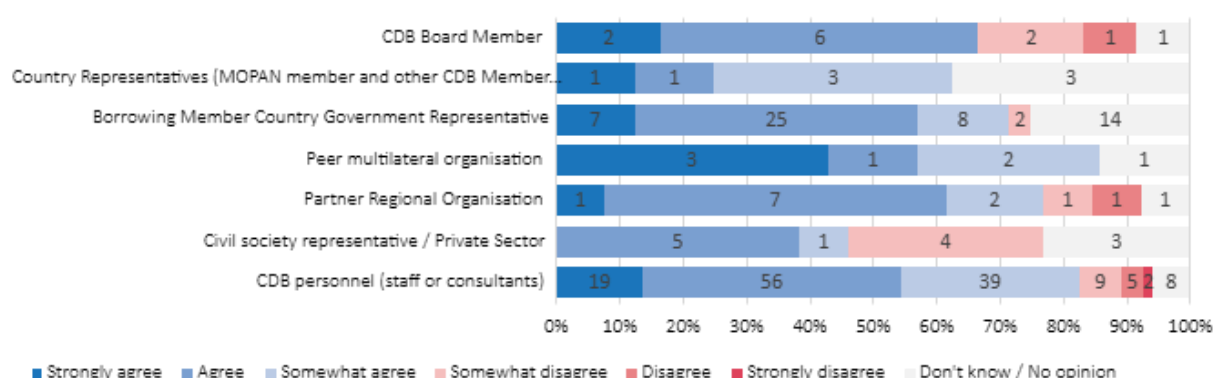
Element 2.6-4. The MO applies digital transformation screening checklists or similar tools to inform the design of investments and other operations.

There is no evidence that CDB applies screening tools or checklists to identify digital transformation elements or opportunities in projects.

CDB is rated highly **unsatisfactory**.

Overall, 58% of respondents to MOPAN's Partner Survey either agreed or strongly agreed that "CDB supports digital transformation through its operations and strategies." Of 45 respondents who provided open text feedback to this question, 24% spoke to digitalisation. Although there was strong recognition of digitalisation as a strategic priority for the Bank, there was also recognition that CDB has significant capacity gaps to properly support this theme across projects and that CDB's digital transformation within CDB itself is lagging.

CDB supports digital transformation through its operations and strategies.



Element 2.6.5: The MO has identified human and financial resources to address digital transformation issues.

CDB does not have any human resources or specific financial resources dedicated to support digital transformation activities.

CDB is rated highly **unsatisfactory**.

Element 2.6.6: The MO's staff are trained on and/or have access to staff with expertise on digital transformation.

CDB does not provide specific training to staff on digital transformation.

CDB is rated highly **unsatisfactory**.

OPERATIONAL MANAGEMENT

Assets and capacities organised behind strategic direction and intended results, to ensure relevance, agility and accountability.

KPI 3: The operating model and human and financial resources support relevance and agility

Ratings

KPI / MI	Rating	Score
KPI 3	Satisfactory	2.67
MI 3.1	Unsatisfactory	2.25
MI 3.2	Satisfactory	3.50
MI 3.3	Unsatisfactory	2.25
MI 3.4	Unsatisfactory	2.71

MI 3.1: Organisational structures and staffing ensure that human and financial resources are continuously aligned and adjusted to key functions

- Element 3.1.1: The MO's organisational structure is aligned with, or being reorganised to align with, requirements set out in the current strategic vision.
- Element 3.1.2: The MO's staffing structure is aligned with, or being restructured to align with, requirements set out in the current strategic vision.
- Element 3.1.3: The MO's administrative expenditure is aligned to current organisational priorities and goals as set out in the current strategic vision.
- Element 3.1.4 The MO's internal restructuring exercises have a clear purpose and intent that are aligned to the priorities of the current strategic vision.
- Element 3.1.5: The MO's internal processes support agility, innovation and data-driven decision-making.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 3.1	Unsatisfactory	2.25	
Element 3.1.1	Satisfactory	3	High
Element 3.1.2	Unsatisfactory	2	Medium
Element 3.1.3	Unsatisfactory	2	Medium
Element 3.1.4	Unsatisfactory	2	Medium
Element 3.1.5	Unsatisfactory	2	Medium

MI 3.1 Evidence documents

- Caribbean Development Bank (2019) "Work Programme and Administrative and Capital Budgets 2020-21" (internal document)
- Caribbean Development Bank (2020) "Work Programme and Administrative and Capital Budgets 2021-22" (internal document)
- Caribbean Development Bank (2020) "Development Effectiveness Review 2019"
- Caribbean Development Bank (2021) "Work Programme and Administrative and Capital Budgets 2022-24" (internal document)
- Caribbean Development Bank (2021) "People Strategy 2022-25" (internal document)
- Caribbean Development Bank (2021) "Appendix 1: Transformation Initiatives" (internal document)
- Caribbean Development Bank (2021) "Development Effectiveness Review 2020" [Development Effectiveness Review 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2021) "Annual Report 2020" [CDB's Annual Report 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2021) "Work Programme and Administrative and Capital Budgets 2022-24" (internal document)
- CDB (2022) "Development Effectiveness Review 2021" [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2021" (internal document)
- Caribbean Development Bank (2022) "Staff Circular No 4/22: Restructuring of the Economics Department" (internal document)
- Caribbean Development Bank (2022) "Annual Report 2021" [CDB's Annual Report 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023) "Work Programme and Administrative and Capital Budgets 2024-25" (internal document)
- Caribbean Development Bank (2023) "Development Effectiveness Review 2022" [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2022" (internal document)
- Caribbean Development Bank (2023) "Annual Report 2022" [CDB's Annual Report 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) "Work Programme and Administrative and Capital Budgets 2025-26" (internal document)
- Caribbean Development Bank (2024) "Development Effectiveness Review 2023" [Development Effectiveness Review 2023 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2023" (internal document)
- Caribbean Development Bank (2024) "Annual Report 2023" [CDB Annual Report 2023 | Caribbean Development Bank](#)
- Caribbean Development Bank (2025) "Functional Organisational Chart 2025" (internal document)
- Caribbean Development Bank (2025) "Development Effectiveness Review 2024" (internal document)
- Caribbean Development Bank (2025) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2024" (internal document)

- Caribbean Development Bank (2025) “Annual Report 2024” [CDB Annual Report 2024 | Caribbean Development Bank](#)
- Caribbean Development Bank (2025) “Work Programme, and Administrative and Capital Budgets (2026-27)” (internal document)
- Caribbean Development Bank (2026) “Transforming the Caribbean for resilience: The 10-year strategy 2026–2035” **Error! Hyperlink reference not valid.**
- Caribbean Development Bank (2026) “Discussion Paper: A Roadmap for the Future of CDB” (internal document).

MI 3.1 Analysis

Element 3.1.1: The MO’s organisational structure is aligned with, or being reorganised to align with, requirements set out in the current strategic vision.

CDB’s organisational structure, including changes implemented over the assessment period, reflect its strategic and operational context.

CDB is rated as **satisfactory**. Despite a high span of control for senior management, its overall structure largely aligns with its operating model and strategic context. Changes made over time have promoted alignment to good practice and shifts in the Bank’s strategic focus.

Given the small size of the institution, CDB’s organisational structure is aligned to its strategic and operational context. Various changes have been made over the assessment period to better align to CDB’s strategic and operating context and good practices across IFIs, described below.

In 2015, CDB created the Office of Integrity, Compliance and Accountability (ICA) as part of the Bank’s institutional transformation agenda ongoing at the time, aimed at enhancing transparency, ethical conduct and trust. The creation of ICA was intended to align to best practice across MDBs, by establishing an independent function addressing integrity, ethics oversight, anti-money laundering and countering the financing of terrorism (AML/CFT), whistleblower protection and project accountability. This office became the main channel through which stakeholders could report suspected fraud, corruption and misconduct.

In 2022, the Economics Department was reconfigured, dividing the Department into two teams: (i) a Country Policy and Programming Division and a Research and Statistics Unit. This change, based on lessons from addressing the COVID-19 pandemic, was intended to strengthen leadership, accountability for results, and coordination of macroeconomic programming, surveillance and research and statistics activities. This structure was meant to encourage a more proactive role on the part of the Bank in monitoring and management of country diagnostics and forecasting while the RSU would be responsible for quality control for data and standardised models. The RSU is also responsible for coordinating the research agenda of the Bank to provide actionable recommendations for corporate priorities. The RSU has since been reconfigured as the Research and Statistics Division, led by a Deputy Director.

Furthermore, in 2022 the Private Sector Division (PSD) was formally given a reporting line under the Vice-President of Operations. This change enabled a more direct link to CDB’s operational decision-making, allowing private sector interventions to be better aligned with infrastructure, social and economic development projects. It reflected the Bank’s increasing focus on private sector as an integral part of the CDB’s strategic direction.

CDB’s current structure includes two Vice President-level are functions that report to CDB’s President: (i) the Corporate Services Area; (ii) the Vice President of Operations. Additionally, there are two Director-level Department Heads who report directly to the President: (ii) the Board Secretary; and (iii) the Chief Risk Officer. Functions under the Corporate Services Area include: (i) the Finance Department; (ii) the Human Resources and Administration Department; and (iii) the Legal Department. Functions under the

Vice President of Operations include: (i) the Projects Department; (ii) the Economics Department; (iii) the Strategy and Accountability Office; and (iv) Infrastructure Partnerships (UKCIF); and (v) the Private Sector Division.

Three additional independent offices report directly to the Board of Directors with a dotted administrative line to the President of CDB: (i) the Office of Integrity, Compliance and Accountability; (ii) the Office of Independent Evaluation; and (iii) the Internal Audit Division. These arrangements are typical of most IFIs.

The majority of stakeholders felt that CDB's organisational structure is fit for purpose. However, a constraint was noted in the relatively small number of Vice-Presidents covering a large number of issues and reports (span of control). Some stakeholders note that expanding the number of VPs would enable a greater diversity of perspectives in decision-making and greater responsiveness in decision-making. An important challenge is the extent of senior management involvement in decision-making, with several respondents noting that senior management is involved in too broad a scope of operational decisions. Other institutions include a higher number of senior positions reflecting different operational perspectives. However, CDB is a much smaller institution.

Element 3.1.2: The MO's staffing structure is aligned with, or being restructured to align with, requirements set out in the current strategic vision.

CDB lacks the necessary data, systems and processes to implement strategic staffing and ensure CDB's staff complement are positioned to deliver on future operational needs.

CDB is rated **unsatisfactory**. Overall, CDB's current human resources management practices are not sufficient to ensure alignment of human resources to CDB's strategic priorities and operational needs.

CDB has not implemented a strategic staffing exercise over the course of the assessment period. Beyond this, there are important challenges that limit CDB's ability to assess and ensure alignment of its human resources complement with its strategic and operational needs. A workforce analysis is currently planned as part of the 2026-27 Work Programme and Budget and the TYS.

Although CDB has a Competency Framework in place, it lacks several other building blocks supporting strategic human resources management. These include: (i) a means of tracking staff time and resources requirements to implement current processes; (ii) a skills profile for the Bank and skills audit among existing staff; (iii) and up-to-date job descriptions.

Whereas CDB's 2022-25 People Strategy speaks to the need for a larger human resources complement across both operational and corporate services functions, it does not speak to the changing skills needs of the Bank and the extent to which these needs are covered by existing staff and potential gaps. CDB's preference for developing and promoting staff internally, combined with the absence of regular staff training and development (see 3.4, below) is an important challenge to ensuring CDB staff have the skills and new perspectives needed to deliver on strategic objectives and support the competitiveness of the institution.

An analysis of front-line versus back-office staff is presented, but these classifications currently do not necessarily reflect the nature of the work performed by individuals holding these roles. Interviews revealed that staff in corporate services areas increasingly play a critical role in operations due in part to heavy workloads on the part of the Projects Department.

Without this evidence, CDB lacks critical information to underpin requests for additional administrative resources and positions and demonstrate how increased administrative resources will contribute to organisational results. Interviews conducted across the organisation suggested that key teams are under-resourced and have unrealistic workloads.

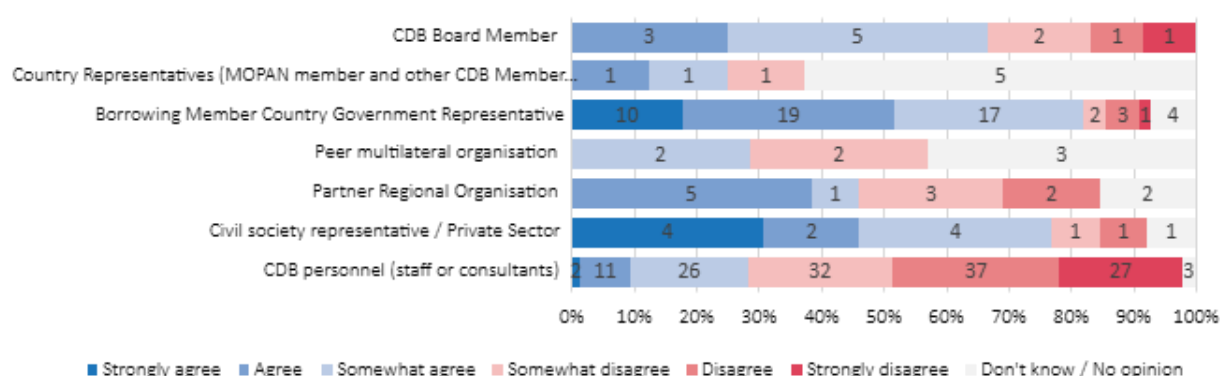
Beyond these workloads, it is the professional judgement of the team that staff do not have sufficient time to invest in skills development and change processes critical to align to good practices and change

processes that will be essential for CDB to align with good practices across MDBs and keep pace with increasingly fast-paced change.

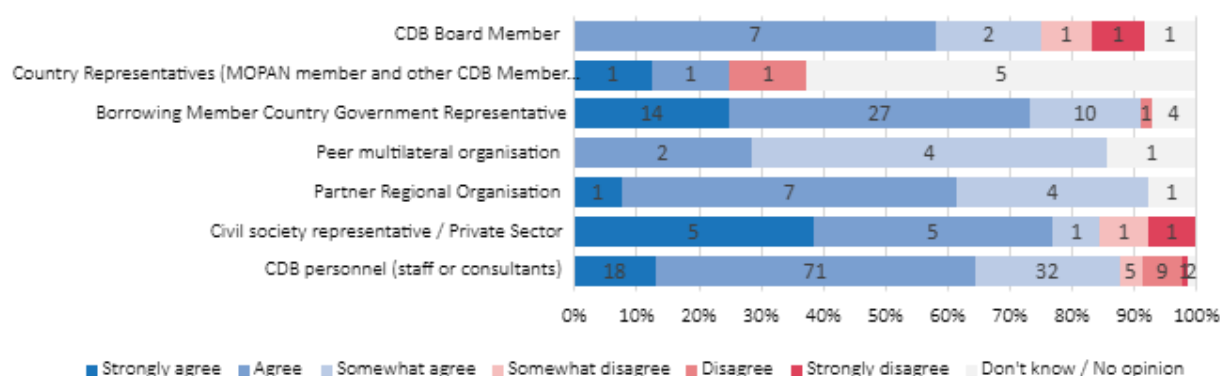
Feedback from MOPAN's Partner Survey supports this conclusion. Across all partners, just 23% of respondents either agreed or strongly agreed that "CDB has a sufficient number of staff, either in or accessible to borrowing member countries to deliver intended results," while 64% agreed that "CDB's staff have the right skills to support effective operations in borrowing member countries."

Of the 65 respondents who provided additional open text answers for this question, 25% of respondents expressed concern that HR structures and processes are not yet aligned with the Bank's aspirations for a modern, high-performing institution, and that improvements in transparency, fairness, and responsiveness are urgently needed. Respondents expressed a consistent concern that the HR function is not well positioned to support strategic staffing or to build the talent base needed to deliver on CDB's strategy. Furthermore, respondents noted that HR's approach to workforce planning is not sufficiently forward-looking, with limited evidence that recruitment is aligned with future strategic needs or emerging skill requirements.

CDB has a sufficient number of staff, either in or accessible to borrowing member countries to deliver intended results.



CDB's staff have the right skills to support effective operations in borrowing member countries.



Element 3.1.3: The MO's administrative expenditure is aligned to current organisational priorities and goals as set out in the current strategic vision.

CDB faces important challenges in demonstrating how its administrative resource allocation aligns to and supports the delivery of the Bank's strategic vision. A key challenge involves how the staff budget is presented and limited data available on the skills and workload of staff against organisational requirements.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice. The existing Budget Framework does not provide sufficient clarity with respect to the alignment of administrative expenditure to the delivery of the strategic vision.

At least part of this challenge, confirmed by stakeholders, is the sequencing of budget discussions versus strategic updates. In each case, the development or renewal of key strategic documents (e.g. the 2020-24 Strategic Plan, 2022-24 Strategic Plan Update and the Ten-Year Strategy). This creates a fundamental disconnect between the budget process and organisational strategy development.

Earlier budgets demonstrate very limited alignment of the administrative budget and planned operational activities to key strategic priorities. Since the 2021-2022 Budget, CDB has at least presented an overview of operations to be approved and in the pipeline linked to the Bank's corporate priorities. The 2022(revised)-2024 Budget has gone further to illustrate the supervision activities anticipated over the budget period. Although this provides a clearer picture of the overall operational workload of the Bank linked to strategic priorities, it does not give a full picture of the alignment or adequacy of human resources to deliver these activities.

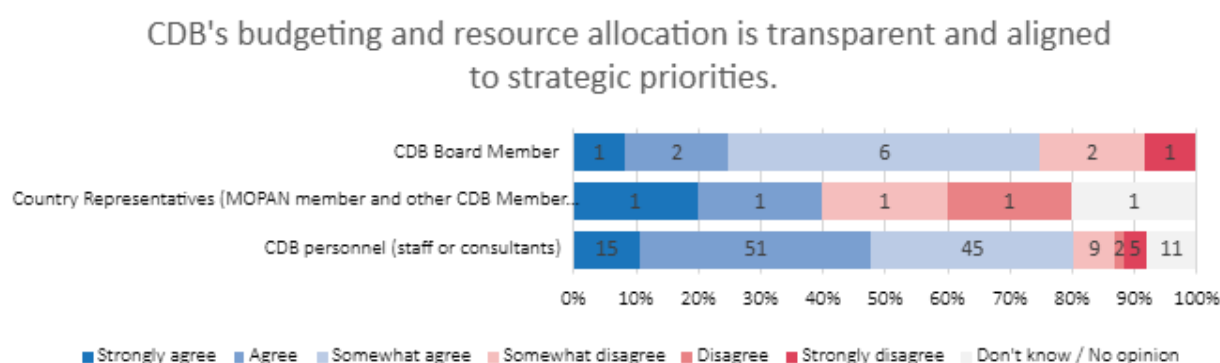
A key issue lies with how staff budgets are presented in the administrative budget framework. Staff budgets have been presented as a single budget line to the human resources department rather than being broken down into different operational areas. There has traditionally been a very limited breakdown in the number of staff by unit. Starting with the 2021-22 budget, staff were broken down in terms of those supporting the President's Office and the breakdown between Management and Professional Staff (MPS) versus Support Staff (SS). The 2025-6 Budget document is the first instance of the Bank providing a full breakdown of staff numbers linked to different departments, including the Projects Department as the main operational engine of the Bank.

The ultimate challenges are four-fold: (i) the way in which positions are allocated and managed; and (ii) limited tracking and understanding of the workload of staff and time needed to complete key processes; (iii) limited understanding of staff time and resources devoted to different strategic areas; and (iv) limited understanding of the skills current skills complement and the skills needed to deliver on strategic priorities. Ultimately, there is very little transparency around how human resources are allocated to support the delivery of strategic priorities and whether this allocation is adequate.

Due to successive years of Zero Real Growth budgeting, CDB's overall staff budget had a compound annual real growth rate of just 0.8% between 2019 and 2024, with more moderate staff budget increases of 6.4% in 2025 and 15.4% in 2026, both in real terms. In this context, position-based budgeting has made it challenging to align human resources to operational priorities. Under this system, positions are primarily reallocated following attrition, with some additional unfreezing of position reserves as needed. However, the lack of information around workload, activities and skills makes decision-making less transparent and alignment to delivery of strategic priorities less clear. Staff costs make up approximately 60% of CDB's administrative budget, leaving limited flexible allocations for operational management to plan the delivery of the work programme. Although CDB has the legal framework in place to enable exits and restructuring, the lack of other evidence around workload and skills needs makes it difficult to implement such a process strategically and responsively.

Partly as a result of these gaps, CDB does not identify robust ratios and reporting to help justify resource requests and allocations. The only staffing ratio tracked in the budget currently is the ratio between MPS and SS staff; however, this information is not put in context. As CDB builds its capacity to report on its resource needs and allocation, it would be ideal to harmonise its approach with peers. For example, other organisations implement ratios of operational staff to the ongoing portfolio and approvals. Interviews with staff across the Bank revealed real and important challenges for the workload of staff and the number of projects individual employees are engaged on. These challenges go beyond the required process improvements and efficiencies. Furthermore, change processes of this nature require time and investment whereas the existing staff are caught between delivering against target with limited resources and changing how they work.

This analysis is strongly supported by feedback from respondents to MOPAN's Partner Survey. Overall, just 46% of respondents either agreed or strongly agreed that "CDB's budgeting and resource allocation is transparent and aligned to strategic priorities." In optional open text responses, respondents indicated that CDB's resource allocation lacks transparency and is not clearly aligned with strategic priorities. Several respondents noted that: (i) budget and HR information is not presented in a way that allows stakeholders to understand how resources are distributed; (ii) several core functions are clearly under-resourced; and (iii) the Bank's very broad and fragmented strategic priorities make it difficult to discern how resource decisions support the strategy. Overall, respondents viewed resource allocation as opaque, weakly justified, and insufficiently linked to CDB's stated priorities.



Element 3.1.4: The MO's internal restructuring exercises have a clear purpose and intent that are aligned to the priorities of the current strategic vision.

CDB has implemented a number of different change processes that generally align with its priorities to enhance institutional resilience and productivity. However, the absence of a coherent means of managing, resourcing and driving institutional transformation has contributed to disjointed, overlapping and delayed change processes.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice. Although relevant change processes have taken place over the assessment period, there have been important limitations in how these initiatives have been resourced, managed and monitored.

There have been a number of different change processes ongoing across CDB throughout the inception period that have structural, procedural, operational and governance implications. A key initiative has been the Bank's Transformation Programme (TP), implemented between 2019 and 2021. The TP was not initially conceived as formal programme of work, but rather as a series of independent initiatives that were eventually brought together into a programme of loosely coordinated initiatives. The TP was eventually communicated to the Board in the 2020-2021 budget to secure an additional budget allocation for implementation led by a dedicated working group and supported by external consultants. .

Key initiatives under the TP included:

- **Operational initiatives geared toward enhanced client engagement:**
 - Process changes to accelerate approvals and disbursement (Team Implement);
 - Improved critical path and delegation of authority for Technical Assistance projects;
 - Improved country presence through a Resident Implementation Officer pilot;
 - Operationalisation of the Private Sector Department;
 - Implementation of a CRM system to enhance client engagement; and
 - Implementation of an implementation study.
- **Reform of key corporate initiatives, supporting application of good practices:**
 - Corporate-wide review of operational and corporate processes.
 - Implementation of a new operating model for the finance function including a stronger technology backbone, analytical capabilities, improved processes and reduced operational complexity.
- **Reform of IT capabilities and Systems, supporting productivity and organisational resilience:**
 - Cloud migration for key services (e.g. email) and digitalisation of administrative processes.
 - Implementation of Microsoft Teams.
 - Redesign of the data warehouse.
 - Digitalisation of records and the administrative services functions.

Since 2021, a series of new reform initiatives have been initiated, including:

- Roadmap for strengthening Enterprise Risk Management, including development of a risk appetite statement, taxonomy, new economic capital model and operational risk management function;
- Conduct of an implementation study to identify and address systemic barriers that undermine timely delivery of operations and development results;
- Re-design of operational processes supporting nonsovereign operations; and
- Renewal of CDB's Operations Policy and Procedures Manual.

Absence of Transformation Management Structures:

Although the Human Resources Division was identified as the lead department coordinating the TP, there was ultimately limited structured reporting to the Board of Directors on the conclusion of key initiatives. Although it is apparent that several planned initiatives were implemented, transparency has been a key challenge. Documentation of the TP included very limited specific and measurable targets to understand when key reforms had been implemented and the extent of their impact on operations, including processing efficiency and engagement with BMCs. Furthermore, no retrospective analysis was conducted to assess implementation and identify lessons for future change initiatives across the Bank.

In some cases, pilots, such as the Regional Implementation Officers, have been abandoned or parked without clear documentation of why these decisions were taken. Some changes are known to have been implemented and applied, including a renewed process for the approval of Technical Assistance. However, CDB's Operational Policies and Procedures Manual has not been updated officially since 2014. This is now subject to a separate change initiative that is needed and has a clear objective, but reflects broader challenges associated with change management at CDB.

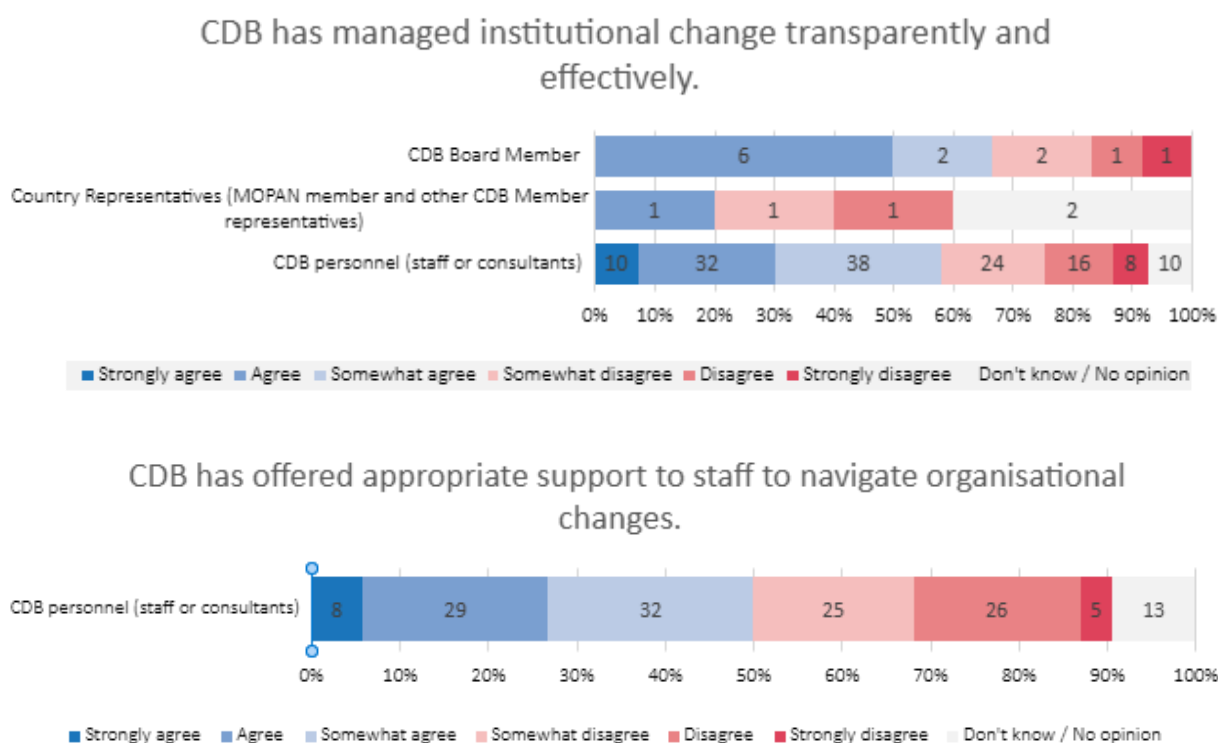
Although many different changes are ongoing across the institution over the assessment period, there has been no particular strategy or focal point responsible for consolidating, guiding and managing institutional change and transformation since the end of the TP. Overall, CDB needs a much more selective,

centralised, coherent and transparent approach to resourcing and overseeing institutional change. Most critical is the need to identify a transparent means of measuring and assessing the impact of changes made on CDB's operations.

Change has largely been managed in a decentralised way with different initiatives being led by respective teams and often lacking an overall coordination of timelines and delivery. Individual change initiatives often face delays related to time, resources and delayed recruitment. As a result, change processes tend to take a long time as teams implement these initiatives on top of their existing responsibilities.

Responses to MOPAN's Partner Survey emphasise the need for more effective and transparent management of change and transformation across the institution. Across CDB Board Members, Country Representatives and CDB personnel, only 32% agreed or strongly agreed that "CDB has managed institutional change transparently and effectively. Across CDB personnel, just 27% agreed or strongly agreed that CDB has offered appropriate support to staff to navigate organisational changes.

Approximately 8% of respondents provided voluntary open-text feedback on CDB's management of change. These respondents generally described CDB's change processes as: (i) fragmented and inconsistently implemented; (ii) disruptive or unclear; (iii) insufficiently transparent; (iv) slow to deliver visible improvements; and (v) without clear coordination, communication, or continuity. Furthermore, 10% of CDB personnel raised concerns about support provided to staff during periods of organisational change, describing support as: (i) limited or inadequate, leaving staff to self-navigate uncertainty; (ii) poorly communicated, with unclear expectations and insufficient transparency; (iii) undermined by unfilled vacancies and heavy workloads. The overall sentiment was that CDB does not yet provide the structured, reliable, or well-communicated support required for staff to navigate change successfully.



Element 3.1.5: The MO's internal processes support agility, innovation and data-driven decision-making.

CDB is making progress in supporting innovation in BMCs and positioning for data-driven decision-making. However, CDB lacks a targeted approach to measure results from support to

innovation. Enhanced digitalisation of processes has not yet yielded greater agility in operational processes and decision-making.

CDB is rated as **unsatisfactory**. This rating reflects important challenges in embedding innovation more systematically within CDB's systems and processes. Furthermore, although CDB has made progress in adopting integrated data systems, there remain important challenges in ensuring data quality and it is unclear that new digital approaches have contributed to enhanced agility and processing times.

Innovation:

Innovation is reflected in CDB's 2020-24 Strategic Plan and the 2022-24 Strategic Plan Update as both a strategic driver of resilience as well as a cross-cutting theme for operations.

Examples of CDB's support to innovation throughout the assessment period include:

- Support to enhancing competitiveness, resilience and diversification among MSMEs through technology adoption, capacity building and new financing channels such as an incubator programme with Massy Group and Nudge Caribbean.
- Support provided through the Cultural and Creative Industries Innovation Fund (CIIF), which provides grants, accelerator programmes, digital training and market-access initiatives to creative entrepreneurs.
- Support for scientific, technological and climate innovation through the Compete Caribbean Partnership Facility, which strengthens government capacity to support climate smart and gender-responsive enterprise development.
- The Caribbean Agriculture Knowledge Portal, which connects farmers, policymakers and extension officers to climate-smart technologies, training resources and real-time data to help modernise the regions food systems and use of evidence-based crop-planting.

However, an important gap includes how CDB's support for innovation is reflected in the RMF. Currently, only one of the existing indicators reflects support to innovation. Currently, innovation is reflected at the output level through Indicator 2.19 — Beneficiaries of TA interventions targeted at MSMEs (including innovation, entrepreneurship, and ICT). However, the RMF can go further by capturing the proportion of projects adopting innovation approaches, contribution to efficiency and evidence of demonstration effects, market access and further uptake of new approaches by other partners.

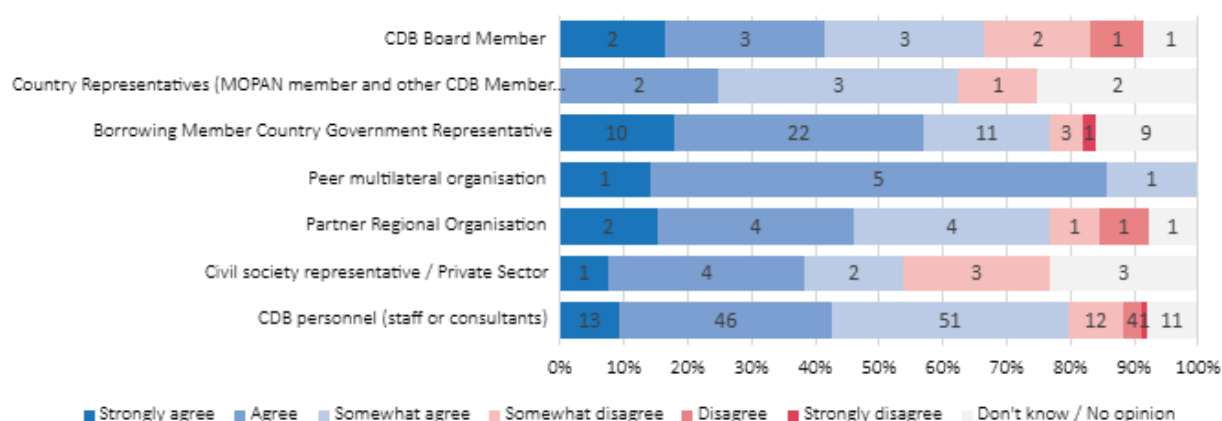
In the draft approach for CDB's 2025-2034 Ten Year Strategy, innovation is elevated to a guiding principle. The Bank plans to embed innovation to how CDB plans its operations and finances development. This includes the introduction of new instruments, support for knowledge-driven solutions, investment in analytics and research and application of disruptive and emerging technologies. This aim will be reflected in a new policy and operating strategy for digital transformation. Beyond this, CDB is preparing "CDB Forward," a forthcoming, costed institutional reform programme. Initial discussions have noted the importance of digital platforms as a means of strengthening end-to-end delivery systems by improving pipeline quality, identifying and addressing bottlenecks, accelerating disbursement and responding to implementation barriers. These tools are intended to provide real-time portfolio visibility, support evidence-based decision-making, and allow earlier identification of risks and implementation challenges and enable greater agility for key functions such as procurement.

It will be important to ensure that innovation is more clearly embedded in CDB's processes for reviewing and prioritising investments, including through mainstreaming promotion of new technologies. Furthermore, it will be necessary to embed innovation into CDB's RMF more clearly to understand how support for innovation is contributing to wider adoption and outcomes.

Responses from MOPAN's Partner Survey further suggest that CDB can strengthen its support for applying innovative approaches, with just 46% of respondents agreeing or strongly agreeing that "CDB delivers innovative solutions to development challenges." Overall, the 12% of respondents who provided additional

optional feedback expressed that CDB is not yet innovative, citing a risk-averse culture and outdated processes. Some respondents identified promising initiatives, particularly digital and research initiatives that could be expanded. Furthermore, these respondents noted that potential for innovative approaches exists, but is blocked by culture, workload, and bureaucratic processes.

CDB delivers innovative solutions to development challenges.



Digitalisation and Decision-making:

CDB has sought to enhance the digitalisation and integration of its operational processes, introducing OP365 as an integrated operations management platform. OP365, introduced in 2021 covers projects throughout the lifecycle, starting with project leads and opportunities, facilitating a greater client service orientation in CDB's work. CDB stores information about projects throughout implementation, enabling faster reporting and analysis of trends. CDB has since integrated the supervision module in OP365. This module is used to record supervision data, support risk management and generate an automated Implementation Progress Score. Data also support the completion of Project Completion Reports. Finally, CDB is compiling management dashboard based on OP365 data to support portfolio reviews and management oversight of the portfolio.

OP365 is continuously being expanded and approved in line with an agile approach. Beyond OP365, CDB has introduced other digital platforms to help enhance agility, including a client portal for procurement no objections and claims. CDB's Procurement department is also supporting BMCs to implement e-procurement systems and adopt standardised digital tools. The e-procurement portal enables BMCs to submit procurement documents for review and publish requests for competitive bidding. The client portal is currently being tested with BMCs, enabling CDB to engage directly with PIUs in BMCs.

Stakeholders note that there are still important challenges with the implementation of OP365. Although the overall proportion has been increasing, there remain some projects and information that have not been inputted into OP365. The quality of data entered remains uneven, with data gaps observed for the quality of information and results-based measurement. New controls are being introduced to implement mandatory fields and formats to enhance the quality of results information in OP365. In particular, BMCs noted the need for greater guidance, training and accompaniment in adopting the client service portal, which was viewed as problematic.

There is also a challenge around the timeliness of data. Stakeholders report that annual supervision reports tend to be implemented just before the annual cut-off period, making it challenging for portfolio teams to use these data to analyse and present meaningful trends and insights in annual portfolio reporting. This challenge also has implications for the timeliness of management dashboards under development.

Agility:

Evaluations and PCVRs covering the assessment period suggest that the Bank's processes generally do not support agility. However, evaluations present a different picture for CDB's crisis response facilities and PBLs, noting that CDB is typically more agile, responsive and flexible.

Among investment projects, evaluative evidence points to slow and reactive adaptation to crises and changes in context, burdensome and rigid processes, limited flexibility in implementation and slow decision-making. Procurement and no objection processes were noted as particularly problematic. Mid-term reviews are rarely used as an opportunity for course correction and updates to reflect changes in context for both projects and CES. This evidence is corroborated by feedback from the vast majority of stakeholders consulted within and external to CDB.

CDB reports on the average time from appraisal to approval and the median time from approval to effectiveness in its ARPP. Across the assessment period, these reports suggest that CDB has faced challenges in reducing these timeframes year to year to meet its RMF target of 6 months between appraisal and first disbursement. CDB suggests that the expanded timeframe in 2024 is partly due to its participation in complex projects involving partnerships with other entities.

Table 11. Average time from appraisal mission to approval (2020-24)

Year	Days
2020	115
2021	199
2022	169
2023	91
2024	166

Source: Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2024)

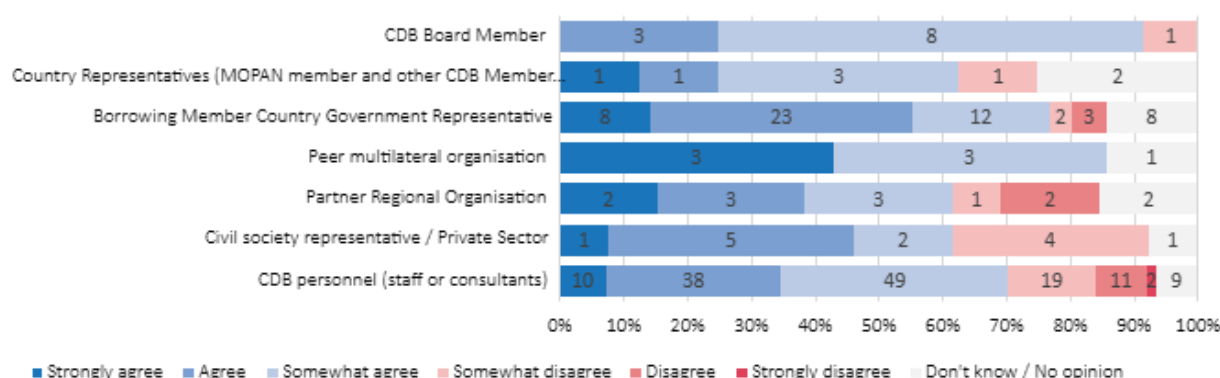
Table 12. Median time from approval to effectiveness (2020-24).

Year	Days
2020	215
2021	87
2022	144
2023	149
2024	250

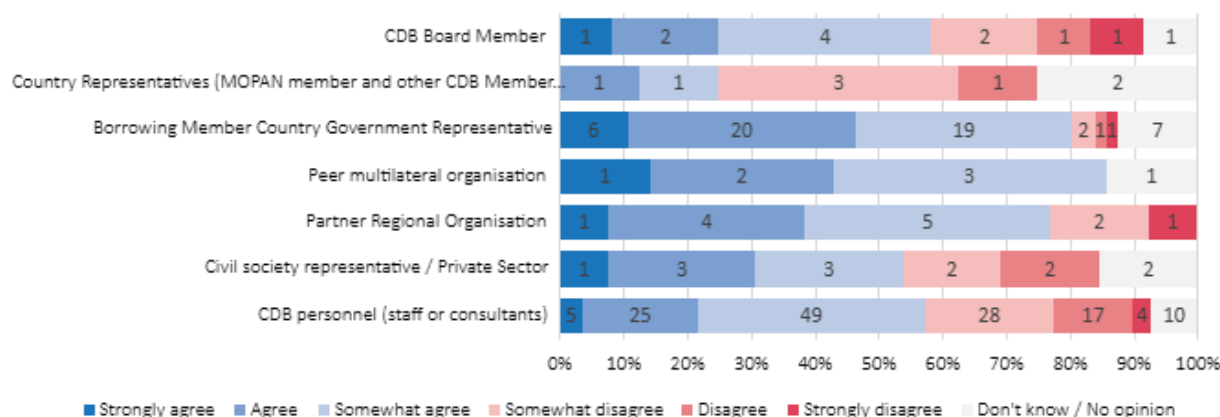
Source: Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2024).

These data are broadly supported by evidence from MOPAN's Partner Survey. Overall, just 39% of respondents agreed or strongly agreed that "CDB is agile in adapting its strategies and operations to respond to changes in context. Furthermore, just 28% of respondents agreed or strongly agreed that "CDB's operational processes are streamlined, efficient and responsive. Overall, 28% of respondents who provided additional open text feedback spoke to three clear themes: (i) Slow, bureaucratic and rigid processes with lengthy decision-making; (ii) Processes are inefficient and duplicative, with unclear roles and significant bottlenecks, especially in project preparation; (iii) limited responsiveness to context and BMC needs, with support being more reactive than agile.

CDB is agile in adapting its strategies and operations to respond to changes in context.



CDB's operational processes are streamlined, efficient and responsive.



MI 3.2: Resource mobilisation efforts consistent with the core mandate and strategic priorities.

- Element 3.2.1: The MO has strategy and mechanisms in place to assess the adequacy and efficient use of capital to implement the strategic vision, with clear targets for monitoring and reporting that are explicitly aligned to this vision.
- Element 3.2.2: The MO's funding strategy identifies diversified mechanisms to raise funding from capital markets to supplement the use of paid-in capital and capital generated from retained earnings to support investment.
- Element 3.2.3: The MO's capital adequacy is reviewed to address capital availability, capital needs and projections for multiple years in line with strategic vision.
- Element 3.2.4: The MO's capital adequacy strategy identifies mechanisms or minimum thresholds for capital adequacy and considers approaches for situations in which capital is constrained.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 3.2	Satisfactory	3.50	
Element 3.2.1	Highly Satisfactory	4	High
Element 3.2.2	Satisfactory	3	High
Element 3.2.3	Satisfactory	3	High
Element 3.2.4	Satisfactory	3	High

MI 3.2 Evidence documents

- Caribbean Development Bank (2019) “Treasury Operating Guidelines” (internal document).
- Caribbean Development Bank (2019) “OCR Financial Policies and Operating Guidelines – Amendments – Investments in Commercial Bank and Government Obligations”
- Caribbean Development Bank (2021) “Caribbean Development Bank Annual Report 2020,” <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2020>
- Caribbean Development Bank (2022), “Caribbean Development Bank Annual Report 2021,” <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2021>
- Caribbean Development Bank (2022) “Caribbean Development Bank’s Sustainable Finance Framework” <https://www.caribank.org/sites/default/files/publication-resources/CDB%20Sustainable%20Finance%20Framework%20-%20Clean%20-%202021.11.22%201.pdf>
- Caribbean Development Bank (2023), “Caribbean Development Bank Annual Report 2022,” <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2022>
- Caribbean Development Bank (2024), “Caribbean Development Bank Annual Report 2023,” <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2023>
- Caribbean Development Bank (2024) “Work Programme and Administrative and Capital Budgets 2025-26” (internal document)
- Caribbean Development Bank (2024) “Investment Committee: Quarterly Treasury Unit & ORM Market Risk Management Update” (internal document)
- Caribbean Development Bank (2025), “Caribbean Development Bank Annual Report 2024,” <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2024>
- Caribbean Development Bank (2025) “Investor Presentation” <https://www.caribank.org/sites/default/files/publication-resources/CDB%20INVESTORS%20DECK.pdf>
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- Caribbean Development Bank (2025) “Enhancement of the Capital Adequacy Framework with an Internal Economic and Risk-Adjusted Capital Approach” (internal document).
- Caribbean Development Bank (2025) “Proposal to Borrow for Liquidity Needs and Establishment of a EURO Medium Term Note Framework” (internal document).

- Caribbean Development Bank (2025) “Proposed New Ordinary Capital Resources Interest Rate Policy” (internal).
- Fitch Ratings (2023), “Fitch Ratings: Caribbean Development Bank – Rating Report, March 2023 (Final).”
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<https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/6010535>
- Moody’s Investors Service (2024), “Announcement of Periodic Review: Caribbean Development Bank,” 11 June 2024.
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MI 3.2 Analysis

Element 3.2.1: The MO has strategy and mechanisms in place to assess the adequacy and efficient use of capital to implement the strategic vision, with clear targets for monitoring and reporting that are explicitly aligned to this vision.

CDB’s approach for assessing capital adequacy has evolved over the assessment period. In 2021, CDB adopted a Risk-Adjusted Capital Model and align to G20 CAF Recommendations. In 2025, CDB started transitioning toward an Economic Capital (ECAP) approach in line with best practice.

CDB is rated highly satisfactory for this element. This rating reflects ongoing efforts to align its capital adequacy framework to best practices that reflect the G20 MDB Reform Agenda.

Original Economic Capital Framework:

At the start of the assessment period in 2020, CDB’s economic capital model was the core tool used to determine and monitor its capital adequacy. The overall objective of the economic capital model was to: (i) provide a reliable framework to determine the appropriate levels of economic capital that the Bank should carry; and (ii) determine the appropriate changes in economic capital that the Bank must have based on changes in the risk profile of its credit exchanges.

In this model, economic capital is the modelled capital requirement to absorb unexpected losses arising from borrower default risk, operational risk losses and market risk changes such as interest rates and FX volatility. The baseline economic capital is derived from a methodology based on the type and level of

risk, including borrower defaults, operational losses and/or market changes. Model assumptions included credit risk, operational risk and market risk.

The key minimum internal threshold of available capital / economic capital at a minimum level of 150% of baseline economic capital. Available capital includes paid-in capital, retained earnings, reserves and loss deductions. This reflected a conservative, loss-absorbing capital base in line with Basel requirements.

Risk-Adjusted Capital (RAC) Framework:

In April 2021, CDB adopted a new Risk-Adjusted Capital (RAC) Policy. The RAC replaced the previous economic capital ratio as the Bank's primary capital metric, while the economic capital approach continued to be disclosed in Annual Reports as a secondary reference. This approach provided a single, risk-sensitive measure of capital adequacy and enabled management to determine the capital required to support planned lending in a risk-sensitive way.

Under this model, the primary capital metric was the RAC ratio (% of risk-weighted assets), with a floor of greater or equal to 24% as the Board-approved minimum threshold. Risk types included in calculating the threshold include credit, market, operational and concentration risks as well as Preferred Creditor Treatment (PCT) adjustments. PCT adjustments are taken into consideration for sovereign risk-weighted assets in particular.

The RAC model introduced a number of benefits, including:

- Consideration of PCT and a wider range of risk types;
- Risk-weighted headroom and lending ceilings;
- Closer alignment with ratings agencies' methodologies; and
- Immediate changes in Risk-Weighted Assets based on new approvals, disbursements and risk transfers.

Overall, this approach had better alignment with the G20 MDB CAF Reforms at that time and served as a stronger Strategic Planning Tool. For example, by 2024, callable capital was incorporated into stress scenarios. The RAC Model expanded lending headroom by reducing the risk weight on sovereign exposures, considering PCT and allowing credit risk transfers through Exposure Exchange Agreements, Portfolio Guarantees and Insurance Products to be considered in the model. Because RAC assigns explicit risk weights, the RAC ratio updated automatically to reflect new lending and enables capital planning to simulate the incremental impact of new loans by credit rating, product type, tenor and sector.

Future Trajectory:

CDB is currently implementing a 3-year reform trajectory which commenced in 2024 to further enhance its risk management framework in line with the G20 CAF recommendations. The reform roadmap includes identifying a new Economic Capital model (ECAP), strengthening CDB's approach to addressing capital adequacy, credit, concentration, market, liquidity and operational risks. Terms of Reference have also been established for a new Enterprise Risk Committee and Financial Risk Committee.

While the RAC approach was the leading methodology in 2021, it is conservative when applied to IFIs. CDB is now implementing the Economic Capital Model (ECAP) as part of its roadmap to better estimate risk and maximise its lending headroom. The updated ECAP Model enables more accurate forecasting and stress testing in light of institution-specific risks. ECAP measures the amount of capital needed to absorb unexpected losses over a three-year time horizon based on risk assessments tailored to the Bank's portfolio and risk profile. ECAP enabled consideration of the Bank's unique exposure to a wider range of risks, including credit risk, market risk, structural interest rate and currency risk, operational risk and catastrophic risk. Risk assessments also consider a set capital buffer factored in as a percentage of available capital set as part of the Bank's risk appetite. The ECAP Model yields a Deployable Strategic Capital (DSC) Ratio as a measure of the Bank's ability to deploy capital in line with its risk profile and

appetite considering expected risks. Monte Carlo analysis is used to estimate future unexpected losses under a wide range of scenarios, including extreme events. Key advantages include the ability to model capital adequacy against a broader range of risks and enable the adopting of more robust stress testing in line with good practice. Whereas the RAC will continue to be reported externally, the ECAP will become CDB's internal model for capital planning.

A part of the roadmap involves expanding CDB's implementation of Exposure Exchange Agreements - building on the recent EEA implemented with CABEL, partial sovereign credit insurance cover and portfolio guarantees. These initiatives will be embedded in an updated Enterprise Risk Management Framework. Stakeholders report that these initiatives could expand lending headroom by as much as 400-500 million over the next decade.

Stakeholders note that CDB's Enterprise Risk Management Framework, including capital adequacy is much more aligned to risks related to private sector lending activities. As CDB's private sector activities expand, consideration will need to be given to ensuring appropriateness of the risk system in this context, including dedicated risk tools and processes for non-sovereign operations.

Element 3.2.2: The MO's funding strategy identifies diversified mechanisms to raise funding from capital markets to supplement the use of paid-in capital and capital generated from retained earnings to support investment.

CDB has a strong investment policy framework and treasury portfolio. It has developed a robust Sustainable Financing Framework to guide future bond issuances and is seeking to further crowd-in resources through a resource mobilisation strategy.

CDB is rated as satisfactory based on overall alignment to good practice, with steps being taken to align to best practice.

Updated Pricing Policy:

In 2025, CDB updated its OCR Interest Rate Policy to enhance the Bank's financial strength while supporting BMC's fiscal planning and debt management. The new framework also helps strengthen coverage of CDB's borrowing and administration costs while aligning to good practice across IFIs. Prior to 2025, CDB offered variable reset rates for interest rates based on a reference rate of the previous 3 months' cost of borrowings. The new approach considers the cost of capital based on a capital forecasting model, including liquidity and growth factors. The reference rate is based on the past 6-month SOFR. Floating rates are offered with options for fixed rates.

This updated approach is aligned to good practice across other IFIs, including IDB, CAF and CABEL. This approach has the advantage of considering the Bank's expected admin costs and the future and current cost of capital. Expected credit loss is considered separately, including the expected credit losses for the sovereign portfolio and borrower-specific expected losses for the private sector portfolio.

Investment Policy Framework:

CDB's previous Investment Policy frames CDB's investment management objectives for treasury assets as: (i) capital preservation; (ii) liquidity; and (iii) subject to (i) and (ii), the highest return on investment. Eligible instruments under the policy include government and government-related debt instruments, corporate bonds, time deposits, unconditional obligations of commercial banks rated A-/A3 or better, and AAA-rated asset-backed securities and AAA-rated mortgage-backed securities. Fitch rates CDB's treasury asset quality as "excellent", with 74–78% of the portfolio rated AAA–AA in 2023–2024. Overall, CDB's high credit quality supports strong capitalisation.

In 2019, CDB updated its Treasury Operating Guidelines, expanding the minimum long-term credit rating for issuers of government obligations and commercial bank obligations be no lower than BBB+ Stable / Baa Stable. This shift expanded the class of eligible counterparties, improving the diversity of CDB's

treasury portfolio and reducing counterparty concentration risk. The range of eligible counterparties was expanded to include OECD Countries with a mature economy, including: (i) a free market economic system; (ii) well-regulated capital and financial markets; (iii) a freely convertible currency and internationally accepted currency; and (iv) an acceptable long-term investment-grade credit rating. Clear limits were set requiring no more than 30% of the portfolio held in investments rated A and lower.

CDB is moving to the Euro Medium-Term Note Programme to address borrowing to meet its liquidity needs to address the TYS in line with good practice across IFIs. The Euro Medium Term Note carries several advantages, including adaptability, speed and cost efficiency, including through a standardised process while providing continued access to a diversified cost-effective and flexible source of funding. The Framework enables CDB to maintain a lower cost of borrowing, benefit from market and currency diversification, enhance resilience to external shocks and support easier execution of green and social bonds as part of its funding strategy.

Bond Issuances:

As of December 31, 2024, CDB's borrowings include outstanding amounts of USD 859.1 million in Capital Markets. Capital Markets borrowings include borrowings across USD, Yen EUR and Swiss Francs.

These are complemented by Lines of Credit with IDB, AFD and EIB work USD 122.6 million. Most borrowing operations are hedges through a swap or through having assets and liabilities in the same currency. Most borrowings have a floating rate such that 37.2% have a fixed rate and 62.8% have a floating rate.

Sustainable Finance Framework:

In 2022, CDB established a Sustainable Finance Framework (SFF) to guide its bond issuances by establishing transparent and standardized criteria for project eligibility, selection and reporting. This framework is aligned with international standards such as those of the International Capital Markets Association (ICMA) to attract investors interested in environmental, social and sustainable projects. The SFF defines categories of projects that can be funded by sustainable bonds, ensuring proceeds are used exclusively for green and social initiatives. Eligible project categories are linked to the SDGs and identify clear and measurable benefits across categories. Overall, the SFF will support future bond issuances for green bonds, social bonds, sustainable bonds and blue bonds.

To boost investor confidence further, CDB obtained a Second-Party Opinion from Sustainalytics, which indicates: "Sustainalytics is of the opinion that the Caribbean Development Bank's Sustainable Finance Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, and Social Loan Principles 2021."

As of 2025, CDB has identified a proposed project list of 9 projects to be supported through its SDG Bond amounting to USD 237.4 million in disbursements. These 9 projects cover investments in Climate Change Adaptation, Water and Wastewater Management, Public Education and Energy Efficiency.

Resource Mobilisation Strategy

CDB is in the process of developing a Resource Mobilisation Strategy to expand access to concessional and non-concessional financing, strengthen partnerships, increase co-financing, support climate and resilience investment, improve project preparation, expand lending headroom and enhance Bank capacity to support BMCs. Beyond strategic engagement with partners (e.g. funds, capital increases and portfolio guarantees), the strategy will support engagement with vertical funds (e.g. GEF and GCF) and financial partnerships with other IFIs.

Element 3.2.3: The MO's capital adequacy is reviewed to address capital availability, capital needs and projections for multiple years in line with strategic vision.

CDB monitors its capital adequacy ratios at least quarterly and reports externally against its Policy Ratio Scorecard at least biannually.

CDB is rated as **satisfactory** based on its alignment with good practice, including regular monitoring and reporting of its capital adequacy ratio and regular stress testing.

Under the 2021 RAC Policy, the Bank conducts annual, Bank-wide stress testing of capital adequacy for the entire portfolio, considering a range of risk types and enabling the Bank to consider the impact for its capital position under a range of circumstances. However, the exact methodology, including stress testing against 1 in 20 and 1 in 100 events is not specified.

Since 2021, CDB has provided a full RAC disclosure annually as part of its Policy Ratio Scorecard in its annual report. Through the Policy Ratio Scorecard, CDB's capital adequacy threshold is monitored continuously throughout the year. RAC data are reported monthly, with mid-year data provided to ratings agencies. When the RAC ratio was breached in 2022, CDB monitored and reported the ratio throughout the year to monitor changes.

Stakeholders note that work is ongoing to create a real-time risk dashboard that will include reporting against key capital adequacy ratios. This dashboard will support the implementation of the new ECAP Model, enabling more tailored analysis of risk against CDB's portfolio and operating context. As reported in 3.2.1, above, CDB will move to the DSC ratio as its new internal metric to assess and report on capital adequacy.

Element 3.2.4: The MO's capital adequacy strategy identifies mechanisms or minimum thresholds for capital adequacy and considers approaches for situations in which capital is constrained.

CDB actively monitors its capital adequacy and exposures against tolerance thresholds, presenting these to the ARC on a quarterly basis. In future, CDB plans to implement a more formalised approach, including a Callable Capital Framework.

CDB is rated **satisfactory** based on overall alignment to good practice.

Quarterly presentations include: (i) stocktakes on OCR Treasury Risks, including asset concentration and exposures; (ii) investments and liquidity risks against 40% of undisbursed loans and 100% of three-year net funding requirements. The status of these is assessed against an early warning threshold and a policy limit threshold, designed to trigger action before policy limits are breached. Liquidity cashflow is stress-tested against an extreme risk scenario.

In 2022, CDB's capital adequacy ratio dropped to 23.3% as a result of unrealised losses on its derivatives and investment portfolios. In response to these losses, CDB instituted a hedging account in relation to its derivatives position in October 2022 to dampen the impact of market volatility on its balance sheet, helping to stabilise the valuation swings that caused the RAC to breach the policy ratio. The Board of Directors granted a temporary waiver of the RAC policy ratio until the end of 2023 to allow CDB to recover RAC. By year-end 2023, the RAC ratio had recovered as a result of the reversal of 2022 valuation losses, positive earnings retention and portfolio stabilisation.

Beyond these actions, CDB is working to develop a formalised Callable Capital Framework designed to provide a roadmap for working with shareholders to restore or protect capital adequacy as needed. This action will align CDB's activities to best practice across MDBs.

MI 3.3: The MO's decisions for investments and other operations and its delegation of authority balance responsiveness and fiduciary requirements.

- Element 3.3.1: An organisation-wide policy or guidelines exist which describe the delegation of decision-making authorities including scrutiny of investments and other operations at different levels within the organisation prior to approval.
- Element 3.3.2: The MO's policy/guidelines or other documents provide evidence of efficient processes for resource reallocation, including at country level, which balance responsiveness and fiduciary requirements.
- Element 3.3.3: The MO's evaluations or other internal reports demonstrate that delegated authority is being exercised according to existing policies.
- Element 3.3.4: The MO has made efforts to improve or sustain the delegation of decision-making for investments and other operations in line with organisational priorities and client needs.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 3.3	Unsatisfactory	2.25	
Element 3.3.1	Unsatisfactory	2	Medium
Element 3.3.2	Satisfactory	3	Medium
Element 3.3.3	Unsatisfactory	2	Medium
Element 3.3.4	Unsatisfactory	2	Medium

MI 3.3 Evidence documents

- Caribbean Development Bank (2014) "Operational Policy OPPM 1/C1 OP: Investment Lending" (internal document)
- Caribbean Development Bank (2021) "Annual Report 2020" [CDB's Annual Report 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2021) "Work Programme and Administrative and Capital Budgets 2022-24" (internal document)
- Caribbean Development Bank (2022) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2021" (internal document)
- Caribbean Development Bank (2022) "Annual Report 2021" [CDB's Annual Report 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2022" (internal document)
- Caribbean Development Bank (2023) "Annual Report 2022" [CDB's Annual Report 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2023" (internal document)
- Caribbean Development Bank (2024) "Annual Report 2023" [CDB Annual Report 2023 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) "Staff Communication: Delegation and Devolution of TA Approval and Extension to Terminal Disbursement Dates" (internal document)
- Caribbean Development Bank (2024) "Source of Funds: Key Terms and Conditions" (internal document)

- Caribbean Development Bank (2025) “Annual Review of the Performance of the Portfolio of Projects under Implementation for the year ended December 31, 2024” (internal document)
- Caribbean Development Bank (2025) “Annual Report 2024” [CDB Annual Report 2024 | Caribbean Development Bank](#)
- Caribbean Development Bank (2025) “Updated Gender Equality Action Plan” [CDB, IDB and Government of Barbados Join Forces to Address Domestic Violence in the Caribbean | Caribbean Development Bank](#)
- Kamwell (2024) “Caribbean Development Bank – Discovery Phase Report” (internal document)
- MOPAN (2023) “MOPAN Assessment of IDA/IBRD,”
- MOPAN (2025) “MOPAN Assessment of the Asian Development Bank,”
- Office of Independent Evaluation (2020), “Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia” [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020) “Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines” [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020) “Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines” [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020) “Project Completion Validation Report: Harrison’s Cave Redevelopment, Barbados” [Barbados – Harrison’s Cave Redevelopment \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022) “Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica” [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022) “Project Completion Validation Report: Seventh Road Safety Project, Belize” [Belize– Road Safety Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022) “Evaluation of the Energy Sector Policy and Strategy (ESPS)” [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2022) “Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF)” [Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation(2022) “Project Completion Validation Report: Fiscal Consolidation, Growth and Social Stability Policy-Based Loan, Jamaica” [Jamaica– Fiscal Consolidation, Growth and Social Stability Policy-based Loan \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022) “Project Completion Validation Report: Community Investment Project, Jamaica” [Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023) “Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana” [Guyana - Technical and Educational Training | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023) “Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis” [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)

- Office of Independent Evaluation (2023) “Project Completion Validation Report: Policy-Based Loans – Antigua and Barbuda and Grenada” [Antigua and Barbuda and Grenada - Policy-Based Loans | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023) “Project Completion Validation Report: Market Access and Rural Enterprise Development Programme, Grenada” [Grenada-Market Access and Rural Enterprise Development Project | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023) “Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas” [The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023) “Project Completion Validation Report: Education for All Project, Republic of Haiti” [Haiti - Education for All | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024) “Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia,” (internal document).
- Office of Independent Evaluation (2024) “Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project,” (internal document).
- Office of Independent Evaluation (2024) “Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines,” (internal document).
- Office of Independent Evaluation (2024) “Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd,” (internal document).
- Office of Independent Evaluation (2024) “Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines,” (internal document).
- Office of Independent Evaluation (2023), “Country Strategy and Programme Evaluation – Jamaica” [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), “Evaluation of CDB’s Work in the Water Sector” [Evaluation of the Caribbean Development Bank’s Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), “Country Strategy and Programme Evaluation – The Bahamas” [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), “Country Strategy and Programme Evaluation – Trinidad and Tobago,” [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 3.3 Analysis

Element 3.3.1: An organisation-wide policy or guidelines exist which describe the delegation of decision-making authorities including scrutiny of investments and other operations at different levels within the organisation prior to approval.

Although CDB’s approval processes for operations and TA ensure contestability from different perspectives to ensure quality and compliance, there is need for clearer delegation of decision-making authority in the context of operations.

CDB is rated **unsatisfactory** based on the absence of a delegated authority / decision-making matrix.

Contestability in the Approval of Operations:

All investment projects, regardless of their size or source of financing, are approved by the Board of Directors. Contestability in the approval of operations is provided by three layers of review

Investment Projects (including PBLs) are subject to three-lines of review, including:

- A **Divisional Review Meeting** chaired by the Division Chief bringing together the full project team and portfolio managers in the relevant division;
- A **Departmental Review Meeting** chaired by the Director of the Projects Department, bringing together the chairs of different corporate and operational divisions; and
- Review by the **Adjudication and Review Committee**, chaired by the Vice President of Operations and convening different members of the Strategic Management Team.

Following these reviews, the Bank enters into negotiations with the borrower prior to circulation to the Board of Directors for approval.

Although these different levels of review ensure that there is a degree of contestability for operations approval, stakeholders note that there have been instances where projects have moved forward despite persons responsible for key corporate and safeguarding functions have expressed reservations. Approval and targets are a strong incentive and some stakeholders have noted that the overall quality of project proposals can vary, particularly during bunching periods at the end of the financial year – a challenge common across IFIs.

A truncated approval process is implemented in the case of Technical Assistance projects, with smaller Technical Assistance projects not requiring Board approval nor review by the Adjudication and Review Committee (See Element 3.3.3). In particular, delegation of authority has been expanded in the case of Technical Assistance and changes to Terminal Disbursement Dates. The President also has the ability to approve operations implemented through co-financing partnerships (e.g. the IDB SEF).

In the case of Technical Assistance:

- Division Chiefs, Deputy Directors or Unit Heads recommend the approval of TA of USD 150,00 and under;
- Directors recommend approval of TA of between USD 150-300,000; and
- The VPO recommends approval of TA over USD 300,000.

The President signs and approves all TAs.

With respect to extension of Terminal Disbursement Date:

- Project Supervisors can approve extensions of up to 6 months;
- Portfolio Managers, Coordinators and Senior Operations Officers can approve extensions of between 6 and 18 months; and
- Division Chiefs, Deputy Directors and Unit heads can approve extensions of over 18 months.

Delegation of Authority:

Unlike other IFIs, CDB does not have a matrix management structure nor a delegation of authority matrix that balances sector-linked inputs versus client-facing inputs to operations. This is partly due to the fact that CDB does not have a country presence network. Different operational teams are brought together under a single Operations Vice Presidency.

Project teams bring together diverse skills sets, including sector specialists, technical specialists, financial analysts, environmental and social analysts. Furthermore, teams receive advice and guidance from experts for key corporate functions such as procurement, financial management, results and experts covering cross-cutting issues such as gender and results-based management.

Under a delegation of authority matrix, these team members would all have clear roles in contributing to overall decisions around projects (e.g. deciding, endorsing, reviewing). Although feedback is sought from different perspectives to ensure strategic alignment, policy compliance and alignment with good practice,

it is not clear how the operations appraisal and approval process ensures checks and balances are in place for critical functions such as safeguards, risk, procurement and financial management.

Stakeholders reported that a key challenge emerging from the lack of clear accountabilities among team members for input and decision-making is that project teams do not take clear decisions regarding essential aspects of operations. Gender, financial management, environmental and social safeguards, results and procurement experts are all considered as core members of the appraisal teams and provide substantive inputs to the project design. However, some of these functions were designed and resourced to serve advisory roles rather than contributing directly to project design, creating bottlenecks and workload challenges.

In other IFIs, environmental and social safeguards, procurement and financial experts have an oversight and compliance role in project design, helping ensure that key requirements are followed and critical risks are managed. These roles are established in Accountability and Delegation Matrices for different types of transactions (e.g. approval, concurrence). The fact that these experts contribute directly to project inputs, coupled with a lack of documented approval roles and authorities weakens accountability and can potentially result in conflicts of interest.

Currently, it is not clear what steps are taken when key safeguarding functions (e.g. risk and environmental and social safeguards) do not concur that a project is ready to advance to approval or how this lack of concurrence is documented and presented to the Board. Stakeholders report that these situations are rare and that project teams are generally responsive to the concerns raised. However, there have been instances where a project advances despite reservations expressed by these teams. Accountabilities and decision-making requirements should be clearly defined and documented rather than relying on working relationships among staff.

This situation creates important challenges with respect to efficiency whereby a limited number of key experts are left with an unrealistic workload across several projects that creates bottlenecks for approvals. Furthermore, as specialist functions such as procurement, gender and results contribute directly to project design, a potential conflict of interest arises wherein functions that would typically have an advisory or oversight role are put in the position of developing and then reviewing the adequacy of their own work, limiting contestability.

Finally, some stakeholders expressed feedback that existing processes have not always worked effectively to ensure projects are of sufficient quality at entry and are ready for implementation when they reach the Board. This is despite the fact that the approval of operations involved multiple rounds of review at different levels, including the engagement of senior management at multiple points. Whereas a clearer delegation of authority would place the accountability on teams to deliver projects of sufficient quality, this approach would only be feasible with sufficient human resources to support project teams and operational staff to operationalise these accountabilities effectively.

Element 3.3.2: The MO's policy/guidelines or other documents provide evidence of efficient processes for resource reallocation, including at country level, which balance responsiveness and fiduciary requirements.

CDB's Operational Policy Framework identifies delegated authorities for resource reallocation and changes to financial terms for operations in BMCs, with different approval levels depending on the extent of changes.

CDB is rated **satisfactory**. CDB has clear decision-making authorities in place to guide reallocation of resources for projects and within country portfolios.

In the case of Rehabilitation and Reconstruction Loans, for which the need may exceed available country allocations, the President has the authority to reallocate available balances from existing projects so long

as the financing sources are compatible. This process enables greater agility when assisting a country to respond to disasters and emergencies.

Beyond this, there are several different mechanisms to reallocate resources at country-level that do not require the involvement of the Board and may be implemented at different levels within the institution depending on the scale of changes required. Changes that are of a financial nature and larger scale tend to be approved at the VP level whereas more minor reallocations that don't entail changes to financial conditions nor project scope can be approved at the Division or Department level.

Changes subject to delegated authorities include: (i) reallocation of project funding between project components for both investment projects and TA (so long as changes in scope are minimal); (ii) extensions of signing periods for TA projects; (iii) extension of period or waivers for conditions precedent; (iv) extension of Terminal Disbursement Date; and (v) cancellation of loan amounts.

Element 3.3.3: The MO's evaluations or other internal reports demonstrate that delegated authority is being exercised according to existing policies.

Existing delegation is inadequate, posing important challenges for the relevance, effectiveness and efficiency of CDB's operations.

CDB is rated **unsatisfactory** based on limited delegation of decision-making from the Board.

A systematic review of available CSPEs (3), Sector evaluations (3) and 20 Project Completion Report Validations produced over the period indicate that multi-layered approvals, bureaucratic process and lack of decision rights to implement key project changes can have an important impact on the results of projects. This is an important challenge due to the frequency with which project changes occur: Overall, approximately one third of PCRVs indicated that a mid-project design change or change in scope occurred. A concerning issue is that CES and many projects do not alter the design or approach, even when such changes are necessary to support adaptive management and respond to changes in context.

Delegated authority is limited; while this information does not suggest that delegated authority is not being applied in line with existing policies, it suggests that the current policies have tangible implications for project implementation and results.

Element 3.3.4: The MO has made efforts to improve or sustain the delegation of decision-making for investments and other operations in line with organisational priorities and client needs.

Although efforts have been undertaken to enhance delegation of authority from the Board of Directors to the President, CDB still has relatively limited delegation of authority compared to other IFIs, creating challenges for efficiency.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

As of 2022, CDB's President can approve Technical Assistance (TA) operations of up to USD 750,000. The 2024 TA reform further devolves TA approval authority to lower management levels through a tiered approval system, while the President retains final approval. Approval pathways are differentiated by project size:

- ≤ USD 150,000: Divisional level review (Division Chiefs/Unit Heads)
- USD 150,000–300,000: Departmental review (Directors)
- USD 300,000–550,000: Adjudication Review Committee (ARC) + Vice-President recommendation
- USD 550,000–750,000: Same higher-level process (ARC + VPO; status quo)

This is part of an ongoing process to enhance CDB's procedures for TA projects by implementing simplified and streamlined procedures for smaller, low-risk TA projects. This flexibility is key to CDB's comparative advantage in convening and provision of technical assistance to BMCs.

Other delegated authorities involve to approval of different emergency assistance instruments, including Emergency Relief Grants (ERG), Immediate Response Loans (IRL) and Rehabilitation and Reconstruction Loans (RRL). The President of CDB can approve ERGs up to USD 200,000 and IRLs up to USD 750,000. RRLs continue to be approved by the Board of Directors but are approved through a streamlined process. Approval of changes in Terminal Disbursement Dates have also been delegated to Operations teams, as noted in 3.3.1, above.

However, all Investment Projects continue to go to the Board. Beyond this, projects that require a change in scope beyond a minor variation or changes must be sent back to the Board of Directors. This contrasts with practices at the World Bank, where Project Team Leaders are able to make changes to project scope that do not involve changes in project outcomes so long as there is proper consultation across the project team and the change is properly documented. This flexibility has been found to contribute to implementation speed, project relevance and, ultimately, better results.

In general, CDB's delegated authority is limited compared to other IFIs. Other institutions are increasingly implementing dual track approval processes that recognise the differential complexity and risk profile of different activities and the potential efficiency implications of Board engagement for these activities. As an example, Asian Development Bank has implemented a dual track process for projects such that PBLs and Sector Development Programmes not exceeding USD 100 million and sovereign operations not exceeding USD 400 million which do not involve significant environmental and social impacts and do not involve innovations or derogations of policy are approved via a "no-objection" procedure. This procedure helps ensure that the Board devotes attention to those projects that carry potential risks and lessons for future operations.

Beyond this, the President of ADB can approve Project Readiness Financing and Small-scale Projects up to USD 15 million, whereas heads of department can approve other Technical Assistance up to USD 225,000. These more agile approvals contribute to greater agility and responsiveness to the needs of countries and stronger pipeline development.

MI 3.4: HR systems and policies performance-based and geared to the achievement of results.

Element 3.4.1: The MO has a system in place that requires all staff, regardless of seniority, undergo a performance assessment.

- Element 3.4.2 There is evidence that the performance assessment system is implemented systematically by the MO for all staff in line with the required frequency.
- Element 3.4.3 The MO's performance assessment and incentives systems are linked to organisational priorities around financial performance, additionality and impact as outlined in the strategic vision.
- Element 3.4.4 The MO's staff performance assessment is applied in decision-making on promotion, incentives, rewards etc.
- Element 3.4.5 The MO has a clear process in place to manage disagreement and complaints regarding staff performance assessments.
- Element 3.4.6 The MO has processes in place to support Diversity, Equity and Inclusion (DEI) in the workplace.
- Element 3.4.7 The MO has processes in place to assess staff engagement and the working environment, including measures to report and follow up on identified issues in a transparent manner.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 3.4	Satisfactory	2.71	
Element 3.4.1	Satisfactory	3	Medium
Element 3.4.2	Unsatisfactory	2	Medium
Element 3.4.3	Satisfactory	3	Medium
Element 3.4.4	Unsatisfactory	2	Medium
Element 3.4.5	Satisfactory	3	Medium
Element 3.4.6	Satisfactory	3	Medium
Element 3.4.7	Satisfactory	3	Medium

MI 3.4 Evidence confidence

- Caribbean Development Bank (1998) "Performance Development and Review Guide" (internal document)
- Caribbean Development Bank (2000) "Staff Compensation Policy" (internal document)
- Caribbean Development Bank (2009) "Staff Manual" (internal document)
- Caribbean Development Bank (2019) "Work Programme and Administrative and Capital Budgets 2020-21" (internal document)
- Caribbean Development Bank (2019) "Gender Equality Policy and Operational Strategy" [GEPSOS-2019-FINAL \(1\) \(1\).pdf](#)
- Caribbean Development Bank (2020) "Development Effectiveness Review 2019"
- Caribbean Development Bank (2021) "Work Programme and Administrative and Capital Budgets 2022-24" (internal document)
- Caribbean Development Bank (2021) "People Strategy 2022-25" (internal document)
- Caribbean Development Bank (2021) "Development Effectiveness Review 2020" [Development Effectiveness Review 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022) "Development Effectiveness Review 2021" [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022) "Staff Circular No 4/22: Restructuring of the Economics Department" (internal document)
- Caribbean Development Bank (2023) "Staff Regulations and Staff Rules" (internal document)
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- Caribbean Development Bank (2024) "Proposed Updates to Compensation Strategy" (internal document)
- Caribbean Development Bank (2024) "The Updated Gender Equality Action Plan (2025-27)" (internal document)
- Caribbean Development Bank (2024) "Memorandum – EDGE Action Plan" (internal document)
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- Caribbean Development Bank (2024) "Proposed Addition to Human Resources Policy on the Professional Working Environment" (internal document).
- Caribbean Development Bank (2024) "Memorandum - Initiatives to Enhance Employee Wellbeing and Productivity" (internal document)

- Caribbean Development Bank (2024) “Memorandum - Mercer Compensation Report” (internal document)
- CDB (2025) “Development Effectiveness Review 2024” (internal document)
- CDB (2025) “Updated Gender Equality Action Plan” [CDB, IDB and Government of Barbados Join Forces to Address Domestic Violence in the Caribbean | Caribbean Development Bank](#)
- Caribbean Development Bank (2025) “Memorandum - Half Day Fridays Pilot Report and Recommendation,” (internal document).
- Kamwell (2024) “Caribbean Development Bank – Discovery Phase Report” (internal document)
- McLean and Company (2025) “Engagement Report – Caribbean Development Bank” (internal document)
- McLean and Company (2025) “Caribbean Development Bank: Engagement plus Scorecards” (internal document)
- Mercer (2024) “CDB Focus Group Findings – All Voices Report” (internal document)

MI 3.4 Analysis

Element 3.4.1: A system is in place which requires all staff, including senior staff, to undergo performance assessment.

All CDB staff are required to undergo a performance assessment annually.

CDB is rated **satisfactory** based on consistent implementation despite opportunities to better position performance management to address poor performance.

CDB implements an annual performance management exercise that is applied to all staff and managers. The Performance Development and Review (PDR) System introduced in 1984 with the most recent changes made to the Performance Development and Review Guide in 1999. Both staff and management are subject to the same performance review system. There is no additional 180 or 360 review system for managers.

The existing system envisions that staff and managers set performance objectives at the beginning of the year, have two interim performance conversations and an end-of-year self-assessment and manager review. Staff are rated on a scale of 0 (poor) to 4 (excellent). There are no defined ratios of the ratings staff can receive, with stakeholders reporting that ratings of 0 or 1 are rare.

Element 3.4.2: There is evidence that the performance assessment system is implemented systematically by the organisation for all staff and to the required frequency.

The Performance Management System is not implemented systematically in line with documented requirements.

CDB is rated **unsatisfactory** based on inconsistent implementation of the performance management system and a demonstrated gap between policy and practice.

Stakeholders note that although performance review is applied annually and systematically, the actual performance management practice and system (Success Factors) now depart from the documented organisational progress.

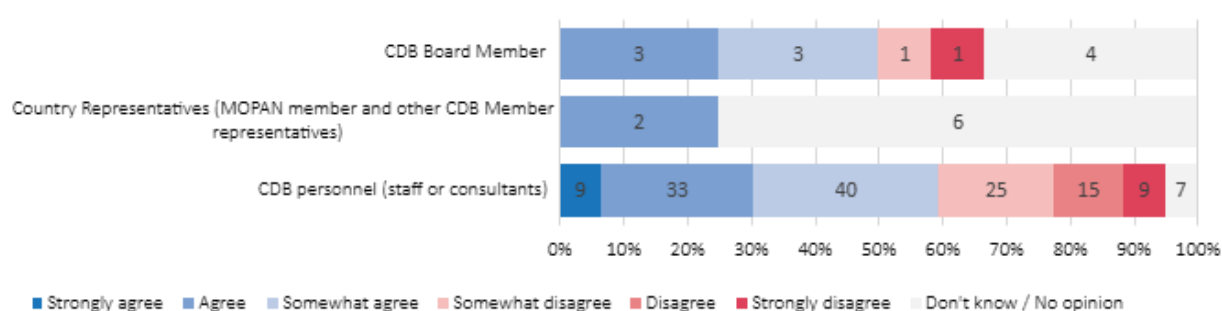
In theory, the system requires staff to identify a series of objectives at the beginning of the calendar year, with a formal mid-year review and end-of-year review. However, stakeholders report that the system has not been applied in this way for any of the assessment years. Although there is estimated to be a high rate of compliance, the performance review system tends to be opened for input later in the calendar year (e.g. September in 2025), such that initial objectives and mid-year reviews may not be documented.

Part of the reason that the system tends to open late in the year is due to delayed completion of performance reviews – reviews from the previous year must be completed before the system can be opened for subsequent years. Some managers may have performance conversations prior to the opening of the system for input but the level of compliance is not known.

CDB was not able to provide figures for the extent of compliance with the PDRG. The fact that the current process departs significantly from the documented PDRG creates important challenges in use of the system to address and exit poor performers as needed. Procedural errors in implementing the system tend to be weighed against employers in administrative tribunals.

Feedback from MOPAN's Partner Survey echoes these challenges with respect to systematic implementation of performance management systems, with just 29% of respondents indicating that "CDB's performance management of staff is systematic and transparent." Of the 56 respondents who provided open text feedback, 30% specifically spoke to the performance management system. Feedback described performance management as: (i) inconsistently applied and lacking in fairness and transparency; (ii) disconnected from promotions and development, with limited recognition of strong performers; (iii) affected by weak HR processes limited trust and inadequate grievance mechanisms; and (iii) undermined by outdated systems and heavy workloads. Overall, respondents portrayed performance management at CDB as a system that does not fairly assess performance, does not support staff growth, and does not operate with transparency or credibility.

CDB's performance management of staff is systematic and transparent.



Element 3.4.3: The performance assessment system is clearly linked to organisational improvement, particularly the achievement of corporate objectives.

Staff performance objectives are cascaded from corporate objectives.

CDB is rated **satisfactory** based on alignment to good practice.

The Staff Manual and the PDRG note that individual performance goals should be aligned with CDB strategic objectives, with goal-setting first undertaken by senior management and cascaded through other levels of management and staff. This includes the cascading of corporate objectives and strategic objectives to targeted results at the Department and Division level to guide staff objectives, enabling a clear line of site with how staff performance contributes to organisational performance.

Stakeholders confirm that this principle is applied systematically with staff performance objectives aligned to the Annual Work Programme.

Element 3.4.4: Staff performance assessment is applied in decision-making on promotion, incentives, rewards, sanctions etc.

The linkage between performance assessment, promotion, incentives, learning, rewards and sanctions is weak due to broader challenges around human resources management, including staff compensation and career development.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice across IFIs.

Reward:

There is a general perception among staff, including key stakeholders that compensation is not adequately linked to reward. This is accompanied by broader challenges related to evolution of CDB's compensation compared to other financial institutions and cost of living in Barbados. Total compensation of CDB is a key constraint for staff engagement. Beyond salary scales, issues around medical benefits, opportunities for spousal employment and education benefits are key drivers of attrition among CDB's international staff.

CDB establishes salary-range mid-points for each job grade. For Managerial and Professional staff, this mid-point is based on 70% of the blended average of selected multilateral institutions that operate in the region, including the United Nations, World Bank and Inter-American Development Bank. For support staff, this mid-point is based on the 75th percentile of the average pay for the Barbados market. A budget for salary increases reflects the increase necessary to maintain CDB's average salaries at the target market position. Annual salary scale adjustments and individual staff increases are meant to reflect updates to maintain the targeted market position and the merit-based increases. Each year, independent consultants are retained to survey the market and identify an Overall Pay Increase (OPI) intended to maintain CDB's market position relative to reference organisations. If the market survey shows no increase, up to 2% of the payroll is made available for merit increases. Where there is no adjustment to the salary scale itself, merit pay is given as a lump-sum for staff above the merit point. The vast majority of staff fall under the first third of the salary scale.

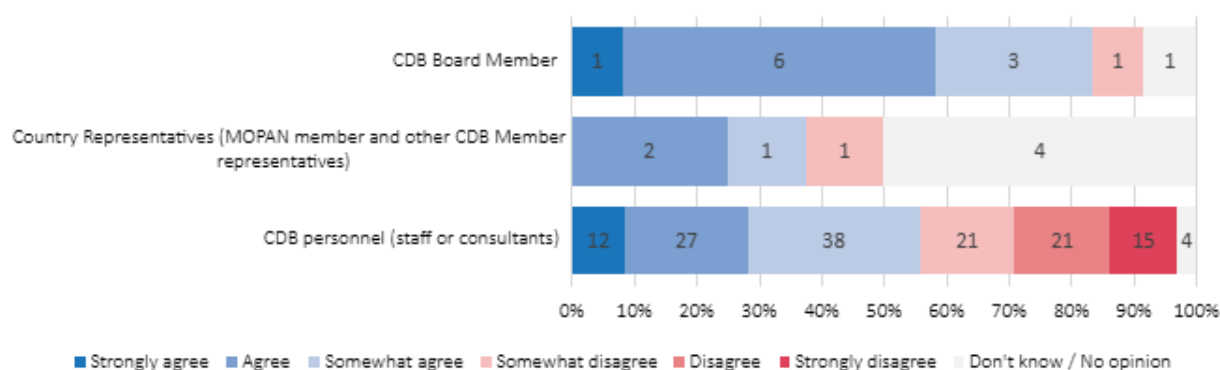
Stakeholders note that CDB faces important challenges in maintaining a competitive and merit-based compensation practice. First, poor digitisation of the system makes it difficult to illustrate trends in compensation over time. Second, budgeting for positions occurs at a set percentage of the mid-point range, making it difficult to recruit highly skilled and experienced staff across a diversity of CDB's members. Stakeholders report that recruitment processes can ultimately lead to preferred candidates rejecting offers after understanding more about the compensation package relative to CDB's competitors. Finally, conflation of salary scale adjustments and merit increases have led to a high proportion of staff clustered in the lower ranges of the salary scale. This approach makes it challenging for staff to progress to higher levels of the salary scale absent being identified as a distinguished performer.

A 2024 analysis undertaken in the Mercer Report to reframe CDB's salary scale highlights some of these challenges. Staff feedback solicited for the exercise confirmed ongoing confusion among staff around how salary is linked to cost of living and merit. Other concerns include high housing costs and limited job opportunities for spouses – these issues face further pressure on the attractiveness of the compensation package and staff retention. Overall, a recommendation was made to increase the salary scale in to reflect a higher mid-point of World Bank salaries to reflect differences in total compensation packages and to de-link salary structure increases from merit increases to provide greater transparency.

Respondents to MOPAN's Partner Survey expressed reservations about the competitiveness and fairness of staff compensation, with just 31% agreeing or strongly agreeing that "CDB offers competitive and fair compensation for staff." Of the 56 respondents who provided open-text feedback for this question, 28% spoke to the competitiveness and fairness of compensation for staff. In general, respondents indicated that CDB's compensation of staff is: (i) not competitive with the market or other IFIs; (ii) not fair or transparent, with unclear criteria for salary increases; (iii) an important barrier to staff recruitment and retention; and (iv) outdated, with an unattractive Total Compensation package. Overall, respondents were highly critical on

compensation practices and noted this as a critical and systemic HR challenge that directly affects morale, retention, workload, and CDB's ability to deliver on its mandate.

CDB offers competitive and fair compensation for staff.



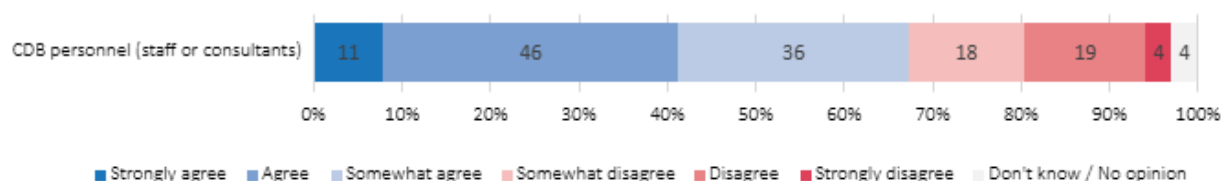
Learning:

Although an e-learning platform has been established for self-directed and bank-recommended training, CDB does not have a corporate training programme aligned to key organisational functions, skills needs or strategic objectives. However, CDB does maintain a series of externally provided trainings linked to the competency framework that are suitable for different categories of staff. CDB also maintains an onboarding programme; however, the training provided is geared toward helping staff understand their compensation and benefits, the HR system and the staff rules and regulations. There are no dedicated training programmes for staff with critical job functions (e.g. project managers).

CDB does have a track record of supporting its top performers with management training and skills development programmes, including the OECD Emerging Leaders Programme. However, it is not clear that there is a transparent process in place to select individuals for this training based on performance.

Training data provided by CDB indicates a relatively ad hoc approach to approving training and conference participation. Reduced training budgets pose an important barrier to a more systematic approach to training. Whereas training budgets used to account for 5% of salaries, this figure is now closer to 2.5%. Respondents to MOPAN's Partner Survey identified clear opportunities to enhance learning and skills development for staff. Overall, 42% of respondents reported that they either agree or strongly agree that "CDB offers relevant opportunities for staff learning and skills development." Of the 56 respondents who provided open text responses for this question, 28% referred to learning and development. They described support to learning and development as: (i) Underdeveloped and insufficient, with limited training opportunities; (ii) Unstrategic, lacking a long-term plan or capacity development framework; (iii) Inequitably distributed, with perceived biases in access; and (iv) Undermined by workload and HR constraints, reducing staff ability to develop the skills needed. Overall, respondents saw learning and development as a critical weakness in CDB's HR system, limiting staff growth, organisational capability, and readiness for the Bank's ambitious reform agenda.

CDB offers relevant opportunities for staff learning and skills development.



Exits:

CDB's Staff Regulations and Staff Rules provide for the termination of staff for unsatisfactory performance. Staff may also be made redundant if a post is abolished or staff numbers are reduced. CDB attempts to retain staff members whose positions are made redundant with a preference for those with an indefinite appointment. The determination of redundancies is made on the basis knowledge, skills and ability needed by the Bank to carry out its work effectively, also considering the performance of individual staff and the availability of key knowledge and skills among existing staff.

As noted above, the inconsistent application of the Performance Management System and CDB's limited overview of existing skills and skills needs among staff make it challenging to implement these policies in practice.

Probationary Periods and PIPs:

Stakeholders report that Performance Improvement Plans (PIP) are implemented but are rare. CDB was unable to identify the number of PIPs implemented over the assessment period. The overall effectiveness of the PIP was reported as depending on the manager involved and when they engage HR.

Only Administrative Professional Staff (equivalent to UN G-level) are subject to a probationary period. However, professional staff typically start with a 2-year fixed-term contract that may be extended or converted to an indefinite appointment. Managers submit a report on performance toward the end of the 2-year period informing whether the term position expires, is renewed or is converted.

Stakeholders report that it has been challenging to use the performance management system to "manage out" poor performers, particularly once contracts are converted to open-ended status. CDB is generally better at differentiating good performers versus poor performers with few staff receiving a rating of 0 or 1.

The connection between performance and reward is established in CDB's compensation policy. Compensation increases are allocated based on a merit matrix which considers the "salary zone" (progression along the salary scale) and performance rating. The matrix also considers structural changes in cost of labour and market pat rate.

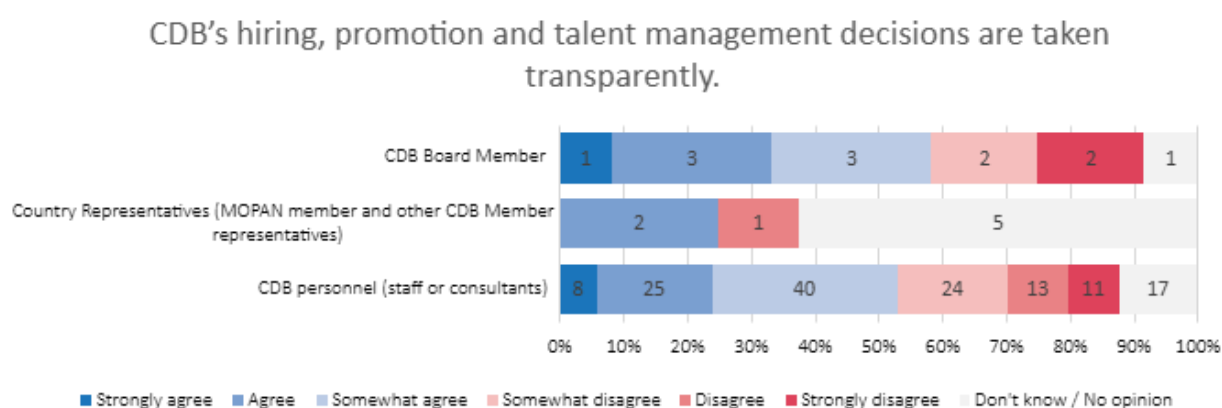
Staff Mobility and Promotion:

CDB does not have an explicit policy around staff mobility or promotion, including decentralisation (as there are no country offices aside from the Haiti Office). As per the Staff Rules and Regulations, professional development is meant to be considered as part of the annual performance assessment process through an employee's Development Profile report, which indicates how a staff member's abilities can be developed in line with career aspirations. HR Development is intended to be supported through: (i) career pathing on the basis of ability; (ii) job rotation; (iii) on-the-job training; (iv) external learning in line with corporate needs.

However, stakeholders note that this process is not implemented nor monitored formally. Given that CDB has a relatively flat organisational structure, opportunities for in-situ promotion and mobility are limited,

which was identified as a driver of staff churn and a significant obstacle to retain young professionals throughout the Bank.

CDB's hiring, promotion and talent management were identified as a particular source of concern among respondents to the MOPAN Partner Survey, with just 25% of respondents agreeing or strongly agreeing that "CDB's hiring, promotion and talent management decisions are taken transparently. Of the 56 respondents who provided additional open text feedback, 43% mentioned talent management (including promotion and mobility). These processes were noted to be: (i) Respondents described CDB's hiring, promotion, and talent management as: (i) opaque and inconsistent; (ii) Lack of strategic focus, with weak talent management and no clear succession planning; and (iii) damaging to retention and workload, contributing to overstretched teams and difficulty attracting talent. Overall, the comments portray a fragmented, slow, and non-transparent system that undermines staff morale, operational effectiveness, and CDB's ability to develop and retain the workforce needed to deliver on its mandate.



Element 3.4.5: A clear process is in place to manage disagreement and complaints regarding staff performance assessments.

CDB has a multi-layered process in place to address performance complaints. Arrangements are in place to facilitate arbitration processes to address unresolved disputes.

CDB is rated **satisfactory** based on alignment to good practice.

Internal complaints procedure

The PDRG outlines the steps for staff to appeal against particular aspects of the performance appraisal. CDB has a multi-layered appeals process to address complaints regarding performance assessments.

First, staff are expected to file a verbal or written complaint, which can be raised with the reviewing officer. This should be done within two weeks of receipt of a review. Should it not be possible to resolve the complaint amicably between the two parties or the responsible Director within five days of the complaint, the staff member may proceed through an appeals process.

The second step involves filing a formal written grievance, giving detailed grounds for the complaint. This grievance should be filed to the Director of the Department. After a discussion with the parties involved, the Director renders a written decision.

If the matter remains unresolved, a panel of three Directors, including the Director of the department involved will review the case and render a decision. Should this decision not satisfy the staff member, the grievance may be submitted to the relevant Vice President. The Vice President will meet with the interested parties and render a decision, meeting the affected staff member to explain the rationale. This decision is considered final.

Stakeholders note that in practice, this process is rarely initiated and CDB was unable to provide figures for the number of performance assessment disputes undertaken during the assessment period. This is due in part to the fact that poor performance ratings are rare across the institution. The absence of a strong documented process and the multi-layered nature of the review process may provide a disincentive for managers to address poor performance through the performance assessment system.

Recourse to arbitration:

CDB's Staff Regulations and Rules note that any dispute between the Bank and a staff member and any claim by them or against them connected to their contract of employment that has not been amicably resolved between the Bank and the staff member may be submitted for arbitration before a panel of arbitrators whose decision shall be final. Proceedings undertaken in accordance with the United Nations Commission for International Trade Law (UNCITRAL) Arbitration Rules (the UNCITRAL Rules).

Any arbitration panel shall consist of three Arbitrators, one of whom shall be appointed by the Bank, another by the staff member and the third, the Presiding Arbitrator, by agreement between the Bank and the staff member. If the Bank and the staff member fail to agree on the Presiding Arbitrator, the Presiding Arbitrator is appointed at the request of either the Bank or the staff member by the Secretary-General of the Organisation of American States. All arbitration proceedings, including all oral and documentary evidence exchanged and submitted within the proceedings, are confidential.

Stakeholders note that there have been no claims resolved through arbitration over the assessment period.

Element 3.4.6: The MO has processes in place to support Diversity, Equity and Inclusion (DEI) in the workplace.

CDB is committed to non-discrimination and has taken concrete actions to promote gender equality in the workplace.

CDB is rated **satisfactory** based on alignment to good practice.

CDB is an equal opportunity employer that values diversity and encourages all qualified candidates to apply for positions. As reflected in its Staff Code of Conduct and Staff Rules and Regulations, CDB is committed to non-discrimination with respect to sex, sexual orientation, marital status, pregnancy, parental status, race, ethnicity, age, disability, religion, nationality, association or otherwise.

CDB lacks a specific policy or strategy with respect to Diversity, Equity and Inclusion. However, an institutional commitment to gender equality within the institution is reflected in the Gender Equality Policy and Operational Strategy (2019) and the Updated Gender Equality Action Plan (2025-27)

CDB monitors the diversity of its workforce with respect to representation across its member countries, age and gender. The 2022-2025 People Strategy notes the need for continued progress in promoting gender diversity across the workforce and nationality representation across its membership. Overall, nationality representation has improved from 12 countries in 2016 to 19 countries in 2022. Yet, stakeholders note that challenges around compensation and career advancement remain important barriers to further expanding the extent to which the workforce reflects the full scope of CDB's member countries.

CDB tracks the proportion of staff in management positions who are women as part of its RMF, with an overall target of 45-55% over the SPU period. Evidence from Development Effectiveness Reviews indicate that this proportion has remained relatively stable over the assessment period but remains off-target (Table 13). This indicator reflects the number of positions at Portfolio Manager, Deputy Director level and above in Operations and Corporate Departments, which are filled by women.

Table 13. Proportion of Women in Management Positions

Year	Proportion of Women in Management Positions (% - Target 45-55)
2020	35
2021	35
2022	38
2023	37
2024	38

Source: Development Effectiveness Review (2024)

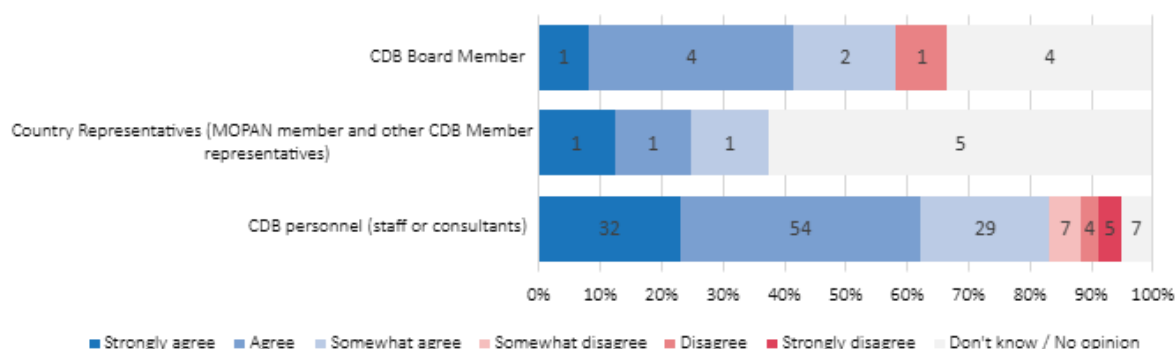
In 2023, CDB received EDGE Assess certification, this level confirms an organisation's foundational commitment to gender equality through a comprehensive assessment of policies, practices and data. In 2024, CDB advanced to EDGE certification at the EDGE Move level, showcasing its continued dedication to workplace gender equality, which requires that an organisation demonstrates measurable progress in closing gender equality gaps. CDB is currently the only organisation in Barbados to have achieved EDGE Move certification. In particular, CDB has: (i) achieved gender parity in upper management and middle management; (ii) has achieved Equal Pay for Equal Work by narrowing the gender pay gap to 1.8% in favour of women; and (iii) introducing a Parental Leave Policy and Flexible Working Arrangements.

In 2025, to address remaining challenges around gender equality, CDB agreed to initiate the following actions:

- I. introduce a structural framework for measurement, analysis, reporting and decision-making for remediation of any gender pay gap anomalies which may arise in the future;
- II. design and implement mandatory annual training for managers to raise awareness of potential biases in recruitment, promotions or performance evaluations; and
- III. improve its offerings in the field of mentorship by setting up a formal mentoring programme for men and women; and
- IV. incorporate performance measures on gender equality in the annual goals and performance plans of our managers.

MOPAN's Partner Survey identified stronger performance in promoting diversity, equity and inclusion among staff, with 58% of respondents noting that they agree or strongly agree that "CDB promotes diversity, equity and inclusion among staff." Of the 56 respondents who provided additional open text feedback, 25% spoke to diversity, equity and inclusion at CDB. Responses were mixed, noting clear commitments but also instances of uneven implementation. Ongoing challenges included: (i) challenges around workloads and qual pay; (ii) weak grievance processes and inconsistent handling of whistleblower allegations; and (iii) an organisational culture characterised by favouritism, interpersonal bias and uneven access to opportunities.

CDB promotes diversity, equity and inclusion among staff.



Element 3.4.7: The MO has processes in place to assess staff engagement and the working environment, including measures to report and follow up on identified issues in a transparent manner.

CDB has implemented a regular staff survey. But there are opportunities to improve the consistency of the methodology to track progress over time. There has been tangible follow-up to issue raised in staff surveys over time.

CDB is rated **satisfactory** based on consistent conduct of a staff survey.

As part of its commitment to promoting Institutional Resilience CDB as part of its 2020-24 Strategic Plan (and reaffirmed in its 2022-24 SPU), CDB commits to promoting a healthy and engaged workforce. Staff engagement pulse surveys were identified as a key strategic tool to improve staff engagement and feedback on workplace matters, supported by broad-based consultation and feedback.

It was originally intended that CDB would implements a staff engagement survey every 2 years, with lighter pulse surveys implemented in the interim years. However, the next staff survey was implemented in 2022. No follow-ups were conducted in 2023 and a lighter wellbeing survey was implemented in 2024 based on an uncertain institutional environment based on the departure of the previous president. A subsequent pulse engagement survey was conducted in 2025. A key challenge, however, has been the different methodologies used for different surveys, making it challenging to compare results and identify trends.

An indicator on staff engagement was incorporated in the RMF, reflecting the staff engagement index. This indicator reflects the proportion of staff assessed as “engaged,” including their understanding of and agreement with the Bank’s mission, strategy and leadership. In 2022, a comprehensive survey indicates a score of 82%, demonstrating progress over a baseline score of 71% from 2019.

In 2024, a staff well-being survey was conducted, securing participation from 70% of staff. This survey identified key drivers of staff engagement and well-being, areas of opportunity and areas of risk. The survey identified that drivers of strong staff engagement include: (i) a strong sense of meaning and purpose from the work of the organisation; (ii) strong employee relationships and support; and (iii) staff facilities supporting physical health. However, areas of opportunity (greater than 20% of staff identifying a problem) included: (i) extent to which leadership and management reflect core values; (ii) optimising well-being initiatives; (iii) clear internal policies, decision-making and communication; and (iv) rewards and recognition. Areas where higher numbers of staff expressed dissatisfaction include: (i) fairness and equity (promotions, raises, equal opportunity, harassment); (ii) workload and burnout; and (iii) mental wellbeing and psychological safety.

Particular issues were raised with respect to workload, feelings of burnout, lack of work-life balance, fairness of pay and benefits and understanding of how decisions are made internally. Additional concerns pertained to bullying and hierarchical culture and perceived inequity in career opportunities. More than 40% of staff reported presenteeism (working despite being ill) and leavism (working while on annual leave). One fifth of staff disagreed with the question “I have not experienced harassment, discrimination or bullying in the organisation.”

The 2025 engagement survey identified that many of these issues remain relevant. Although 57.5% of staff were found to be “engaged,” career advancement, total compensation, departmental collaboration and executive leadership were each found to be poor performing drivers of engagement. On the other hand, pride in one’s work and commitment to the organisation were found to be strongest drivers of engagement among CDB staff.

Evidence of Follow-up to issues identified in staff surveys:

There has been tangible evidence of actions taken by management to respond to issues identified in past staff surveys; however, it is not clear that such actions are part of a systematic approach.

CDB's HR function noted the high levels of bullying, harassment and sexual harassment observed by staff in the staff survey despite no formal reports. To address this, CDB updated its Policy on the Professional Working Environment, committing the Bank to providing a working environment that enables staff to speak up without fear of retaliation. The Professional Working Environment Procedures, which apply to all Bank staff and management, provide a clear definition of harassment and introduce mandatory annual training for staff. It also establishes responsibilities for staff to promptly report to ICA violations of these Procedures that they witness or of which they become aware. Critically, the guideline identifies informal resolution services as a mechanism for resolving conflict. Overall, the substance of these guidelines is in line with good practice.

Beyond these guidelines, CDB introduced a number of measures to address high workloads and mental wellbeing challenges among staff alongside a strategic staffing exercise as a medium-term initiative. These include directing managers to: (i) discourage after hours work, emails after 6 and weekend travel; (ii) linking staff to mental health resources and wellbeing virtual webinars; and (iii) training managers on modelling healthy work behaviours. One of the most successful initiatives has been the introduction of "half-day Fridays," which also included a subsidy to help staff equip themselves with suitable home offices. Follow-up with staff after the introduction of half-day Fridays demonstrated marked improvement in work-life balance, ability to focus on exercise and mental wellbeing and ability to disconnect from work.

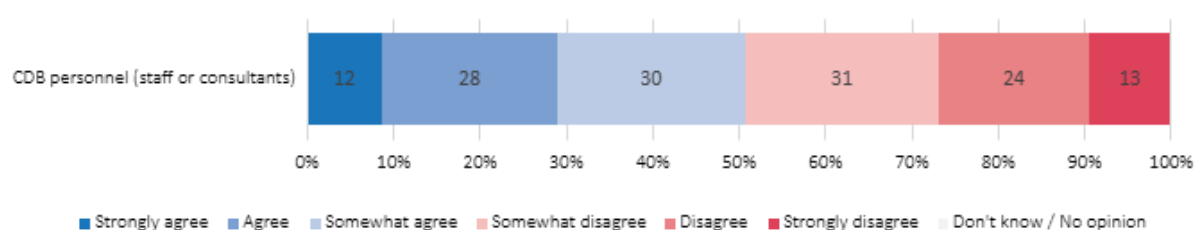
MOPAN Partner Survey Responses:

Responses to the MOPAN Partner Survey underscore the challenges CDB is facing with respect to staff workloads, handling of harassment and interpersonal issues and retention of staff. Overall, 55% of CDB personnel who responded to the survey reported that they were likely to continue working with CDB over the next three years – which is a reason for concern given long recruitment timeframes.

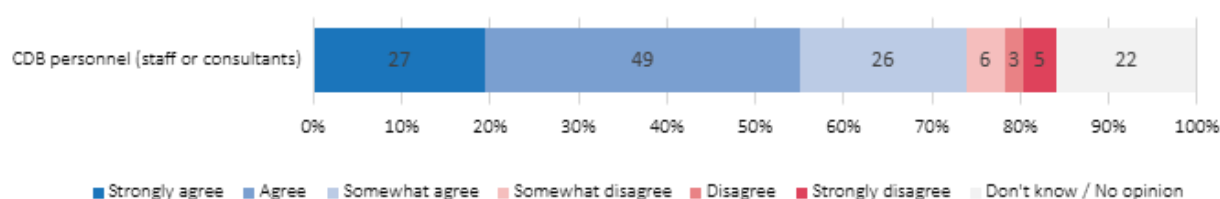
Workload is an important challenge with just 28% of staff agreeing or strongly agreeing that "My workload is appropriate given my role and seniority." For open text responses across the survey, nearly all staff identified workload as a systemic problem affecting morale, equity, wellness and retention – many mentioned this issue multiple times throughout the survey. This issue was framed as one of the central operational risks facing CDB, driven by staffing shortages, weak HR systems, and structural inefficiencies.

With respect to the likelihood of remaining employed with CDB over the next three years, 61.8% of staff respondents expressed an uncertain or negative sentiment in this regard, citing: (i) unsustainably high workloads; (ii) non-competitive pay; (iii) slow or opaque promotions; (iv) weak HR processes; and (v) staff shortages and acting roles. This sentiment analysis reflects an elevated retention risk across the institution.

My workload is appropriate given my role and seniority.



I am likely to continue working for CDB over the next three years.



KPI 4: Organisational systems are cost- and value-conscious and enable financial transparency and accountability.

Ratings

KPI / MI	Rating	Score
KPI 4	Satisfactory	2.55
MI 4.1	Satisfactory	3.00
MI 4.2	Satisfactory	2.75
MI 4.3	Unsatisfactory	2.00
MI 4.4	Unsatisfactory	2.50
MI 4.5	Satisfactory	2.80
MI 4.6	Satisfactory	2.83
MI 4.7	Unsatisfactory	2.00
MI 4.8	Satisfactory	2.57

MI 4.1: The MO demonstrates transparent decision making for approving investments and other operations, consistent with priorities over time.

- Element 4.1.1: An explicit organisational statement and/or policy is available that clearly defines criteria for identifying and approving investments and other operations based on additionality, financial sustainability and development impact as appropriate.
- Element 4.1.2: The criteria reflect targeting to the highest priority themes/countries/areas of intervention as set out in the current Strategic vision.
- Element 4.1.3: The MO's approval criteria are flexible and allow for adaptation in different contexts and as market conditions change.
- Element 4.1.4: The organisational policy or statement is regularly reviewed and updated.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.1	Satisfactory	3.00	
Element 4.1.1	Satisfactory	3	Medium
Element 4.1.2	Satisfactory	3	Medium
Element 4.1.3	Satisfactory	3	Medium
Element 4.1.4	Satisfactory	3	Medium

MI 4.1 Evidence documents

- Caribbean Development Bank (2007) "Agreement Establishing the Caribbean Development Bank," <https://www.caribank.org/sites/default/files/publication-resources/Agreement-establishing-CDB.pdf>
- Caribbean Development Bank (2007) "Special Development Fund, A Review of the SDF – Resource Allocation System," <https://www.caribank.org/publications-and-resources/resource-library/sdf-annual-reports/sdf-resource-allocation-formula>
- Caribbean Development Bank (2013) "Policy Paper: A Framework for Policy-Based Operations – Revised (Corrigendum) (Paper BD 72/05 Add. 6 Corr. 2)," (internal document)
- Caribbean Development Bank (2016) "Lending Policies," https://www.caribank.org/sites/default/files/publication-resources/Lending-policies_Dec2016.pdf

- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) "Report on Negotiations of the Tenth Cycle of the Special Development Fund (SDF 10)," https://www.caribank.org/sites/default/files/publication-resources/BD%2026_21-Report%20on%20Negotiations%20of%20SDF%2010_redacted.pdf
- Caribbean Development Bank (2021) "Strategic Plan Update 2022–2024: Repositioning for Resilience," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2022) "A Framework for Policy-Based Operations – Revision of Framework and Extension of Temporary Increase in Limit (Paper BD 72/05 Add. 10)," (internal document)
- Caribbean Development Bank (2022) "Discussion Paper: Policy-Based Operations, 2022–26 (Paper BD 68/22)," (internal document)
- Caribbean Development Bank (2022) "Technical Assistance Policy and Operational Strategy 2022–2026," <https://www.caribank.org/publications-and-resources/resource-library/policies/technical-assistance-policy-and-operational-strategy-2022-2026>
- Caribbean Development Bank (2023) "Private Sector Strategy 2023–2028," https://www.caribank.org/sites/default/files/publication-resources/CDB_Private%20Sector%20Strategy%202023-2028.pdf
- Caribbean Development Bank (2024) "Report of Contributors on the Negotiations of the Eleventh Cycle of the Special Development Fund (SDF 11)," https://www.caribank.org/sites/default/files/publication-resources/ContributorsReportSDF11_redacted.pdf
- Caribbean Development Bank (2025) "Resolution and Report of Contributors on Special Development Fund Eleventh Cycle," (internal document)

MI 4.1 Analysis

Element 4.1.1: An explicit organisational statement and/or policy is available that clearly defines criteria for identifying and approving investments and other operations based on additionality, financial sustainability and development impact as appropriate.

The CDB utilizes a multi-faceted approach towards its lending policies, identifying principles to establish the OCR and SDF eligibility of countries. CDB also has a complementary set of policies that establish strategic considerations for Technical Assistance, PBOs and Private Sector Operations. However, CDB currently lacks means of assessing financial and non-financial additionality in private sector operations.

CDB is rated **satisfactory** based on alignment to good practice with respect to OCR and SDF eligibility. Although CDB currently lacks a means of assessing financial and non-financial additionality, nonsovereign operations make up a small component of the portfolio.

In doing so, it defines criteria by which to identify and approve investments and various other operations by prioritising additionality (referring to the extent to which the MO provides development benefits that would not occur otherwise), developmental impact, and financial sustainability.

This approach is led by an explicit policy that takes into account both its OCR as well as its SDF. As stated in Article 1 of the "Agreement Establishing the Caribbean Development Bank", the CDB's purpose is "to contribute to the harmonious economic growth and development of the member countries in the Caribbean... and to promote economic co-operation and integration among them". This mandate establishes the institutional basis for CDB's policy framework on both resource allocation and lending.

OCR Lending

The CDB 2016 Lending Policies document provides a general lending policy for CDB's OCR. It introduces the criteria in which investments are to be approved. It classified BMCs into country groups. The categorization of BMC's (based on economic creditworthiness, performance, and development needs) helps to guide the volume and type of financial instruments available to each group. The categories of these countries (Table 4.1) play an instrumental role in lending policy.

Table 14. Country Groupings and Eligibility (as presented in the 2016 Lending Policy)^{5,6}

Group	Countries	OCR Eligibility	SDF Eligibility	Notes
OCR Group 1	The Bahamas, Barbados, Cayman Islands, Trinidad and Tobago	Yes	Yes (Group 1 SDF)	SDF access limited to regional projects and some Climate Change and Disaster Risk funds unless otherwise specified.
OCR Group 2	Anguilla, Antigua and Barbuda, British Virgin Islands	Yes	Yes (Group 1 SDF)	Eligible for both OCR and SDF
OCR Group 3	Belize, Dominica, Grenada, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Turks and Caicos Islands	Yes	Yes (Group 2 SDF)	Eligible for blended financing
OCR Group 4	Guyana, Suriname, Haiti	Yes	Yes (Group 2 SDF – Guyana and Suriname & Group 3 SDF - Haiti)	Haiti is eligible for grants only

Source: https://www.caribank.org/sites/default/files/publication-resources/Lending-policies_Dec2016.pdf

There is a structure for lending to both private and public sector borrowers detailed in the policy. The lending terms and conditions aim to ensure both developmental impact and financial sustainability. The following factors are assessed in the process of approval for lending:

- Borrower creditworthiness
- Alignment of project with CDB's strategic objectives
- Economic rate of return
- Project maturity
- Repayment capacity

⁵ The Resolution and Report of Contributors on SDF 10 identifies a different grouping of countries. Group 1 (Mainly OCR): Anguilla, Antigua and Barbuda, The Bahamas, Barbados, British Virgin Islands, Cayman Islands, Montserrat, St. Kitts and Nevis, Trinidad and Tobago and Turks and Caicos Islands; Group 2 (SDF and OCR Blend): Belize, Dominica, Grenada, Guyana, Jamaica, St. Lucia, St. Vincent and the Grenadines, Suriname; Group 3 (Mainly SDF): Haiti. [Resolution and Report of Contributors on SDF 10 | Caribbean Development Bank](#)

⁶ The Resolution and Report of Contributors on SDF 11 identifies a different grouping of countries. Group 1 (Mainly OCR): Anguilla, Antigua and Barbuda, The Bahamas, British Virgin Islands, Cayman Islands, Guyana, Montserrat, St. Kitts and Nevis, Trinidad and Tobago and Turks and Caicos Islands; Group 2 (SDF and OCR Blend): Barbados, Belize, Dominica, Grenada, Jamaica, St. Lucia, St. Vincent and the Grenadines, Suriname; Group 3 (Mainly SDF): Haiti. [Resolution and Report of Contributors on SDF 10 | Caribbean Development Bank](#)

- Alignment with the Bank's E&S safeguards

All these factors collectively address the financial sustainability of projects being financed.

Allocation of SDF Resources

CDB has an explicit and well-defined policy for how it allocates its largest source of concessional resources, the SDF. The system is formula based and transparent. The policy is detailed in the SDF – Resource Allocation System document and discusses the use of a Performance Based Allocation (PBA) formula. The main goal is to improve the outcomes of development initiatives through directing resources strategically to areas where they are most efficiently serving both cost and value maximization. CDB is committed to ensuring that concessional resources are distributed based on measurable and clear criteria connecting expected development outcomes to financial inputs. The PBA formula is shown in the documents as: Allocation Score = Country Need x Country Performance (figure below).

2.2 The Allocation Formula

2.2.1 The allocation formula of CDB's Special Development Fund, is shown below (See Appendix C for the formulae of other multilateral development banks). The CDB formula is multiplicative. It contains three factors to reflect country need (population, per capita income, and vulnerability) and two factors to reflect country performance (a policy-and-institutional performance score and a portfolio performance score). Each member country receives an allocation in proportion to its allocation score.

$$\begin{aligned}\text{Allocation score} &= (\text{country need}) \times (\text{country performance}) \\ &= (\log\text{POP} \times \text{GNPpc}^{-0.9} \times \text{VUL}^{2.0}) \times (0.7\text{PRES} + 0.3\text{PORT})^{2.0}\end{aligned}$$

Where:

logPOP = the logarithm of population

GNPpc = gross national product per capita

VUL = country vulnerability (according to CDB's index of member country vulnerability)

PRES = country performance on policy and institutions (similar to the World Bank CPIA)

PORT = performance of the country's portfolio of CDB loans

As shown above, the SDF Resource Allocation System further explains the various components of this formula. Country Need is calculated through metrics such as population, gross national product per capita, and country vulnerability. For SDF 11, the PBAS was modified to consider vulnerability and resilience by incorporating the Caribbean Multidimensional Vulnerability Index (CMVI). The metric logPOP recognizes development impact potential as well as the scalability of interventions – larger populations receive proportionally more resources. For SDF 11, LogPOP was removed and replaced by POOR to focus on poor populations. GNPpc serves to ensure that there is focus to help those least able to self-finance. Finally, VUL helps to direct funds to countries more exposed to environmental and economic shocks. This reinforces development impact through resilience-focused allocation. For SDF 11, VUL replaced by CMVI.

Together, these different variables ensure that the process of allocation remains evidence-based, as well as being responsive to different circumstances of countries. This helps to contribute to a transparent and equitable distribution of concessional resources. Country Performance is calculated through the metrics PRES (country performance on policy and institutions) and PORT (performance of the country's portfolio of CDB loans). PRES ensures an efficient usage of resources by rewarding institutional capacity and strong governance. Additionally, PORT encourages countries to maximize development – projects are approved where impact delivery is strong. The inclusion of both portfolio and policy performance indicators mirrors CDB's focus on the prudent use of funds, accountability, and ongoing institutional learning across its BMC's.

The PBA formula encapsulates measurable criteria such as population, income, governance, implementation performance and vulnerability, and align with the following criteria.

- **Additionality:** A premise that MDBs should make a contribution beyond what is available in the market and not crowd out the private sector
- **Development Impact:** Performance is weighted on institutional effectiveness and expected results
- **Financial Stability:** Countries with strong track-records are rewarded (reduces fiduciary risk)

SDF Resolution Report reports do not clearly define formal criteria or a scoring framework for identifying and approving investments and operations based on additionality, financial sustainability, and development impact. However, they do provide strategic themes and priorities, cross-cutting principles, RMF. Additionally, lending terms and concessionality are described by country groupings, but not as part of an investment approval criterion.

Technical Assistance Policy

Additional to its policies on OCR and SDF lending, the CDB also issued a 2022 Technical Assistance (TA) Policy and Operational Strategy. As stated in the policy, its' main goal is to “enhance the development effectiveness of CDB’s TA Programme”. The TA policy is made to align with the broader strategic objectives of CDB as well as its’ commitments to both the OCR and SDF. The framework of the TA programme is directed by four different strategic pillars which all seek to strengthen TA performance as well as efficiency in operations. These pillars consist of:

- Strengthening institutional capacity
- Enhancing development effectiveness
- Promoting knowledge sharing and partnerships
- Improving efficiency and results management

These four pillars involve strengthening both the strategic and organizational priority of TA, thereby improving performance and operational efficiency, as well as building capacity within the Borrowing Member Countries. This kind of approach makes it so that TA is not a function that operates within itself, but an integrated one used to build institutional capacity and improve the bank’s operations.

Policy-based Operations

CDB revised its Policy-Based Operations (PBO) Policy and Guidelines in 2022. The Board paper that discussed the temporary extension of the PBL limit was presented on December 9, 2022. Directors expressed support for the extension of the limit but requested more specific language to reflect the return to 33% by the end of 2026. This revised language was prepared in a Corrigendum to the Board on February 23, 2023. PBOs provide budget support linked to policy and institutional reforms rather than specific projects, enabling countries to address structural challenges and improve governance. Originally introduced in 2005 and updated in 2013, the framework now includes significant changes to reflect evolving needs. The revised policy explicitly sets the PBO ceiling at 33% of total loans and guarantees outstanding, excluding Disaster Response (DR) PBOs, which are exempt due to their emergency nature. However, the policy allowed for an extension of the temporary increase in the PBO limit from 33% to 38% until the end of 2026, rather than reverting to 33% in 2023.

This extension responds to the prolonged recovery from COVID-19, ongoing geopolitical and economic shocks, and high demand for PBOs across the region. Non-crisis PBOs should be discussed during the preparation of Country Engagement Strategies, and eligibility now requires a strong macroeconomic framework and robust stakeholder consultations. A major innovation is the introduction of the DR PBO, designed to provide rapid liquidity following natural hazard events. Eligibility for this instrument depends on the prior implementation of a Disaster Risk Management Country Work Programme, developed with the Caribbean Disaster Emergency Management Agency and agreement between the BMC and CDB,.

Disbursement is triggered by a Level 2 or higher event and a damage assessment, with a limit of USUSD25 million or 1.5% of GDP per year. This approach incentivizes ex-ante resilience measures while ensuring timely post-disaster support.

The PBO operational guidelines emphasize strategic relevance, country ownership, and collaboration with development partners such as the IMF, World Bank, and IDB. PBOs may take the form of macroeconomic, sectoral, disaster response, exogenous shock response, or regional public goods operations, and can be structured as multi-tranche, single-tranche, or programmatic series. Risk management remains central, with oversight by the Office of Risk Management and compliance with portfolio and country limits. Design standards require clear results frameworks, sustainability measures, fiduciary assessments, and risk mitigation strategies. Monitoring and evaluation will use Programme Results Matrices, and continuous policy dialogue will guide implementation.

Private Sector Operations:

CDB, in 2023, approved the Private Sector Strategy 2023-28, which aims to: (i) Enhance private sector ecosystems in BMCs to develop dynamic, competitive, high-growth firms and (ii) Foster a new partnership with the private sector to mobilize resources for regional development. The strategy is built on six principles: client-focus, additionality, catalytic role, selectivity, alignment, and partnerships:

- **Additionality:** The Bank commits to intervening only where its support adds value and where projects cannot proceed without CDB involvement.
- **Catalytic Role:** Emphasis on mobilizing other resources and partners to amplify impact.
- **Selectivity and Focus:** Interventions will target areas where CDB has comparative advantage and can achieve development impact.
- **Theory of Change (TOC):** The framework prioritizes outcomes and impact, linking inputs to measurable results, which indirectly supports development impact assessment.

However, the strategy does not provide a formal set of approval criteria or scoring system for investments based on financial additionality or development impact.

Element 4.1.2: The criteria reflect targeting to the highest priority themes/countries/areas of intervention as set out in the current Strategic vision.

CDB's lending policy is linked with its strategic goals, geographically-targeted toward countries with the greatest need and also driven by need to address specific development sectors.

CDB is rated **satisfactory** based on alignment to good practice.

CDB's Strategic Plan 2020-24 was anchored in three interrelated Strategic Objectives (SOs): (i) building social resilience, (ii) building economic resilience, and (iii) building environmental resilience. The Strategic Plan Update 2022-2 expanded and reframed these into five pillars: (i) Building Social Resilience, (ii) Building Environmental Resilience, (iii) Building Production Resilience, (iv) Building Financial Resilience, and (v) Building Institutional Resilience.

These objectives guide CDB's operational priorities, all of which are implemented through its investment, lending, and TA frameworks.

The strategic plan of the CDB is committed to fostering positive economic growth and development, with a focus on the promotion of regional integration as well as addressing the needs of its less developed borrowing member countries. The CDB aims to achieve this objective through the prioritization of investments in sectors which foster environmental protection and social equity. The allocation criteria outlined in the lending policies explicitly operationalize the aforementioned priorities through converting its strategic vision into data-driven, measurable criteria for the distribution of resources.

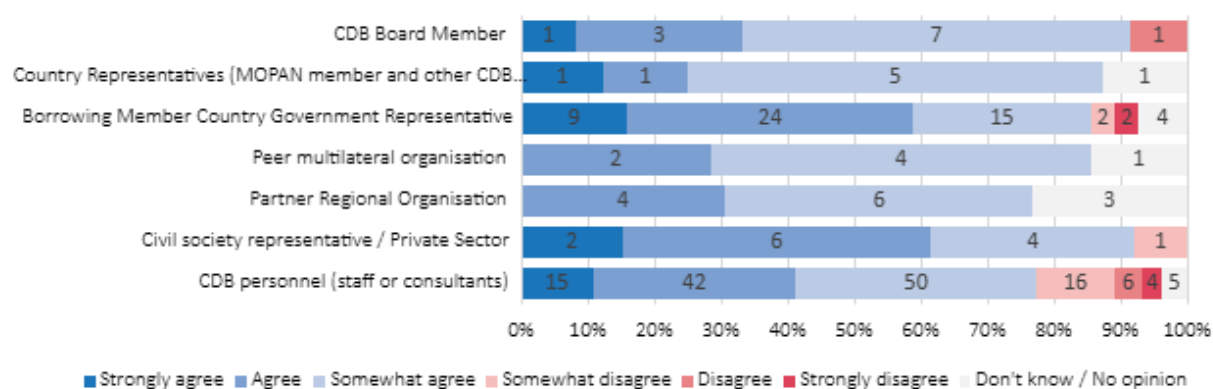
The Allocation Score given above, once calculated, acts as a quantitative criterion designed to align with CDB's strategic vision. The formula's various components help serve as direct proxies for the core mandate of the bank. The criteria fulfil the aspect of targeting the "country need" component, which considers gross national product per capita as well as country vulnerability index, directly targeting CDB's "Less Developed Member Countries" (LDMCs). This initiative aligns with Article 1 of the CDB charter, which states that there will be "special and urgent regard to the needs of the less developed members of the region". To reinforce this, CDB's lending policies also state that "the major part of its special operations will continue to be in its Less Developed Member Countries".

The allocation criteria also ensure the proper allocation of resources to countries with the proper institutional capacity to use them effectively, derived from the "country performance" component of the formula which also includes a Policy and Institutional Performance (PRES) assessment. PRES focuses on fiscal management, quality of governance, as well as institutional effectiveness. These factors align closely with the SP's goal of improving resilience as well as enhancing governance systems across BMCs.

Finally, the CDB – Lending Policies document describes an explicit list of priorities, stating the CDB gives priority "to investments in economic and social infrastructure [transportation, power, water and sanitation, ...education and training (including student loans and training for human resource development), agriculture and rural development, private sector development, environmental management, climate resilience, energy efficiency and renewable energy, and disaster risk management". The priorities mentioned by the Lending Policies document link directly to the SP's focus areas, including climate adaptation, environmental sustainability, as well as human capital development. Through aligning lending with its strategic objectives, CDB ensures that financial resources contribute to measurable progress towards its long-term development goals. The document goes on to say, "special attention is given to ensure that the intervention by CDB promotes social equity and environment protection".

Overall, 45% of respondents to MOPAN's partner survey agreed or strongly agreed that "CDB's financial instruments respond to the evolving needs of its borrowing member countries." Of the 81 respondents who provided open text feedback to this question, 19% spoke to the responsiveness of CDB's financial instruments to BMC needs. Common themes involve a desire for more innovative and adaptive tools, including: (i) ceilings or limits that do not match current country needs; (ii) gaps in counter-cyclical and crisis response instruments, including desire for contingency financing; (iii) lack of competitiveness in financing terms; (iv) need for a clearer strategic dialogue to align financial instruments to BMCs' priorities; and (vi) demand for greater integration of policy-based lending and blended finance.

CDB's financial instruments respond to the evolving needs of its borrowing member countries.



Element 4.1.3: The MO's approval criteria are flexible and allow for adaptation in different contexts and as market conditions change.

The CDB's approval criteria are designed to be flexible and allow for adaptation to changing contexts, needs and market conditions as shown in CDB's policies on OCR lending, the SDF, as well as TA.

CDB is rated **satisfactory** based on alignment to good practice.

In its Lending Policies document, CDB demonstrates clear flexibility for OCR lending. For example, there is a policy for private sector lending that allows for variable interest rates that are reviewed semi-annually. Through this, the bank can manoeuvre through changing conditions in the markets. To add to this, the maturity of a loans time is not fixed to a ceiling/maximum. Instead, it is determined based on the projected cash flows of a project as well as the borrower's ability to repay.

There are examples of CDB's resource allocation mechanisms being flexible and allowing for adaptation in different contexts and as market conditions change. In the SDF – Resource Allocation System document, it is explicitly mentioned that CDB can “modify its allocation formula to include a governance factor or, more sensibly, could give the existing governance cluster in the Poverty Reduction Effectiveness Situation (PRES) greater visibility and greater weight”. As a result, the CDB can adjust the distribution of its resources to address unforeseen challenges and exploit opportunities in its BMCs. This helps the allocation of resources to remain relevant and effective through change in market conditions and contexts. Additionally, CDB can allocate its SDF resources to non-Official Development Assistance (ODA)-eligible countries on the basis of including country vulnerability in the allocation formula (VUL indicator). All of CDB's BMCs have access to SDF resources for disaster management, including mitigation and rehabilitation.

CDB's 2022 PBO Policy and Guidelines allow for approval criteria that are flexible and adaptable to different contexts and changing market conditions. The framework emphasizes that PBOs are a means to an end and must be tailored to the country's specific development priorities and macroeconomic circumstances. It offers multiple modalities—such as multi-tranche, single-tranche, and programmatic operations—which enable adjustments over time and allow for variations in reform programs as realities evolve. The guidelines also introduce specialized instruments like Exogenous Shock Response (ESR) PBOs and Disaster Response (DR) PBOs, which are designed to provide rapid liquidity support during crises or natural hazard events. These instruments demonstrate the framework's responsiveness to unforeseen shocks and changing economic conditions. Additionally, the framework encourages collaboration and harmonization with other development partners, such as the IMF and other multilateral banks, allowing joint operations and coordinated responses when market conditions shift.

CDB's TA policy and Operational Strategy is made to be responsive to the changing needs of its BMCs. Furthermore, TA can be provided in different ways including reimbursable grants. These can be modified to accommodate for different kinds of projects ranging from activities related to investment or even stand-alone initiatives. The flexibility of the policy allows the CDB to configure assistance funding mechanisms and modalities to changing circumstances of countries, supporting responsiveness and cost-effective delivery.

While the aforementioned documents showcase the bank's responsiveness to change, there is a limitation on available information regarding CDB's approval process for projects under specific thresholds, or during periods of uncertainty (i.e. response measures to COVID-19).

Element 4.1.4: The organisational policy or statement is regularly reviewed and updated.

Whereas allocation policies for SDF are reviewed during replenishment updates, review of lending policies are OCR and TA do not follow a set review cycle.

CDB is rated **satisfactory** based on alignment to good practice.

CDB's resource allocation and lending policies covering OCR and TA do not follow a periodic or a fixed review schedule. However, CDB does conduct reviews on an as-needed basis. These reviews are initiated less so related to proactive governance but more of a response to external pressures or shortcomings that have been identified.

For example, the CDB's Strategic Plan (2020-24) was updated in 2022. This was a response to the "debilitating effects of the pandemic", compelling the CDB to review its priorities and prioritize both social protection and digitalization. Although this demonstrates a responsiveness to external circumstances but is not an example of a systematic review.

The CDB's review process for OCR policies can also be observed to be quite reactive to mitigating financial risk. For example, in 2022, there was an introduction for "floor" interest rates in response to a threat of negative interest rates. Although this measure helped to safeguard the financial stability of the CDB, it demonstrates a policy environment that is responsive to sudden financial pressures.

The review of CDB's SDF is an intensive and mandatory process which takes place during its periodic updates. The BD 26/21 Report on Negotiations of SDF 10 document shows that contributing countries have the right to demand modifications, ensuring that the replenishment process reflects donor priorities and lessons learned from past performance. Although this showcases a structured review process, it is not an internally managed policy review process, but rather donor-driven.

As noted in 3.2 above, in 2025, CDB updated its OCR Interest Rate Policy to enhance the Bank's financial strength while supporting BMC's fiscal planning and debt management. The new framework also helps strengthen coverage of CDB's borrowing and administration costs while aligning to good practice across IFIs. Prior to 2025, CDB offered variable reset rates for interest rates based on a reference rate of the previous 3 months' cost of borrowings. The new approach considers the cost of capital based on a capital forecasting model, including liquidity and growth factors. The reference rate is based on the past 6-month SOFR. Floating rates are offered with options for fixed rates.

This updated approach is aligned to good practice across other IFIs, including IDB, CAF and CABEL. This approach has the advantage of considering the Bank's expected admin costs and the future and current cost of capital. Expected credit loss is considered separately, including the expected credit losses for the sovereign portfolio and borrower-specific expected losses for the private sector portfolio.

MI 4.2: Allocated resources disbursed as planned.

- Element 4.2.1: The MO has set clear timelines, conditions, and clearance processes for disbursement of planned investments and other operations.
- Element 4.2.2: Financial information indicates that planned disbursements were met within institutionally agreed margins as appropriate for different financial instruments.
- Element 4.2.3: Clear explanations, including changes in context, are available in relation to any variances against timelines or conditions set out in legal agreements. (adapted)
- Element 4.2.4: Variances relate to external factors rather than internal procedural delays, lack of project readiness or inappropriate conditions precedent, with a system in place to identify and apply lessons as appropriate.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.2	Satisfactory	2.75	
Element 4.2.1	Satisfactory	3	Medium
Element 4.2.2	Satisfactory	3	Medium
Element 4.2.3	Satisfactory	3	Medium
Element 4.2.4	Unsatisfactory	2	Medium

MI 4.2 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2022) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2021 (Paper BD49/22)," (internal document)
- Caribbean Development Bank (2024) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2023 (Paper BD71/24)," (internal document)
- Caribbean Development Bank (2025) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2024 (Paper BD57/25)," (internal document)
- Caribbean Development Bank (2025) "Requirements: Large Works Contracts," (internal document)
- Caribbean Development Bank (2026) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2025," (internal document)

MI 4.2 Analysis

Element 4.2.1: The MO has set clear timelines, conditions, and clearance processes for disbursement of planned investments and other operations.

CDB's 2014 Operations Manual demonstrates that CDB has established clear timelines, conditions, and clearance processes for disbursement.

Despite challenges with implementation delays, CDB is rated as **satisfactory** for this element based on alignment with standard good practices. These challenges are linked to implementation bottlenecks rather than disbursement processes themselves.

Timelines are enforced through conditions precedent to first disbursement and Terminal Disbursement Dates (TDDs), with authorized levels for granting extensions ranging from six months (Operations Officer) to more than eighteen months (Vice-President, Operations). Conditions include legal effectiveness, procurement readiness, and compliance with safeguards, while policy-based operations require completion of agreed policy actions outlined in a Policy Results Matrix. Clearance processes involve multi-step verification of eligibility, documentation of goods and services, and supervisory approval before payment. For PBOs, tranche releases may require Board approval if conditions or scope change.

The ARPPs confirm that CDB has established a structured framework for disbursement governance, which includes clear timelines, conditions, and clearance processes. Each loan or grant agreement specifies a Terminal Disbursement Date (TDD), which is the final date by which disbursements must occur. These timelines are designed to enforce discipline and ensure timely delivery of development results. Typically,

the expected implementation period outlined in Project Appraisal Reports is five to six years, although actual implementation often extends to seven to nine years, largely due to delays and extensions.

Before any disbursement can take place, projects must satisfy loan effectiveness conditions. These conditions include setting up a Project Implementation Unit (PIU), completing procurement plans, establishing financial management systems, and meeting environmental and social safeguard requirements. The requirement to demonstrate compliance with Environmental and Social covenants and demonstrate implementation of the Environment, Social, Health and Safety Management Plan (ESHSMP) is identified in all bidding documents and “large works” contracts. For Policy-Based Loans (PBLs), disbursement is contingent on achieving specific policy reform triggers agreed upon during appraisal.

The clearance process for disbursement requests is multi-layered. It involves verifying compliance with all conditions, routing approvals through CDB’s internal systems such as OP365 and the Core Banking system and using the e-claims module introduced in 2023 for real-time review and approval. These steps are intended to maintain fiduciary integrity and ensure alignment with institutional standards.

Despite these clear frameworks, the ARPPs highlight recurring challenges that affect timely disbursement. Recurrent delays in meeting conditions precedent, extended project start-up periods, procurement bottlenecks, and weaknesses in PIU capacity consistently undermine the Bank’s ability to disburse within planned timeframes. A large share of projects requires one or more extensions of the Terminal Disbursement Date, and aging projects remain a structural challenge, indicating that readiness, supervision, and internal responsiveness may not be at the level needed for timely implementation. The ARPPs also highlight that internal procedural inefficiencies and limited borrower capacity are persistent drivers. While the governance structure is robust, these factors often lead to delays and necessitate extensions of TDDs, which in turn increase supervision costs and prolong project timelines. Mechanisms for learning and corrective action exist but there is no evidence to show that these have translated into systematic improvements in disbursement performance.

Element 4.2.2: Financial information indicates that planned disbursements were met within institutionally agreed margins as appropriate for different financial instruments.

CDB’s disbursement rate has improved considerably over the assessment period in line with institutional targets.

CDB is rated **satisfactory** based on demonstrated improvement in disbursement. However, there remains a significant share of undisbursed balances linked to aging, problematic projects.

CDB’s Annual Reviews of the Performance of the Portfolio of Projects/Loans Under Implementation (ARPPs) provide, among other things, financial performance information such as:

- Planned vs. actual disbursements and efficiency ratios.
- Disbursement trends by instrument type (loans, grants, PBLs).
- Undisbursed balances and aging analysis.
- Compliance with institutionally agreed margins for disbursement.

The ARPPs also provide information on implementation progress (physical and financial progress of projects, key milestones achieved and delays encountered, Terminal Disbursement Date (TDD) extensions and reasons); performance ratings (Project Implementation Performance Index (PIPI) and risk ratings and “at risk” projects); and any challenges (procurement delays, capacity constraints, external shocks, corrective actions and institutional reforms).

The financial performance of the CDB’s portfolio, as reflected in the Annual Reviews for 2021, 2023, and 2024, shows a clear evolution in disbursement trends. In 2021, the Bank faced significant challenges due to pandemic-related disruptions, which resulted in actual disbursements of USD141.7 million against planned targets, yielding a disbursement efficiency rate of 63%. This shortfall indicated that disbursements

were well below institutional expectations. The undisbursed balance at year-end stood at USD977.9 million, and the disbursement ratio—which measures disbursements as a percentage of the undisbursed balance—was only 13%, underscoring the slow pace of implementation.

By 2023, the situation improved markedly. Actual disbursements surged to USD 250.3 million, and the efficiency rate climbed to 149.1%, meaning disbursements exceeded planned levels. This rebound reflected the easing of pandemic constraints and stronger project execution. The undisbursed balance declined to USD 748.9 million, while the disbursement ratio rose to 24%, signalling a significant improvement in portfolio performance and alignment with institutional targets.

In 2024, performance normalized after the exceptional results of 2023. Actual disbursements fell to USD 199.7 million, partly due to internal capacity constraints and delays in project start-up. Nevertheless, the efficiency rate remained strong at 105.4%, indicating that actual disbursements were slightly above planned levels. The undisbursed balance continued its downward trend, reaching USD 636.8 million, and the disbursement ratio was recorded at 22%, slightly below the previous year but still well above 2021 levels.

However, aging analysis reveals persistent challenges: a significant share of undisbursed balances relates to projects older than six years, with some exceeding ten years in implementation. These aging projects increase supervision costs, delay development impact, and often require extensions of Terminal Disbursement Dates (TDDs)—77% of projects in 2024 had at least one extension. TDDs are the final date by which disbursements can be made under a loan or grant agreement. After this date, an extension is needed to process any future payment. Extensions are common. In 2021, 56% of projects had at least one TDD extension. This rose to 68% in 2022, and by 2024, 77% of projects had extensions. The average extension duration in 2021 was 29 months, 38 months in 2023, and 37 months in 2024. These extensions reflect persistent implementation delays caused by procurement bottlenecks, contractor performance issues, and capacity constraints in BMCs.

The historical trends point to persistent structural issues that remain unresolved. Performance remains uneven across years and instruments, with PBOs consistently on time but investment loans facing recurrent delays. The need for repeated TDD extensions shows that the institution has yet to embed a consistent, system-wide ability to meet planned disbursement trajectories within agreed margins. Despite short-term improvements, CDB has not yet managed to address these long-standing issues in a systematic manner. However, the recent implementation review is intended to address impediments to implementation, that could eventually speed up disbursements.

Element 4.2.3: Clear explanations, including changes in context, are available in relation to any variances against timelines or conditions set out in legal agreements.

CDB presents variance in disbursement against expectations annually and an analysis of drivers.

CDB is rated **satisfactory**.

The evidence from ARPP 2021, 2023, and 2024 shows that CDB consistently documents and explains variances, including delays in first disbursement, extensions of Terminal Disbursement Dates (TDDs), and slippages in project execution. The explanations identify both external shocks and internal systemic issues.

In ARPP 2021, delays were attributed to institutional capacity constraints, slow project start-up, and contractor performance weaknesses, all of which were reinforced by COVID-19 mobility restrictions and supply-chain disruptions. ARPP 2023 acknowledges stronger disbursement performance but notes continuing delays caused by procurement bottlenecks, limited PIU staffing, and complex safeguard requirements, with PBLs generally disbursing on time while investment operations faced persistent slippages. ARPP 2024 highlights external shocks such as natural disasters and broader macroeconomic challenges, but again identifies internal issues including staffing constraints, weak readiness, and slow compliance with conditions precedent, which averaged nine months. By 2024, 77 percent of projects

required TDD extensions, with an average extension of 37 months. These explanations are systematically recorded in supervision reports, reviewed through formal clearance processes, and integrated into ARPP narratives.

As noted, CDB provides clear and detailed explanations for delays and variances in disbursement, and these explanations are consistently documented across reporting instruments. However, the explanations repeatedly highlight longstanding internal issues such as weak readiness, delays in meeting conditions precedent, procurement inefficiencies, and PIU capacity gaps. This suggests that although explanations are available and well documented, CDB has not taken steps to translate these findings and address them that could lead to sustained improvements in implementation performance. The high prevalence of TDD extensions and long delay durations indicates that corrective actions remain reactive rather than systemic. CDB has recently introduced annual portfolio reviews, however, there is no additional evidence to show that CDB has preventive mechanisms or stronger early-warning systems to reduce recurring variances.

Element 4.2.4: Variances relate to external factors rather than internal procedural delays, lack of project readiness or inappropriate conditions precedent, with a system in place to identify and apply lessons as appropriate.

Disbursement variances are driven by both internal and external factors. Repeated challenges suggest that corrective actions are reactive and that implementation continues to face systemic challenges.

CDB is rated **unsatisfactory** based on the contribution of systemic internal factors to disbursement delays and the absence of a process for assessing project quality at entry.

The ARPPs over the assessment period indicate that variances in disbursement performance were influenced by a combination of external and internal factors. External factors played a significant role, particularly during 2020, 2021 and 2022, when the COVID-19 pandemic disrupted work schedules, restricted movement, and delayed procurement and construction activities. Natural disasters, such as the La Soufrière volcanic eruption, and episodes of political instability and social unrest further compounded these challenges, causing prolonged delays in project implementation. However, internal factors were equally critical. Across all three years, delays in meeting conditions precedent to first disbursement were a recurring issue, with the average time to compliance extending to nine months in 2023. Inadequate institutional capacity within BMCs, staffing deficits in Project Implementation Units (PIUs), and lengthy recruitment processes contributed to slow project start-up. Procurement bottlenecks and weaknesses in contractor performance also hindered timely execution.

The ARPPs emphasize that these variances are not solely attributable to external shocks; internal procedural inefficiencies and lack of project readiness remain persistent challenges. To address these issues, CDB has instituted mechanisms for identifying and applying lessons learned. Project Supervision Reports (PSRs) systematically flag implementation bottlenecks, which are reviewed during Country Portfolio Review Missions. In 2023, the Bank convened lessons-learned workshops focusing on active projects, best practices, and corrective actions, ensuring that insights are integrated into future operations. Additionally, projects identified as “At Risk” are closely monitored under the Results Monitoring Framework, with remedial measures such as extensions of Terminal Disbursement Dates (TDDs) and resource reallocation applied where necessary.

Of note, the 2025 ARPP shows notable improvement in several areas, including for: (i) the disbursement ratio, which increased from 22% to 26%; (ii) the disbursement efficiency rate, which increased from 105% to 115%; and (iii) the average extension of Terminal Disbursement Dates, which fell from 77 months to 44 months. Despite this positive trajectory, the ARPP highlights that disbursements were concentrated in a limited number of countries and several projects recorded no project-related disbursements. The report continues to reflect a balance of internal and external factors with respect to implementation performance.

Additionally, although CDB has an Operational Policy around quality-at-entry, stakeholders confirm that CDB does not currently review the quality at entry and readiness of operations prior to approval. There are plans under the TYS to identify a new means of measuring quality at entry and addressing this more consistently across projects.

MI 4.3: The MO applied principles of results-based budgeting.

- Element 4.3.1: The most recent organisational budget clearly aligns financial resources with strategic objectives and intended resources as well as the complexity of the operating context
- Element 4.3.2: The MO produces a budget document that provides clear costs for the achievement of strategic priorities
- Element 4.3.3: The MO has systems in place to track budget implementation and performance against projections, including for strategic priorities and cross-cutting themes.
- Element 4.3.4: There is evidence of improved costing of management and development results in budget documents reviewed over time.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.3	Unsatisfactory	2.00	
Element 4.3.1	Unsatisfactory	2	Medium
Element 4.3.2	Unsatisfactory	2	Medium
Element 4.3.3	Unsatisfactory	2	Medium
Element 4.3.4	Unsatisfactory	2	Medium

MI 4.3 Evidence Documents

- Caribbean Development Bank (2021) "Work Programme, and Administrative and Capital Budgets 2022–2024," (internal document)
- Caribbean Development Bank (2023) "Work Programme, and Administrative and Capital Budgets 2024–2025," (internal document)
- Caribbean Development Bank (2024) "Work Programme, and Administrative and Capital Budgets 2025–2026," (internal document)
- Caribbean Development Bank (2025) "Work Programme, and Administrative and Capital Budgets 2026–2027," (internal document)

MI 4.3 Analysis

Element 4.3.1: The most recent organisational budget clearly aligns financial resources with strategic objectives and intended resources as well as the complexity of the operating context.

CDB's budgeting process has improved over time. However, CDB does not provide detailed costing by department or unit and does not align administrative costs or positions to the delivery of strategic priorities. This lack of alignment weakens visibility into internal resource distribution.

CDB is rated **unsatisfactory**.

CDB's approach to budgeting is assessed against its ability to align administrative resources with strategic objectives and intended results. Similar to other MDBs, applying results-based budgeting principles in this context is challenging. The assessment focuses on how the administrative budget supports pipeline

development and portfolio management, recognizing that the main driver of administrative expenditure is people costs, including staff, consultants, and contractors.

CDB's WPB provides a two-year perspective on the Bank's indicative work programme, associated financial implications, and administrative resource requirements. The WPB is updated annually and framed within the Bank's Strategic Plan Update and pillars. It outlines the indicative budget needed to deliver on these commitments and broader objectives. However, while the WPB demonstrates alignment at a high level, it does not provide a detailed delineation of administrative resources by specific strategic priorities or thematic areas.

The WPB 2025-26 is structured around the Bank's Strategic Plan Update, which defines resilience pillars and cross-cutting themes. These pillars—social, production, environmental, financial, and institutional—serve as the framework for resource allocation. The WPB outlines projected loan and grant approvals by sector, such as education, economic infrastructure, and sustainable energy, and connects these allocations to strategic priorities. This provides a high-level view of how resources are intended to support the Bank's development agenda. However, as the WPB remains a high-level document, it does not provide detailed costing by department or unit, which limits visibility into internal resource distribution.

The WPB 2026–27 is also designed to align with the Strategic Plan 2026–35. It translates the Strategic Plan's emerging strategic objectives, operational focus areas (youth, institutions, climate), and cross-cutting themes (gender, innovation, regional integration) into concrete activities, staffing, and budget allocations. However, the alignment is partial as the Strategic Plan 2026–35 was still being finalised before the finalisation of the WPB 2026-27.

The WPB process includes an assessment of staffing needs to support operational priorities. Resource allocation decisions consider the skills mix required to implement the forward-looking work programme. CDB addresses gaps by creating new positions or reallocating existing ones, but there is no comprehensive skills audit across the organization. Workforce planning remains incremental, and while some positions have been allocated to emerging priorities such as climate resilience and gender equality, the process lacks transparency regarding trade-offs and prioritization criteria.

Decision-making around resource allocation is centralized, and the principles guiding trade-offs across priority areas are not fully documented. Departments often do not receive the full complement of resources requested, and there is limited visibility into how decisions are made.

Efficiency and performance indicators are included, such as administrative expense per USD million disbursed and allocations by funding source (OCR, SDF). These metrics aim to show how resources are managed relative to outputs.

However, the link between budget allocations and intended development results remains largely descriptive rather than systematically and quantitatively results-based. While the WPB identifies strategic priorities and provides cost information, it does not consistently demonstrate how resources are linked to the achievement of outcomes, nor does it apply a structured results-based budgeting approach commonly seen in larger MDBs. There is some evidence that connections between strategy, budget, and results are emerging but remain underdeveloped, with limited evidence of a formal mechanism that reallocates resources in response to performance, demand shifts, or evolving operational complexity. Nevertheless, compared to larger MDBs, connections between budgets and intended outcomes remain underdeveloped, with incremental workforce planning and no structured results-based approach to ensure resources systematically drive development results.

Element 4.3.2: The MO produces a budget document that provides clear costs for the achievement of strategic priorities.

CDB's budgeting process does not provide fully disaggregated costing for each management result or strategic pillar.

CDB is rated **unsatisfactory**.

The CDB Work Programme and Budget (WPB) lays out administrative and capital budgets, staffing requirements, and projected costs for corporate initiatives. It specifies the financial implications of delivering the Bank's indicative work programme, including costs for people, IT systems, institutional strengthening, and corporate priorities such as private sector expansion and digitalisation. The WPB therefore provides visibility on major cost categories associated with strategic priorities.

However, the budget document does not provide fully disaggregated costing for each management result or strategic pillar. While the WPB states the strategic rationale behind budget allocations and outlines key resource areas, it does not break down administrative or programme costs at the level of individual strategic outcomes, results areas, or thematic priorities. Costs are grouped at a high administrative level rather than mapped explicitly to strategic results or the Results Monitoring Framework. As a result, the connection between resources and specific intended results remains largely narrative, and the system falls short of a full results-based budgeting approach.

The WPB links overall resource allocations to resilience pillars and cross-cutting themes. The WPB translates these priorities into actionable programmes and assigns costs to them. The WPB specifies projected loan and grant approvals by sector—such as education, economic infrastructure, and sustainable energy—alongside indicative figures for subsequent years. However, the WPB does not provide a breakdown of the administrative budget by specific strategic priorities. The WPB does not break down costs by individual departments. All staff costs are counted under Human Resources. It is not possible to determine the administrative budget of each team, unit, or department and consequently link each unit's budget to strategic priorities.

CDB has not recently conducted a comprehensive institutional skills audit to assess alignment between workforce capabilities and strategic priorities. Other institutions have used such audits to recalibrate workforce size and composition to support delivery of strategic objectives. While CDB has focused on improving efficiency through process enhancements and digital tools, it is unclear whether these measures will fully address skills gaps or support agile responses to shifts in thematic priorities. Given that people costs are the main driver of administrative expenditure, the absence of a transparent link between workforce planning and budget allocation remains a significant challenge.

Element 4.3.3: The MO has systems in place to track budget implementation and performance against projections, including for strategic priorities and cross-cutting themes.

While expenditures are tracked reliably, the ability to assess whether resources allocated to a strategic priority are achieving the intended management or development results remains underdeveloped.

CDB is rated **unsatisfactory**.

CDB's administrative budget supports staff-driven activities under the WPB, including project preparation, supervision, and portfolio management. Staff time financed through this budget underpins the development of new project commitments and the oversight of ongoing operations across multiple years. Similar to other MDBs, the administrative budget can be used flexibly within approved categories, but it is not earmarked against specific projects or defined outputs. This limits the ability to directly trace administrative spending to individual strategic priorities.

The largest component of the administrative budget is people costs, which includes salaries, pensions, medical and insurance benefits, and onboarding/offboarding expenses, as well as consultancy and professional fees. For 2025, staff costs are projected at USD31.2 million, representing approximately 68% of total administrative expenses excluding depreciation. Other administrative expenses—such as travel, IT services, and training—account for the remaining share. While the WPB process incorporates workforce planning and redistribution of positions to align with operational priorities, there is no detailed breakdown of administrative resources by strategic theme or focus area. Allocations remain incremental and are guided by zero real growth principles rather than results-based budgeting.

The approved administrative budget for 2025 is USD 53.4 million, including USD 49.3 million for the Bank and USD 4.06 million for independent offices (Office of Integrity, Internal Audit, and Independent Evaluation). The indicative budget for 2026 is USD 54.18 million. These budgets are designed to maintain operational capacity while accommodating inflationary adjustments and increased pension contributions. The WPB notes that the Bank has kept administrative expenses within an envelope of inflationary increases, with costs calibrated based on specific needs such as technology upgrades and professional development.

CDB monitors efficiency through indicators such as administrative expense per USD million of disbursements (three-year average) and the ratio of administrative costs to operational disbursements. For 2025, the efficiency indicator is projected at USD186,800 per USD million disbursed, trending downward as disbursement volumes increase. Administrative expenses are allocated across funding sources using a loan equivalence methodology, with approximately 43% charged to Ordinary Capital Resources (OCR) and 50% to the Special Development Fund (Unified).

While these measures promote cost control and transparency at an aggregate level, the absence of a clear link between administrative spending and specific strategic priorities remains a gap. The WPB demonstrates alignment at a high level but does not provide detailed resource mapping to show how staffing and people costs support pipeline development or thematic priorities such as climate resilience, gender equality, and digital transformation.

Systems for tracking costs from activity to result are limited. Budget execution is not systematically linked to the RMF, strategic pillars, or thematic priorities. Costs are monitored at the level of administrative categories rather than mapped to specific outputs or outcomes. The WPB does not contain tools such as activity-based costing, programme budgeting, or explicit cost-to-result ratios that are found in more mature results-based budgeting systems.

Element 4.3.4: There is evidence of improved costing of management and development results in budget documents reviewed over time.

CDB's budgeting and resource allocation is not based on a clear understanding of resource requirements for delivery, making it challenging to track administrative costs linked to delivery over time and ensure the institution is adequately resourced to deliver effectively.

CDB is rated **unsatisfactory**.

Until 2025, CDB applied a zero real growth principle to its administrative budget, recalculating allocations annually using composite deflators based on staff compensation adjustments and U.S. CPI inflation. For 2025, staff costs—including salaries, pensions, and insurance—are projected at USD31.2 million, representing approximately 68% of administrative expenses excluding depreciation. These assumptions incorporate updated actuarial valuations for pensions and adjustments for medical and insurance costs. The WPB also accounts for onboarding and offboarding costs, which are expected to decline as temporary positions are converted to permanent roles.

The WPB highlights efforts to contain costs and improve efficiency through digitalisation and process reforms, including enhancements to project cycle management systems (OP365) and integration with financial systems (FIN365). These measures aim to streamline pipeline and portfolio management and improve real-time reporting. While the Bank anticipates efficiency gains, the administrative budget has grown in nominal terms—from USD47.3 million in 2024 to USD53.4 million in 2025—primarily due to inflationary adjustments and increased pension contributions. The WPB notes that allocations have been calibrated to maintain operational capacity while avoiding unnecessary expenditure.

The WPB sets out initiatives to strengthen institutional capacity and operational efficiency, including:

- A review of organisational structure, processes, and skills to align with client needs and inform the new 10-year Strategic Plan.
- Full utilisation of OP365 for pipeline and portfolio management, with planned enhancements to reduce transaction times and improve data consistency.
- Establishment of a CDB Academy to build capacity in procurement, project cycle management, and results-based management for both staff and borrowing member countries.

However, the WPB does not specify measurable targets for time savings or resource rationalisation, and monitoring mechanisms for these objectives are not clearly articulated. Planned implementation of an Enterprise Resource Planning (ERP) system will be an important step forward in addressing these challenges.

MI 4.4: The MO's external audits or other external reviews certify that internationally accepted standards are met at all levels, including with respect to internal audit

- Element 4.4.1: External audits are conducted that comply with internationally accepted standards.
- Element 4.4.2: The most recent external audit confirms compliance with internationally accepted standards across functions.
- Element 4.4.3: The MO has a system in place to ensure deficiencies identified through audits are followed up.
- Element 4.4.4: The MO's internal audit function meets with internationally accepted standards, including for independence and transparency.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.4	Unsatisfactory	2.50	
Element 4.4.1	Satisfactory	3	Medium
Element 4.4.2	Satisfactory	3	Medium
Element 4.4.3	Unsatisfactory	2	Medium
Element 4.4.4	Unsatisfactory	2	Medium

MI 4.4 Evidence Documents

- Caribbean Development Bank (2007) "Agreement Establishing the Caribbean Development Bank," <https://www.caribank.org/sites/default/files/publication-resources/Agreement-establishing-CDB.pdf>
- Caribbean Development Bank (2018) "By-Laws of the Caribbean Development Bank," <https://www.caribank.org/publications-and-resources/resource-library/document/cdb-laws>

- Caribbean Development Bank (2022) *"Internal Audit Division Annual Report, Fiscal Year 2021 (Paper: 105/2022-A2),"* (internal document)
- Caribbean Development Bank (2023) *"Annual Report 2022,"* <https://www.caribank.org/cdb-annual-report-2022>
- Caribbean Development Bank (2023) *"Modified Procedures for Selection of External Auditors,"* (internal document)
- Caribbean Development Bank (2024) *"Annual Report 2023,"* <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2023>
- Caribbean Development Bank (2024) *"Internal Audit Division Annual Report, Fiscal Year 2023 (Paper: 113/2024-A5),"* (internal document)
- Caribbean Development Bank (2025) *"Annual Report 2024,"* <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2024>
- Caribbean Development Bank (2025) *"Internal Audit Division Annual Report, Fiscal Year 2024 (Paper: 117/2025-A2),"* (internal document)
- Caribbean Development Bank (2025) *"Request for Proposal: Acquisition and Implementation of a Governance, Risk and Compliance System,"* (internal document)

MI 4.4 Analysis

Element 4.4.1: External audits are conducted that comply with internationally accepted standards.

CDB's financial statements are audited externally in accordance with international standards.

CDB is rated **satisfactory** based on alignment to good practice.

Both the Agreement Establishing the Caribbean Development Bank and the By-Laws require the Bank's accounts to be audited annually by external auditors of high international standing, appointed by the Board of Governors. This provision ensures that CDB's financial statements are prepared and reviewed in accordance with internationally accepted auditing standards, reinforcing transparency, accountability, and credibility in its financial reporting.

CDB has formal, documented procedures for selecting external auditors. External auditors are selected for a period of five years at a time. Selected auditors must be: (i) an accounting firm which has been operating for a minimum of ten years; (ii) have an international operating infrastructure; (iii) operate under common standards and policies worldwide; and (iv) have formal continuing education programmes; (v) have the ability to conduct audits in accordance with International Standards on Auditing; (vi) have the ability to provide professional support in connection with bond and/or note issuances on the international capital markets and issue audit opinions on financial statements which have been prepared in conformity; and (vii) be experienced in auditing multinational banks and/or international commercial banks.

CDB's annual reports confirm that the Bank's financial statements are audited externally in accordance with international standards. Each report includes a section titled "Audited Financial Statements" and explicitly states that the accounts are prepared under International Financial Reporting Standards (IFRS) and reviewed by independent external auditors.

Element 4.4.2: The most recent external audit confirms compliance with internationally accepted standards across functions.

The most recent external audit of CDB confirms full compliance with internationally accepted standards.

CDB is rated **satisfactory** based on alignment to good practice.

The most recent external audit of CDB, in CDB's 2024 Annual Report, confirms full compliance with internationally accepted standards. According to the independent auditor's report, the audit was conducted in accordance with International Standards on Auditing (ISAs), and the financial statements were prepared in line with IFRS Accounting Standards. The auditors also affirmed adherence to the International Ethics Standards Board for Accountants' Code of Ethics (IESBA Code), ensuring independence and ethical integrity throughout the engagement. The report concludes that the financial statements present fairly, in all material respects, the Bank's financial position and performance for the year ended December 31, 2024. Furthermore, the audit addressed key risk areas such as expected credit losses and fair value of financial instruments, applying globally recognized methodologies and controls.

Element 4.4.3: The MO has a system in place to ensure deficiencies identified through audits are followed up.

Although a system is in place to follow up on issues identified through audits, there is a high number of ongoing open issues.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice.

CDB has a system in place to ensure that deficiencies identified through external audits are followed up. The Internal Audit Division (IAD) conducts quarterly follow-ups on management's actions related to completed assurance engagements and specifically assesses the adequacy of Management Action Plans in response to the External Auditors' Management Letter.

CDB uses Management Action Plans (MAPs) to address control gaps identified during internal or external audits. Each MAP specifies timelines, resources, and process changes required for resolution. The Internal Audit Division (IAD) ensures accountability through a structured follow-up process:

1. **Develop Action Plans:** Management creates time-bound plans to address audit findings, with IAD reviewing robustness and timelines.
2. **Implement Action Plans:** Management executes agreed actions.
3. **Follow-up on Action Plans:** IAD monitors progress and engages with management during implementation.
4. **Validate Completion:** IAD independently verifies completed actions using evidence and additional testing.
5. **Report Overdue Actions:** IAD reports overdue items to senior committees (AMT and OAC) and conducts root cause analysis to support timely resolution.

Stakeholders and IAD's Annual Reports, however, illustrate a key challenge with respect to closing open issues from previous audits. In 2024, IAD raised 11 current issues, with 36 open issues at the end of 2024 and 26 with overdue actions, some of which date from 2021. Reporting demonstrates a backlog of delayed issues across a range of departments some of which address medium-level risks.

There are three main challenges in following up and closing MAPs: (i) some issues require the creation and staffing of new positions, which can take considerable time to accomplish; and (ii) workload challenges common across the Bank hinder the identification and implementation of actions to address audit issues; and (iii) unclear documentation of decisions and discussions with the OAC and transmittal to the rest of the Board of Directors to follow-up on open and overdue issues.

CDB is currently in the process of recruiting a service provider to implement a cloud-based solution that will address existing manual workflows, legacy applications, standalone tools and excel-based systems for monitoring enterprise risks and MAPs for CDB's internal audits. A dedicated resource will be recruited to manage this system, which aims to consolidate the monitoring of MAPs and enable remote access. This will be an important step in addressing the challenges raised above, but are not yet advanced enough to demonstrate a contribution to improved follow-up to MAPs.

Element 4.4.4: The MO's internal audit function meets internationally accepted standards, including for independence and transparency.

CDB's Internal Audit function adheres to internationally accepted standards. However, systemic under-resourcing of this function poses an increasing threat to compliance and poses broader risks for CDB.

CDB is rated **unsatisfactory** due to risks related to the under-resourcing of the internal audit function.

CDB's internal audit function demonstrates adherence to internationally accepted standards for independence, transparency, and quality assurance. The Internal Audit Division (IAD) operates under the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF) and Code of Ethics, and in 2024 began transitioning to the newly released Global Internal Audit Standards (GIAS), with a formal adoption roadmap approved for 2025. This commitment underscores CDB's alignment with global best practices and its proactive approach to strengthening governance and accountability. IAD develops a rolling programme of assurance, advisory and administrative activities in line with good practice.

Independence is a cornerstone of CDB's internal audit structure. In accordance with IPPF Standard 1110, the Head of Internal Audit reports functionally to the Oversight and Assurance Committee (OAC), a Board-level committee, ensuring freedom from interference in determining audit scope, performing work, and communicating results. The OAC approves the Internal Audit Charter, Work Programme, and Budget, and monitors for any scope or resource limitations. This governance framework guarantees that internal audit activities remain objective and unbiased, enabling the Division to provide credible assurance to the Board and senior management.

The IAD prepares and submits an Annual Report to the OAC and Board, which includes a comprehensive overview of audit activities, an overall opinion on the adequacy of governance, risk management, and internal controls, and detailed reporting on Management Action Plans (MAPs). These reports disclose the status of corrective actions, budget utilization, staffing, and key risks examined, ensuring stakeholders have clear visibility into the Bank's control environment and audit performance. This level of disclosure fosters accountability across the institution.

Quality assurance is embedded in IAD's operations through its Quality Assurance and Improvement Programme (QAIP), which combines ongoing internal evaluations with periodic external assessments. A readiness review conducted by IIA Quality Services in 2023 confirmed the Division's commitment to continuous improvement and identified areas for enhancement ahead of a full External Quality Assessment (EQA) scheduled for early 2025. Additionally, IAD provides at least 40 hours of professional training annually for each staff member, ensuring technical proficiency and adherence to evolving standards.

In 2023, the IIA identified that IAD demonstrates high conformance with the majority of attribute standards for the IIA Code of Ethics. Areas of strength include: (i) the internal knowledge, skills and competencies needed to perform required audits; (ii) an effective strategic plan based on strengths, weaknesses,

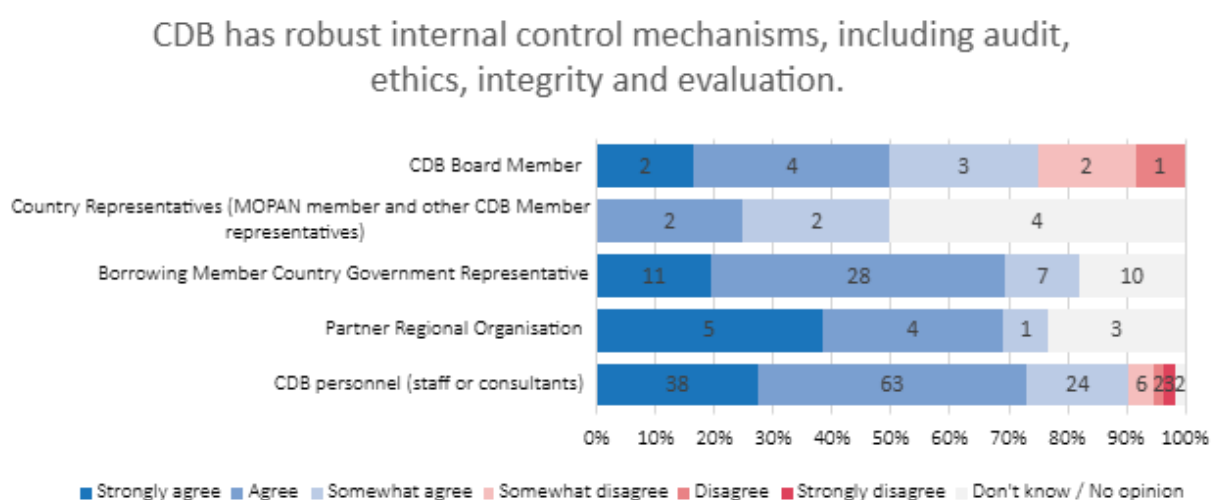
opportunities and threats; (iii) robust and comprehensive internal audit policy and procedures manual with effective guidance; and (iv) successful software implementation and use.

The internal audit function employs a risk-based approach to planning, consistent with IIA Performance Standard 2010. Annual work programmes are informed by formal risk assessments aligned with CDB's Enterprise Risk Management framework and cover high-risk areas such as IT security, privacy and data protection, financial controls, and SWIFT compliance. This approach ensures that audit resources are directed toward the most significant risks affecting the Bank's strategic objectives.

Challenges and risks of conformance broadly relate to: (i) need to demonstrate OAC's functional oversight of internal audit; (ii) the need for more regular internal and external quality reviews of the audit function and related policies and procedures; (iii) inadequate resource levels to cover the full range of risks facing the institution; (iv) the need to establish an internal training programme that covers emerging risks, audit skills, technology risks and professional development; (v) lack of access to appropriate tools for data analytics and lack of access to clean data from CDB's systems; (vi) the need for stronger internal partnerships to promote comprehensive risk coverage across the Bank.

Many of these challenges relate to the human resources and budget available to IAD, which appears markedly under-resourced to meet CDB's assurance needs as the organisation grows. IAD has a limited staff complement consisting of the Head of Internal Audit (HIA), two professional staff (one consultant) and an administrative support officer who is shared with another function. IAD's general expense budget beyond staff is minimal to engage skills and invest in training and systems – this annual budget does not cover a full staff salary each year. Overall, CDB's resourcing of the internal audit function constitutes a growing organisational risk. Other issues demonstrate how resource and systems constraints originating elsewhere within the Bank can affect the robustness of internal assurance functions.

Overall, 68% of respondents agree or strongly agree that "CDB has robust internal control mechanisms, including audit, ethics, integrity and evaluation." Overall effectiveness of CDB's audit function was not consistently raised in open text feedback with 6% of 65 respondents providing feedback on the audit function. These respondents raised concerns about the adequacy and effectiveness of the function, tied to staff turnover in the audit function and overall oversight of the function by CDB's Board of Directors.



MI 4.5: An internal ethics function exists to promote integrity and ethical behaviour and address misconduct among staff at all levels of the organisation.

- Element 4.5.1: A clear policy or organisational statement exists addressing ethical behaviour and misconduct among staff, contractors and business partners.
- Element 4.5.2: The MO has management guidelines or rules in place that provide clear guidance on the procedures for reporting and addressing any issues of staff misconduct with associated timelines.
- Element 4.5.3: Staff training/awareness-raising is conducted in relation to the policy/guidelines and reporting systems.
- Element 4.5.4: A tracking system is available which records responses and actions taken to address any identified issues.
- Element 4.5.5: The MO's governing body or management documents indicate that relevant procedures have been followed and/or actions have been taken in response to identified issues, including recommendations from audits (internal and external) with clear timelines for action

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.5	Satisfactory	2.80	Medium
Element 4.5.1	Satisfactory	3	Medium
Element 4.5.2	Satisfactory	3	Medium
Element 4.5.3	Satisfactory	3	Medium
Element 4.5.4	Satisfactory	3	Medium
Element 4.5.5	Unsatisfactory	2	Medium

MI 4.5 Evidence Documents

- Caribbean Development Bank (2009) "*CDB Staff Code of Conduct*," https://www.caribank.org/sites/default/files/publication-resources/CDB_Staff_CodeofConduct_Booklet_Dec2009.pdf
- Caribbean Development Bank (2014) "*Procedures for Dealing with Fraud and Corruption in CDB-Financed Projects*," <https://www.caribank.org/about-us/policies-and-strategies/procedures-dealing-fraud-and-corruption-cdb-financed-projects>
- Caribbean Development Bank (2015) "*Integrity and Ethics Policy*," <https://www.caribank.org/sites/default/files/publication-resources/Integrity-and-Ethics-Policy-BdApr18.6.15.pdf>
- Caribbean Development Bank (2015) "*Strategic Framework for Integrity, Compliance and Accountability*," <https://www.caribank.org/about-us/policies-and-strategies/strategic-framework-integrity-compliance-and-accountability>
- Caribbean Development Bank (2022) "*Office of Integrity, Compliance and Accountability Annual Report 2021*," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2021>
- Caribbean Development Bank (2023) "*Office of Integrity, Compliance and Accountability Annual Report 2022*," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2022>
- Caribbean Development Bank (2024) "*Office of Integrity, Compliance and Accountability Annual Report 2023*," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2023>

MI 4.5 Analysis

Element 4.5.1: A clear policy or organisational statement exists addressing ethical behaviour and misconduct among staff, contractors and business partners.

CDB's 2009 Code of Conduct provides a comprehensive framework for ethical behaviour among staff. Its Integrity and Ethics Policy establish a framework to uphold the highest standards of integrity, ethics, and compliance.

CDB is rated **satisfactory** based on alignment to good practice.

The Code of Conduct applies to all employees and individuals engaged by the Bank while performing duties or activities related to its operations. The Code emphasizes core values such as honesty, integrity, transparency, mutual respect, confidentiality, accountability, and compliance with laws and Bank policies. These principles guide staff conduct and underpin the Bank's commitment to fairness and professionalism.

The Code sets clear standards of conduct. Staff are expected to act responsibly, maintain a professional image, and avoid actions that could harm the Bank's reputation. Management and staff relations must be based on fairness, equal opportunity, and non-discrimination. The workplace should be safe, free from harassment, intimidation, and substance abuse, with strict prohibitions on sexual harassment and violence. Accurate record-keeping and safeguarding of proprietary and confidential information are mandatory, with obligations continuing after employment ends. Fraud and corruption are strictly prohibited, and staff are encouraged to report irregularities without fear of retaliation. Conflicts of interest should be avoided, and the acceptance of gifts or favours is generally prohibited except for nominal items of less than USD 100.

The Code also outlines procedures for handling complaints and disciplinary actions, which range from verbal warnings to dismissal, depending on the severity of misconduct. A structured review and appeal process ensures fairness and transparency. Waivers of any provision require approval by the President, and the Bank may issue additional directives on matters such as attire, etiquette, and conflict of interest.

CDB approved the Strategic Framework for Integrity, Compliance and Accountability in 2015. It establishes a comprehensive structure to uphold integrity, ethics, compliance, transparency, and accountability across all Bank operations. It created an independent Office of Integrity, Compliance and Accountability (ICA) to implement and manage this framework. The framework is guided by four core principles: integrity, accountability, excellence, and transparency.

Its strategic pillars include Institutional Integrity, Ethics & Whistleblowing, which focuses on preventing, detecting, investigating, and sanctioning fraud, corruption, and prohibited practices; Compliance (AML/CFT & Financial Sanctions), aimed at combating money laundering and terrorist financing while monitoring financial sanctions; Project Accountability, which addresses environmental and social harm from Bank-financed projects through a projects complaints mechanism; and Collaboration, which promotes working with other international financial institutions and partners to adopt best practices.

The framework applies to Directors, staff, borrowers, contractors, vendors, consultants, partners, and any entity involved in Bank-financed activities, covering internal operations, procurement, and external projects. Oversight and governance are structured around the "Three Lines of Defence": business units for prevention and detection, ICA for independent investigations and compliance, and internal and external audits, with oversight by a dedicated Board Committee.

ICA's key functions include independent authority to investigate, recommend sanctions, and manage whistleblower protection, ensuring operational independence, confidentiality, and collaboration with other IFIs. Policies are implemented using a risk-based and phased approach. Additional provisions include whistleblower protection against retaliation, training for Directors and staff to reinforce a culture of integrity, communication protocols for public statements, and audits and reviews every three to five years to ensure relevance and effectiveness.

In addition, CDB's Integrity and Ethics Policy, adopted in May 2015, establishes a framework to uphold the highest standards of integrity, ethics, and compliance, with zero tolerance for fraud, corruption, and related misconduct. It forms part of the Strategic Framework for Integrity, Compliance and Accountability and is managed by ICA. The policy applies to Directors, staff, contractors, consultants, suppliers, borrowers, beneficiaries, and other parties engaged with the Bank. It is grounded in four core principles: integrity, accountability, excellence, and transparency. The policy defines key concepts such as prohibited practices—including corruption, fraud, coercion, and collusion—conflict of interest, misconduct, and whistleblowing. It adopts a three-lines-of-defence approach: business units as the first line for prevention and detection, ICA as the second line for independent oversight and investigation, and internal and external auditors as the third line for compliance review. ICA plays a central role in promoting an integrity culture, managing complaints, conducting investigations, recommending and enforcing sanctions, and providing training. Staff have a duty to report suspected violations within three months and cooperate fully with investigations. The policy also mandates ongoing training for Directors and staff, periodic reviews every three to five years, and oversight by ICA in collaboration with Bank management.

In October 2025, CDB introduced Procedures on the Professional Working Environment, setting out clear rules, definitions, and processes to prevent and address harassment, sexual harassment, discrimination, and abuse of authority. It introduces both informal and formal complaint mechanisms, mandates staff training, and clarifies roles, responsibilities, and investigation procedures to ensure a safe and respectful workplace.

Element 4.5.2: The MO has management guidelines or rules in place that provide clear guidance on the procedures for reporting and addressing any issues of staff misconduct with associated timelines.

Clear rules, responsibilities, reporting lines and protections are in place for reporting and addressing misconduct.

CDB is rated **satisfactory** based on alignment to good practice.

CDB has guidelines and rules for reporting and addressing staff misconduct, including timelines, as outlined in its Staff Code of Conduct (2009) and the Integrity and Ethics Policy (2015) under the Strategic Framework. Every staff member has a duty to report suspected, actual, or attempted violations to ICA promptly and no later than three months after becoming aware of the issue and must cooperate with investigations by providing relevant information. Complaints can be made orally or in writing to a Unit Head, Division Head, or Department Head, and an initial meeting to investigate and determine the matter must be held within three days of receiving the complaint. If the complaint is serious or complex, the Department Head must refer it to the Director of HR within three days for determination by a Panel, which must be appointed within three days of referral and meet with the staff member within seven days of appointment.

Staff must be notified of a determination or decision within three days of a meeting with the Unit, Division, or Department Head or Panel, within five working days if referred to a Vice-President, and within ten days after the President's decision following a review. The review process allows staff to apply for review of a determination to the Department Head within three days of notification, to the Vice-President within seven days, and to the President within seven days, followed by review by a Determinations Review Committee, which reports within seven days. ICA also manages secure reporting channels and ensures protection against retaliation for whistleblowers. The Bank's Whistleblower Policy outlines how complaints are to be made using the Bank's Whistleblower System.

Whereas ICA handles cases of misconduct, CDB previously lacked a means to address professional conduct and ethics issues arising between staff before these became an official instance of misconduct. In response to CDB's staff engagement survey results from 2024 which identified that 20% of staff had either experienced or witnessed harassment (despite an absence of complaints to ICA), CDB proposed additions to its human resources policy on the professional working environment. This policy contains

explicit definitions of harassment and requires staff to report to ICA any violation of the policy they experience or witness and requires managers to report any case brought to their attention to HR. To complement ICA's procedures, the Policy identifies a route for access to informal resolution services and mediation.

The 2025 Procedures on a Professional Working Environment assign a central and independent role to ICA in handling complaints:

- Primary intake and assessment role: ICA (through its Head) receives formal complaints and conducts an initial review to determine whether the complaint meets eligibility criteria and warrants investigation.
- Investigation authority: ICA is responsible for carrying out investigations of alleged violations and applying the relevant investigation standards and procedures.
- Determination and recommendations: After investigation, ICA prepares a formal report with findings, determinations, and recommendations (e.g., exoneration, disciplinary action) and submits it to Human Resources (Director, HRA) for decision-making.
- Advisory role: ICA may also provide additional observations or recommendations on related issues identified during the investigation.

While CDB has clear policies and procedures for reporting and addressing misconduct, some gaps emerge from the available evidence:

- First, although procedures outline the investigative cycle, the documentation does not specify consistent or mandatory timelines for each stage of misconduct case handling, including intake, assessment, investigation, and disposition. Feedback from stakeholders indicates that most cases are resolved within 6 months; however, the absence of documented service standards makes it difficult to assess timeliness or accountability in practice.
- Second, there is no evidence of a public or staff-facing procedural guide that consolidates reporting channels, process steps, responsibilities, and expected timelines in a single accessible format.
- Third, while ICA manages investigations, the handling of disciplinary procedures by the Human Resources Department is less evident, and it is not evident how coordination occurs across these functions.

Element 4.5.3: Staff training/awareness-raising is conducted in relation to the policy/guidelines and reporting systems.

Annual training programmes are in place to reinforce integrity and compliance.

CDB is rated **satisfactory** based on alignment to good practice. There are opportunities to better demonstrate training completion among staff.

CDB's policies emphasize continuous staff training to reinforce integrity and compliance. Both the Integrity and Ethics Policy and the Strategic Framework for Integrity, Compliance and Accountability require ongoing training for Directors and staff to ensure they understand the policies, adhere to procedures, and foster a culture of integrity, ethics, compliance, and accountability. Training is positioned as essential for maintaining development effectiveness and preventing misconduct. While the Staff Code of Conduct does not mandate formal training programs, it calls on managers to promote awareness and understanding of the Code among staff, indicating an expectation of orientation and guidance rather than structured sessions.

The CDB, through the Office of Integrity, Compliance and Accountability (ICA), is primarily responsible for raising awareness amongst staff regarding policy/guidelines as well as reporting systems. Part of ICA's mandate is to conduct prevention activities, which includes internal training in order to analyse investigative data, mitigate vulnerabilities and raise awareness towards policies relating to integrity.

ICA has provided Annual Mandatory Training to all staff from inception. Annually ICA conducts the following: (1) Annual Mandatory Training for All staff; (2) Management Training; (3) Orientation training for new staff. The training systematically addresses reporting procedures, the whistleblower system, explanations of ICA's 5 functions and case studies based on lessons learned from other IFIs, IOs, and ICA's history. Apart from the general training sessions, ICA also conducts specialized staff training in certain areas. In 2024 over 230 members of staff participated in the ICA Annual Mandatory Training Sessions.

However, the documentation does not specify training coverage across departments or staff categories. No consolidated statistics are provided on participation rates or completion levels.

Element 4.5.4: A tracking system is available which records responses and actions taken to address any identified issues.

CDB maintains a case management system for integrity and compliance. However, public reporting on the handling of cases, including timelines and nature of complaints, is not provided in sufficient detail.

Despite gaps in public reporting, CDB is rated **satisfactory** based on alignment to good practice.

Under the Integrity and Ethics Policy, ICA is responsible for issuing and managing procedures that cover the receipt and handling of complaints, investigations, and enforcement of sanctions. These procedures include maintaining records of complaints, investigative findings, decisions, and recommendations, as well as monitoring the implementation of sanctions. Service Standards are outlined in ICA's Investigations Manual. Additionally, the Strategic Framework for integrity, compliance, and accountability requires ICA to report key statistics on its work and effectiveness at least annually to the President and the Board of Directors, and these may be published in line with the Bank's Information Disclosure Policy.

The ICA Case Management System (CMS) is a digital platform used by ICA to manage reports, investigations, and disclosures related to its mandate. It is designed to register, track, and manage cases involving integrity violations such as fraud and corruption, ethics violations including staff misconduct, whistleblowing reports, compliance issues like AML/CFT and financial sanctions, and accountability complaints related to environmental and social harm through the Project Complaints Mechanism. The CMS integrates multiple reporting channels, including a confidential hotline webform (the primary intake source), email, phone, report forms, and office visits, all feeding directly into the system for secure and confidential handling. Each matter is logged with details such as source, type, and status, and includes conflict of interest disclosures submitted through a dedicated portal.

Between 2017 and 2023, the CMS registered 303 matters, including 143 investigations covering integrity, ethics, and accountability cases, while the remaining matters consisted of advisories, due diligence requests, and conflict of interest submissions. CMS data supports ICA's annual reporting and trend analysis, with figures from the 2023 report showing that 52.81% of all matters were submitted via the webform, and investigations were primarily initiated through email (60.84%) and the webform (27.97%). ICA has digitized tools such as the Integrity Due Diligence (IDD) Toolkit and the Conflict of Interest Portal, which link to the CMS for streamlined case management and support mandatory reporting and annual disclosures by staff. ICA reports statistics on cases in its annual reports.

Although the CMS is well structured and captures detailed information, some gaps remain. The documentation does not indicate whether the system systematically tracks the timeliness of each procedural step. There is no evidence of institution-wide dashboards or performance indicators to monitor trends in misconduct responses over time. While ICA publishes annual statistics, the level of disaggregation is limited, and it is unclear how the data are used proactively for organisational learning or preventive risk management.

Element 4.5.5: The MO's governing body or management documents indicate that relevant procedures have been followed and/ or actions have been taken in response to identified issues with clear timelines for action.

ICA produces a publicly available annual report. However, limited information is provided on institutional measures to address reported conduct beyond sanctions.

CDB is rated **unsatisfactory** due to gaps in reporting around institutional measures taken to address misconduct.

CDB, through ICA, produces annual reports that include detailed information on cases of misconduct. These reports are published on the Bank's website in line with its transparency principle, making them publicly accessible. For example, the 2023 ICA Annual Report confirms that ICA reports annually to the Board of Directors and stakeholders, summarizing its work to operationalize and manage CDB's Strategic Framework for Integrity, Compliance and Accountability.

ICA disclosed that by the end of 2023, 303 matters were registered in its Case Management System since 2017, including 143 investigations. It also provided breakdowns of intake sources and investigative activities. In 2023, ICA managed 16 integrity, ethics, and accountability investigations, resolved 93.75% of cases within the year, and imposed sanctions through the independent Sanctions Officer, including a six-year debarment of two firms and three individuals.

The report explicitly states that it is published annually on CDB's website to ensure accessibility to all stakeholders, including the public, in accordance with the Strategic Framework's principle of transparency. However, no internal or external assurance has been conducted to scrutinise how internal ethics and misconduct issues have been handled internally to provide additional proof of compliance.

However, the evidence does not show whether management or the Board systematically issues formal responses or time-bound action plans in relation to ICA findings, nor does it demonstrate how ICA recommendations are integrated into broader institutional reforms or HR processes. Progress updates are provided to the Board Committee (OAC) at quarterly meetings and more frequently on an ad-hoc basis depending on the seriousness of the matter. However, there is also lack of evidence of Board-level tracking of the status of actions over time, such as a dashboard. ICA also lacks a feedback mechanism to understand the experience of individuals who report ethics and misconduct issues to understand their experience engaging with the system and the extent of support they receive.

MI 4.6: The MO's policies and procedures effectively prevent, detect, investigate and sanction cases of fraud, corruption, conflict of interest and other financial irregularities

- Element 4.6.1: A clear policy/guideline on fraud, corruption and any other financial irregularities or internal control issues is available and made public.
- Element 4.6.2: The policy/guidelines clearly define the roles of management and staff in implementing/complying with the guidelines.
- Element 4.6.3: The MO has conducted staff training/awareness-raising on policy/guidelines related.
- Element 4.6.4: There is evidence that these policy/guidelines have been implemented, e.g. through regular monitoring and reporting to the governing body.
- Element 4.6.5: The MO has channels/mechanisms in place for reporting any suspicion of misuse of funds (e.g., anonymous reporting channels and "whistle-blower" protection policy).
- Element 4.6.6: The MO produces annual reporting on cases of fraud, corruption and other irregularities, including actions taken, and ensures that these reports are made public.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.6	Satisfactory	2.83	
Element 4.6.1	Satisfactory	3	Medium
Element 4.6.2	Satisfactory	3	Medium
Element 4.6.3	Satisfactory	3	Medium
Element 4.6.4	Satisfactory	3	Medium
Element 4.6.5	Satisfactory	3	Medium
Element 4.6.6	Unsatisfactory	2	Medium

MI 4.6 Evidence documents

- Caribbean Development Bank (2015) "Compliance Policy," <https://www.caribank.org/about-us/policies-and-strategies/compliance-policy>
- Caribbean Development Bank (2015) "Integrity and Ethics Policy," <https://www.caribank.org/sites/default/files/publication-resources/Integrity-and-Ethics-Policy-BdApr18.6.15.pdf>
- Caribbean Development Bank (2015) "Projects Complaints Mechanism Policy," <https://www.caribank.org/about-us/policies-and-strategies/projects-complaints-mechanism-policy>
- Caribbean Development Bank (2015) "Strategic Framework for Integrity, Compliance and Accountability," <https://www.caribank.org/about-us/policies-and-strategies/strategic-framework-integrity-compliance-and-accountability>
- Caribbean Development Bank (2015) "Whistleblower Policy," <https://www.caribank.org/about-us/policies-and-strategies/whistleblower-policy>
- Caribbean Development Bank (2022) "Office of Integrity, Compliance and Accountability Annual Report 2021," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2021>
- Caribbean Development Bank (2023) "Office of Integrity, Compliance and Accountability Annual Report 2022," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2022>
- Caribbean Development Bank (2024) "Office of Integrity, Compliance and Accountability Annual Report 2023," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2023>

MI 4.6 Analysis

Element 4.6.1: A clear policy/guidelines on fraud, corruption and any other financial irregularities or internal control issues is available and made public.

CDB's Strategic Framework for Integrity, Compliance and Accountability, it's Integrity and Ethics Policy provide a clear policy framework for addressing internal control issues.

CDB is rated **satisfactory** based on alignment to good practice.

The 2015 Strategic Framework for Integrity, Compliance, and Accountability is CDB's comprehensive governance structure designed to prevent and address fraud, corruption, and other financial irregularities across all operations. It establishes four pillars: (i) Institutional Integrity and Ethics, which targets prohibited practices such as fraud, bribery, collusion, coercion, and misappropriation; (ii) Compliance, which focuses

on anti-money laundering (AML), countering the financing of terrorism (CFT), and monitoring financial sanctions; (iii) Project Accountability, which addresses environmental and social safeguards; and (iv) Collaboration with other IFIs to adopt global best practices.

The framework mandates a risk-based, phased approach to operationalisation and creates the Office of Integrity, Compliance and Accountability (ICA) as an independent body to manage investigations, whistleblowing, due diligence, and sanctions. It also incorporates internal control measures through a “three lines of defence” model, ensuring prevention, detection, and remediation of integrity risks. Public disclosure and annual reporting reinforce transparency and accountability.

The 2015 Integrity and Ethics Policy articulates CDB’s zero-tolerance stance on fraud, corruption, and unethical conduct. It defines prohibited practices—corrupt, fraudulent, coercive, and collusive—and applies to staff, directors, contractors, and all counterparties. The policy requires prompt reporting of suspected violations and cooperation with investigations, which are managed by ICA under strict confidentiality. It includes mechanisms for sanctioning individuals and entities found guilty of integrity breaches, thereby safeguarding CDB’s financial resources and reputation. Internal control issues such as conflicts of interest, misrepresentation, and obstruction of investigations are explicitly addressed. The policy also emphasizes preventive measures through training and awareness programs, ensuring that staff and stakeholders understand their obligations and the consequences of misconduct.

The 2015 Compliance Policy addresses financial irregularities related to money laundering, terrorist financing, and violations of financial sanctions. It adopts a risk-based approach to Know Your Customer (KYC), due diligence, and transaction monitoring, ensuring that CDB does not engage with shell banks, sanctioned entities, or individuals linked to organized crime. The policy mandates enhanced due diligence for high-risk parties and requires retention of transaction records for at least ten years, strengthening internal controls. It also outlines procedures for identifying suspicious transactions and escalating concerns to OCA.

Element 4.6.2: The policy/guidelines clearly define the roles of management and staff in implementing/complying with the guidelines.

CDB’s Strategic Framework for Integrity, Compliance, and Accountability clearly defines the roles of staff and management

According to the Strategic Framework Management holds primary responsibility for implementing internal controls, preventing integrity risks, and ensuring adherence to policies across all operations. It must work closely with the ICA to operationalise the framework and maintain compliance. Staff are required to act with integrity, follow all policies, and report suspected violations promptly. They must cooperate fully with investigations and participate in mandatory training. Oversight is provided by the Board of Directors through its Oversight Committee, which monitors compliance and reviews the effectiveness of the framework.

Regarding the Compliance Policy, management is responsible for frontline identification and mitigation of AML, countering the financing of terrorism, and financial sanctions risks in transactions. Staff must apply risk-based due diligence, escalate suspicious transactions, and comply with Know Your Customer procedures. ICA provides oversight, conducts enhanced due diligence for high-risk cases and ensures compliance with international standards and best practices.

Management must protect whistleblowers from retaliation and implement remedial measures when retaliation occurs. Staff are obligated to report suspected violations in good faith and cooperate with investigations. ICA manages the Whistleblower System, investigates complaints confidentially, and recommends sanctions for retaliation, ensuring a secure and transparent reporting environment.

Element 4.6.3: Staff training/awareness-raising is conducted in relation to the policy/guidelines.

Training on internal controls and compliance mechanisms are mandatory for all staff.

CDB is rated **satisfactory** based on alignment to good practice.

Staff training is a central component of ICA's prevention strategy to reduce risks related to integrity, ethics, compliance, and accountability. While ICA designs and delivers training, the Bank's management holds primary responsibility for ensuring that all staff and management are adequately trained. Training is mandatory for all staff and supplemented by special, voluntary, and targeted sessions on emerging topics. According to ICA's annual report, in 2023, ICA delivered orientation training for new staff on February 26, July 10, and July 12, covering ICA's mandate, the Strategic Framework, and ethics essentials. Mandatory annual training sessions were held on March 2, 15, and 28, with 98% staff attendance.

These sessions include an overview of CDB's Strategic Framework and ICA functions, case studies on fraud, conflicts of interest, harassment, gifts, and sexual exploitation, demonstrations of the whistleblowing system and the annual conflict of interest disclosure portal, as well as cybersecurity and cyber-fraud training in collaboration with the IT Division. Lessons learned from ICA investigations between 2016 and 2023 were also shared. Staff were required to complete an electronic quiz based on the training, and successful participants received ICA Attendance Certificates. Additionally, ICA conducted management training as well, focusing on ethical leadership, whistleblowing, and insights from case studies, and contributed to Board orientation with a presentation on ethics and the Directors' Code of Conduct.

In 2022, ICA conducted mandatory training sessions on February 17, February 23, and March 8 for all staff, with an additional session for management in September. These sessions covered the Strategic Framework, extensive case studies on ethical challenges, whistleblower system demonstrations, and cyber-threat simulations in collaboration with the IT Division. Staff were also trained on the newly digitalized Conflict of Interest Disclosure Portal and Code of Conduct attestation. Special topics such as cybercrime, gender-based violence, and sexual exploitation and abuse were addressed through ICA-led sessions and the Caribbean Conference on Corruption, Compliance and Cybercrime (3Cs). ICA measures training effectiveness through electronic quizzes, with scores improving over time, ranging from 82% to 97% between 2017 and 2021.

ICA has emphasized digital transformation by fully digitizing the Integrity Due Diligence Toolkit and the Conflict-of-Interest Portal, integrating cybersecurity into ethics training, and focusing on gender-based violence and harassment prevention. Collaboration with the IT Division and external international financial institutions further strengthened specialized training delivery.

Element 4.6.4: There is evidence that these policy/guidelines have been implemented, e.g. through regular monitoring and reporting to the governing body.

Annual reports to CDB's Oversight and Assurance Committee and regular monitoring via ICA's Risk Radar demonstrate ongoing implementation of the policy.

CDB is rated **satisfactory** based on alignment to good practice.

ICA Annual Reports confirm that ICA operates under a Board-approved Strategic Framework for Integrity, Compliance and Accountability and reports annually to the Board of Directors (BOD) via the Oversight and Assurance Committee (OAC).

ICA's mandate includes detection, prevention, investigation, and sanctioning of wrongdoing, and this is supported by systematic reporting of activities such as whistleblowing intake, integrity and ethics investigations, compliance checks, and accountability reviews. For example, the reports detail the number of cases managed in the Case Management System, including integrity, ethics, and accountability matters, as well as enhanced due diligence requests and conflict of interest disclosures. They also document

sanctions imposed by the independent Sanctions Officer, such as the six-year debarment of firms and individuals in 2023 following ICA investigations.

Regular monitoring is evident through ICA's Risk Radar, which identifies vulnerabilities annually, and through the publication of investigative statistics, training effectiveness scores, and outreach activities. ICA also provides periodic advisories to staff, conducts mandatory training sessions, and reports on the implementation of digital tools like the Integrity Due Diligence Toolkit and Conflict of Interest Portal. Despite systematic internal procedures for identifying potential risks and vulnerabilities, ICA's use of data analytics for this purpose is currently limited by available systems. Enhancing this capability is a key aspect of ICA's forward-looking programme of work.

A key concern is the overall size of ICA, which includes 5 staff in total, three of which are professional staff. The overall human resource allocation to ICA is 2.1% of CDB's ongoing portfolio and 0.26% of the overall administrative budget, compared to 0.6% for the World Bank. However, ICA's staff complement has now been increased to 8 after the approval of the 2026 Budget. With one of these posts being for an administrative professional. Furthermore, in other institutions, there are formal firewalls between intake, triage, monitoring, investigations and sanctions functions. As the Bank's portfolio grows, this ratio will become more unfavourable. Although stakeholders note that these firewalls are in place within CDB, they rely on ways of working rather than a more formal separation of functions. However, with the introduction of the Ethics Officer under the 2026 approved budget there will be a formal firewall in ICA between the advisory and investigative functions.

Of note, CDB's Strategic Framework has not been subject to internal or external assurance. Such a review would help ensure the framework is being applied systematically and could identify lessons to strengthen its implementation going forward.

Element 4.6.5: The MO has channels/mechanisms in place for reporting any suspicion of misuse of funds (e.g., anonymous reporting channels and “whistle-blower” protection policy).

CDB implements confidential and anonymous reporting mechanisms and protections for whistle-blowers in place.

CDB is rated **satisfactory** based on alignment to good practice.

The 2015 Projects Complaints Mechanism (PCM) Policy establishes an independent mechanism for addressing complaints related to environmental and social harm arising from CDB-financed projects, which can also involve financial irregularities in project implementation. It authorizes PCM to manage complaint intake, conduct investigations, pursue dispute resolution, and perform compliance reviews. The policy ensures operational independence, transparency, and accessibility for affected persons, while promoting collaboration with other IFIs to adopt best practices. Mechanisms are also in place for the PCM to self-initiate case review of potential harms. It also mandates monitoring of remedial actions and periodic reviews to enhance effectiveness.

The 2015 Whistleblower Policy provides a secure and confidential system for reporting suspected fraud, corruption, financial irregularities, and breaches of internal controls. It guarantees protection against retaliation and treats retaliatory acts as separate misconduct subject to investigation and sanction. The policy encourages good-faith reporting through official channels and outlines procedures for handling anonymous complaints, investigations, and remediation. It emphasizes confidentiality and includes provisions for interim measures to protect whistleblowers, reinforcing CDB's commitment to transparency and accountability.

ICA operates a Whistleblower System that offers six reporting channels: a globally accessible hotline that accepts collect calls, a secure online webform linked to ICA's Case Management System, email, telephone, mail, and in-person visits. These channels ensure that individuals can report wrongdoing confidentially and, if desired, anonymously. One advantage of ICA's structure is that they can recommend

directly to the President to take action to protect whistleblowers, including by barring persons from accessing the Bank premises or temporarily removing them from their roles. In other institutions, the actual implementation of whistleblower protections is subject to action by the Human Resources Department, which creates a risk of gaps and delays.

Element 4.6.6: The MO produces annual reporting on cases of fraud, corruption and other irregularities, including actions taken, and ensures that these reports are made public.

CDB reports annually on measures taken to address fraud, corruption and other irregularities through ICA's annual report to the Board of Directors; however, limited disaggregated reporting is provided.

CDB is rated **unsatisfactory** based on gaps in public-facing disaggregated reporting.

CDB, through ICA, produces annual reports that include detailed information on cases of fraud, corruption, and other irregularities, along with actions taken. These reports are published on the Bank's website in line with its transparency principle, making them publicly accessible. For example, the 2023 ICA Annual Report confirms that ICA reports annually to the Board of Directors and stakeholders, summarizing its work to operationalize and manage CDB's Strategic Framework for Integrity, Compliance and Accountability. ICA disclosed that by the end of 2023, 303 matters were registered in its Case Management System since 2017, including 143 investigations. It also provided breakdowns of intake sources and investigative activities. In 2023, ICA managed 16 integrity, ethics, and accountability investigations, resolved 93.75% of cases within the year, and imposed sanctions through the independent Sanctions Officer, including a six-year debarment of two firms and three individuals.

The report explicitly states that it is published annually on CDB's website to ensure accessibility to all stakeholders, including the public, in accordance with the Strategic Framework's principle of transparency.

As noted earlier, the reports present aggregated case numbers but provide limited disaggregation by sector, department, or risk area. They also do not systematically report on the timeliness of investigations, the age profile of open cases, or adherence to service standards, making it difficult to assess performance efficiency. While sanctions are publicly disclosed, the reports do not include systematic management responses or action plans linked to integrity risks, nor do they describe how lessons learned are used to strengthen preventive systems.

Finally, there is no evidence that independent assurance or an external assessment of ICA's integrity activities has been undertaken to provide evidence that the Strategic Framework underlying ICA's activities is being implemented appropriately.

MI 4.7: The MO prevents and responds to sexual exploitation and abuse (SEA) in operations.

- Element 4.7.1: Organisation-specific dedicated policy statement(s), action plan and/or code of conduct that address SEA are available, aligned to international standards, and applicable to all categories of personnel.
- Element 4.7.2: The MO has mechanisms in place to regularly track the status of implementation of the SEA policy at HQ and at field levels.
- Element 4.7.3: Dedicated resources and structures are in place to support implementation of the MO's policy and/or action plan at HQ and in programmes (e.g., covering safe reporting channels, and procedures for access to sexual and gender-based violence services).
- Element 4.7.4: Quality training of personnel / awareness-raising on SEA policies is conducted with adequate frequency.

- Element 4.7.5: The MO has clear standards and due diligence processes in place to ensure that its client investees and other relevant partners prevent and respond to SEA
- Element 4.7.6: The MO can demonstrate its contribution to interagency efforts to prevent and respond to SEA in line with the Joint Statement on Continuous Advancement of Standards to Prevent Sexual Harassment, Abuse, and Exploitation.
- Element 4.7.7: Actions taken by the MO on SEA allegations in operations are timely with their number, related non-identifying information and actions taken reported publicly.
- Element 4.7.8: The MO promotes a survivor-centred approach to SEA in operations, with operations having a survivor support function in place (stand-alone or part of existing structures) in line with its exposure/risk of SEA.
- Element 4.7.9: The MO regularly shares information with other organizations about its progress in implementing its policy and contributes to dialogue around good practices and standards.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 4.7	Unsatisfactory	2.00	
Element 4.7.1	Unsatisfactory	2	Medium
Element 4.7.2	Unsatisfactory	2	Medium
Element 4.7.3	Unsatisfactory	2	Medium
Element 4.7.4	Unsatisfactory	2	Medium
Element 4.7.5	Unsatisfactory	2	Medium
Element 4.7.6	Satisfactory	3	Medium
Element 4.7.7	Unsatisfactory	2	Medium
Element 4.7.8	Highly Unsatisfactory	1	Medium

MI 4.7 Evidence documents

- Caribbean Development Bank (2009) "CDB Staff Code of Conduct," https://www.caribank.org/sites/default/files/publication-resources/CDB_Staff_CodeofConduct_Booklet_Dec2009.pdf
- Caribbean Development Bank (2014) "Environmental and Social Review Procedures," <https://www.caribank.org/sites/default/files/publication-resources/EnvironmentalandSocialReviewProcedures.pdf>
- Caribbean Development Bank (2015) "Integrity and Ethics Policy," <https://www.caribank.org/sites/default/files/publication-resources/Integrity-and-Ethics-Policy-BdAppr18.6.15.pdf>
- Caribbean Development Bank (2015) "Strategic Framework for Integrity, Compliance and Accountability," <https://www.caribank.org/about-us/policies-and-strategies/strategic-framework-integrity-compliance-and-accountability>
- Caribbean Development Bank (2015) "Whistleblower Policy," <https://www.caribank.org/about-us/policies-and-strategies/whistleblower-policy>
- Caribbean Development Bank (2019) "Gender Equality Policy and Operational Strategy," <https://www.caribank.org/about-us/policies-and-strategies/2019-gender-equality-policy-and-operational-strategy>

- Caribbean Development Bank (2021) "Office of Integrity, Compliance and Accountability Annual Report 2020," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2020>
- Caribbean Development Bank (2022) "Office of Integrity, Compliance and Accountability Annual Report 2021," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2021>
- Caribbean Development Bank (2023) "Office of Integrity, Compliance and Accountability Annual Report 2022," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2022>
- Caribbean Development Bank (2024) "Office of Integrity, Compliance and Accountability Annual Report 2023," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2023>
- Caribbean Development Bank (2024) "The Updated Gender Equality Action Plan 2025–2027 (Paper BD77/24 Add. 2)," (internal document)
- Caribbean Development Bank (2025) "Draft Environmental and Social Review Framework – for National Consultation," (internal document)

MI 4.7 Analysis

Element 4.7.1: Organisation-specific dedicated policy statement(s), action plan and/or code of conduct that address SEA are available, aligned to international standards, and applicable to all categories of personnel.

CDB does not have a dedicated PSEA policy. Its institutional approach to preventing SEA is embedded within various policies and frameworks addressing operational priorities, environmental and social due diligence, and internal mechanisms for managing sexual misconduct. However, the existing SEA-related provisions remain limited and do not fully reflect international standards.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

The Bank's overarching Strategic Framework for Integrity, Compliance and Accountability provides a suite of ethics-related policies and procedures that apply to all staff and associated personnel, as well as partners. While the CDB does not have a dedicated PSEA policy, its institutional approach to preventing SEA is embedded within various policies and frameworks addressing operational priorities, environmental and social due diligence, and internal mechanisms for managing sexual misconduct. However, the existing SEA-related provisions remain limited and do not fully align with international standards.

The 2019 Gender Equality Policy and Operational Strategy (GEPOS) underscores the Bank's commitment to mainstreaming gender across all operations and supporting initiatives that promote gender equality and address gender-based violence (GBV). Institutional safeguards against sexual exploitation and abuse (SEA) are integrated within the Gender Equality Action Plan (GEAP), which is implemented under GEPOS through both internal and external action pillars. Under GEAP's Action Pillar 1 (External Actions), the Bank supports Borrowing Member Countries in integrating gender-responsive safeguards into infrastructure projects, including the adoption of worker codes of conduct and sensitization initiatives on GBV, SEA, and SH. Clauses requiring contractors to train workers and sensitize communities on GBV/PSEAH are included in contracts agreements for infrastructure projects is also addressed in the recently launched Gender Equality Toolkit for Basic Needs Trust Fund (BNTF). CDB is currently working on strengthening standard provisions, including PSEAH for contracts and their systematic integration within contracts.

At the operational level, the 2014 Environmental and Social Review Procedures describe how CDB manages environmental and social risks. The document contains no specific references to SEA; however,

“affected communities” and “vulnerable groups” are identified as two of the eight performance requirements that must be addressed in managing the environmental and social impacts of CDB projects. The potential adverse consequences of CDB operations on women and children are acknowledged, with emphasis on ensuring that the views and preferences of vulnerable groups are heard and incorporated into project design. The ESRPs mention CDB’s GEPOS, noting that all operations should screen for potential gender-related risks but does not mention SEAH directly.

CDB’s updated Environmental and Social Review Framework (ESRF) addressed SEA more explicitly under its fourth performance standard pertaining to Community Health and Safety. This standard requires that all operations identify and address risks related to disadvantaged and vulnerable groups, including risks related to SEAH and gender inequality, including a requirement for ESIs to explicitly address SEAH-related risks. The ESRF, however, has not yet been approved and is currently in consultation rounds with BMCs. It provides an indication of how CDB will address SEAH-related risks in operations going forward.

Like most IFIs, CDB lacks a standalone PSEA policy. The GEAP 2025-2027 makes provision to produce an internal framework for GBV in development projects which is intended to address and cover SEA and link to the safeguards. but there is currently no consolidated SEA Action Plan, including means of identifying specific staff, resources, tools and accountabilities to prevent and respond to SEA in operations. The absence of clear, unified standards limits consistency in operationalising SEA prevention and response across CDB’s projects. The absence of a clear action plan also means that the organisation has no clear commitment or benchmark against which to assess how it is building its institutional capacity to address SEA. Furthermore, CDB lacks specific SEA commitments beyond the ESRP through which they can be subject to external assurance or scrutiny.

Element 4.7.2: The MO has mechanisms in place to regularly track the status of implementation of the SEA policy at HQ and at field levels.

CDB does not have a dedicated PSEA policy nor an PSEA-specific approach to screening projects for PSEA risks.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

CDB does not have a dedicated PSEA policy. The broader Strategic Framework for Integrity, Compliance and Accountability established a three lines of defence model whereby “relevant business line units, divisions, departments and offices of the Bank, working to prevent, detect, and report relevant risks and violations by relying on written policies and procedures, their knowledge of the Bank’s counterparties and the particular circumstances of each activity being undertaken by the Bank.

In this regard, all projects are subject to an Environmental and Social Impact Assessment, which can identify SEA-related risks alongside other social risks. However, there is no SEA-specific screening tool that identifies and responds to the level of risk across operations. Although safeguards against SEA are noted in the GEAP, it is not clear that this policy is applied consistently to all operations nor that borrowers are legally obligated to implement SEA and GBV-prevention activities that are not identified through the ESRPs.

Environmental and Social Experts and Gender Experts primarily advise but are not members of the project team for all operations and do not have defined accountabilities through a delegated authority matrix. Although they receive support from social experts, it is not clear that all projects where there is a material risk of SEA/GBV are followed by a suitable expert. Although there are resources within the Bank who specialise in SEA and GBV-prevention, it is not clear that these resources are sufficient to cover projects that require attention. Furthermore, it is not clear that social experts within the Projects Department are sufficiently capacitated to address SEA prevention.

Finally, although business line units are the first line of defence against SEA and GBV, there are no SEA-specific monitoring or supervision tools/screening that are implemented in higher-risk projects. Furthermore, there are no SEA-specific dashboards, tracking tools, or progress reports, and no evidence of systematic monitoring of SEA risk mitigation in operations. Stakeholders in the Environmental and Social Unit acknowledged that, although screening of projects is robust and systematic during appraisal, ensuring full compliance with requirements during implementation is more challenging.

Should concerns arise in the implementation of projects such that there are concern CDB or borrowers have not complied with requirements set out in CDB's ESRP, ICA, through the Bank's Strategic Framework for Integrity, Compliance and Accountability, has the authority to investigate potential non-compliance with CDB's core policy requirements through the Project Complaints Mechanism. Whereas ICA reports directly to CDB's Board Audit Committee, including through its Annual Reports, there is no breakdown provided on the number of SEAH-related complaints. However, CDB provided evidence of allegations of SEAH and the escalation and reporting measures followed in UKCIF projects.

Element 4.7.3: Dedicated resources and structures are in place to support implementation of the MO's policy and/or action plan at HQ and in programmes (e.g., covering safe reporting channels, and procedures for access to sexual and gender-based violence services).

Whereas PSEA risks are addressed by specific functional units, CDB has very few dedicated resources and subject-matter experts to address PSEA risks and incidents.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

At the institutional level, three key CDB departments and units are involved in PSEA.

CDB's ICA oversees ethics issues. Its structure encompasses both Integrity and Accountability Offices among its five core functions, enabling a comprehensive approach to addressing SEAH-related cases. It is responsible for delivering training on sexual misconduct to staff, and for receiving and investigating SEAH allegations. The unit is also tasked with ensuring that complainants and whistle-blowers involved in SEAH cases are protected from retaliation. ICA's Project Complaints Mechanism functions independently and plays an important role in investigating harm arising from non-compliance in CDB's operations, including for PSEA.

CDB is planning to recruit an Accountability Officer for the OICA with a focus on project-level issues, including SEA. This role will support the management and resolution of SEA-related concerns arising within projects, ensuring stronger links between project-level Project Complaints Mechanisms (PCMs), and the CDB internal accountability mechanisms.

Environmental and Social Sustainability Unit (ESU) within the Projects Department (PD) has overall responsibility for updating and revising the Environmental and Social Review Procedures (ESRP), as well as for developing additional environmental and social operational policies, procedures, and guidance. Within the PD, Gender Specialists and Social Analysts support the familiarisation and training of staff in the application of these tools and provide general guidance on environmental and social issues, including those related to SEA risks.

At the operational level, the ESU and social analysts from the Social Sector Division (SSD) participate in project teams, providing technical input for project appraisal, supervision, including through monthly meetings, and support across the Bank's operations. CDB commits to maintaining adequate staff capacity to develop environmental and social projects and to manage internal appraisal and monitoring requirements.

CDB does not have dedicated resources explicitly assigned to SEA prevention and response. Responsibilities are dispersed across ICA, gender staff, and safeguard functions, but there is no evidence of a (formal) clear coordination mechanism linking their mandates for SEA. The 2025-26 Administrative Budget identifies specific resources for SEA-related training of ICA staff.

Under CDB's ESRPs and the updated ESRF, currently under consultations, all projects are required to have established grievance mechanisms, including culturally and gender-appropriate mechanisms with capability to refer SEAH survivors to appropriate services. CDB staff noted examples where the ongoing functionality of these mechanisms has been followed closely during implementation. However, because supervision during implementation for ESRP compliance is known to be inconsistent, it is not possible to assure that the functionality of such mechanisms is checked systematically.

There is limited evidence of consistent survivor-support procedures, SEA-sensitive reporting channels, or designated field-level focal points, likely due to the absence of a standardized institutional approach and clear procedural or operational guidance for handling SEA allegations. CDB has sought to leverage existing national gender and GBV mechanisms wherever possible to support survivor-centered responses to SEA within its operations. For example, The Bank has worked closely with national institutions, such as relevant ministries and GBV bureaus, to utilize dedicated GBV reporting mechanisms (e.g., hotlines) for receiving SEA-related reports and facilitating access to services for survivors. Another example includes collaboration to establish GBVH service centres in Saint Lucia, capable of providing services to up to 200 survivors.

Additionally, survivors may contact ICA directly, including via hotlines and other confidential channels. ICA has the relatively unique ability to launch an investigation into suspected incidents of SEAH and other harms to beneficiaries without a complaint being filed. Contractors are required to immediately report any allegation of SGBV to the CDB engineer as noted in CDB's standard contracts and bidding documents.

Element 4.7.4: Quality training of personnel / awareness-raising on SEA policies is conducted with adequate frequency.

CDB implements mandatory training on the Integrity and Ethics but it is not clear that this training covers PSEA risks in operations. Department-specific training is provided, but overall coverage across operations staff is not known.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

Under the Strategic Framework for Integrity, Compliance, and Accountability, CDB commits to providing staff with appropriate information and continuous training to promote and strengthen a culture of Integrity, Ethics, Compliance, and Accountability across all operations.

Each year, all staff members are required to attend at least one of three mandatory training sessions conducted by CDB's ICA. These annual sessions are supplemented by additional voluntary and targeted training offered throughout the year. Targeted training is designed to support the specific needs of particular divisions, departments, or focus areas. In recent years, special training topics have included GBV and SEA.

During the 2023–2024 period, ICA delivered targeted outreach workshops to staff in Saint Vincent Grenadines and Grenada on ethical issues related to conflicts of interest, GBV/SEA and SH. The recently launched Gender Equality Toolkit for Basic Needs Trust Fund addresses GBV/PSEAH in basic development projects and an e-course for contractors that covers these topics will be developed in mid 2026.

SEA is addressed for all staff through the annual accountability training, ensuring that baseline awareness and standards are communicated across the organization. In addition to this mandatory yearly training, more targeted sessions are delivered in specific countries where SEA risks may be more prevalent or contextually relevant. Furthermore, when appropriate, SEA-related discussions and capacity-building activities are incorporated into mission agendas, allowing teams to address the issue in a way that reflects the particular risks and operational realities of the country context. Training examples covering SEAH risks were provided on CAPSEAH standards, including survivor-centred approaches, reporting procedures, safe handling of allegations, or protection measures. Additional training examples were provided covering

SEAH-related requirements in the procurement of works. However, the number of staff reached with this training is unclear. The Bank also lacks a formal SEA curriculum, competency framework, and frequency and compliance rate requirements.

CDB's bidding documents require contractors for large works projects, including UKCIF projects, require minimum Codes of Conduct to be established among bidders. These Codes of Conduct include requirements that contractor personnel: (i) must not engage in any form of sexual harassment, sexual exploitation, sexual assault or sexual activity with minors; (ii) must attend all relevant training courses to be provided on SGBV. Contractors are also required to provide training to site staff and local communities on SGBV-related risks, impacts, grievance mechanisms and services, including counselling and referral services.

Element 4.7.5: The MO has clear standards and due diligence processes in place to ensure that its client investees and other relevant partners prevent and respond to SEA.

CDB has clear standards and due diligence processes in place to address SEA in operations, including provisions in standard bidding documents. However, follow-up on SEAH-related risks in implementation remains uneven.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

The Bank's overarching Strategic Framework for ICA provides a suite of ethics-related policies and procedures that apply to all staff and associated personnel, as well as borrowers, contractors, sub-contractors, consultants, vendors, suppliers, service providers, as well as entities involved in activities financed by the Bank.

At the operational level, the 2014 ESRP outline how CDB manages environmental and social risks across its operations. The ESRP standards provide staff, Borrowing Member Countries (BMCs), and other relevant partners with clear requirements, procedures, and accountabilities for identifying and managing these risks. While no specific references to SEA are included, the original ESRP sets out eight performance requirements, two of which — affected communities and vulnerable groups — are particularly relevant to safeguarding social well-being. The new ESRF identifies SEAH as an explicit consideration under its fourth performance standard, but these have not yet been approved. The procedures also acknowledge the potential adverse impacts of CDB operations on women and children, emphasizing the need to ensure that the views and preferences of vulnerable groups are heard and incorporated into project design and implementation.

Environmental and Social experts participate in the design of projects upstream, and support monitoring and supervision. Project status updates conducted either monthly or bi-weekly, depending on the project, include ESU personnel. In addition, project supervision missions include at least one ESU staff member to ensure that environmental and social issues are monitored and addressed.

CDB's bidding documents require contractors for large works projects, including UKCIF projects, require minimum Codes of Conduct to be established among bidders. These Codes of Conduct include requirements that contractor personnel: (i) must not engage in any form of sexual harassment, sexual exploitation, sexual assault or sexual activity with minors; (ii) must attend all relevant training courses to be provided on SGBV. Contractors are also required to provide training to site staff and local communities on SGBV-related risks, impacts, grievance mechanisms and services, including counselling and referral services. However, it is not clear how or whether compliance with these requirements is being monitored systematically.

Under Basic Needs Trust Fund, a new Toolkit addressing GBV/PSEA was launched in March 2026, following two virtual training sessions held in January 2025 for BNTF Implementing Agencies, particularly Community Liaison Officers, and National Gender Machineries. Additionally, two e-learning modules

addressing GBV in infrastructure and community development projects, and that include PSEA components, will be launched in the second quarter of 2026 and made available to BMCs.

Element 4.7.6: The MO can demonstrate its contribution to interagency efforts to prevent and respond to SEA in line with the Joint Statement on Continuous Advancement of Standards to Prevent Sexual Harassment, Abuse, and Exploitation.

CDB participates actively in joint forums promoting inter-agency efforts to respond to SEA.

CDB is rated **satisfactory** based on alignment to good practice.

CDB's contributions to interagency efforts to prevent and respond to SEA are demonstrated through its active participation in international forums and capacity-building initiatives focused on PSEAH.

The Strategic Framework for Integrity, Compliance and Accountability emphasises collaboration with other IFIs and development partners to advance international best practices and strengthen the effectiveness of CDB's ethics functions.

Over the past four years, CDB's ICA has actively participated in the Conference of International Investigators (CII), hosted multiple times by the United Nations. These conferences have included training sessions and discussions on addressing SH, the challenges faced by small investigative offices, and experience- and best-practice-sharing with heads of independent integrity offices from other international financial institutions (IFIs) on handling SEAH allegations. In addition, the ICA actively participates in the Independent Accountability Mechanisms Network (IAMnet) Outreach Working Group and has contributed virtually to its Annual Meetings, engaging in discussions on investigating SEA, managing multi-disciplinary cases, and strengthening accountability mechanisms across multilateral development banks. In October 2025, ICA co-hosted the IAMnet Annual Meeting in Barbados together with IFC, IDB among other IFIs. ICA is also a member of the Ethics Network of Multilateral Organizations (ENMO).

Beyond this, CDB is a signatory to the 2024 MDB Joint Statement to end Violence Against Women. Part of this statement includes a commitment to treat GBV as a cross-cutting risk in all projects and policies. The statement implicitly strengthens MDBs' commitment to address SEAH by identifying it as a core operational risk that must be managed systematically. The statement emphasises training, community awareness, safe grievance mechanisms and survivor-centred support.

Element 4.7.7: Actions taken by the MO on SEA allegations in operations are timely with their number, related non-identifying information and actions taken reported publicly.

ICA does not report separately on the number of SEA-related complaints in operations.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

As part of procurement documents for large works, contractors are required to report incidences of SEAH to CDB immediately. Otherwise, no clear escalation or reporting timelines are identified.

CDB's ICA produces an annual report that outlines the number of cases received, investigative actions undertaken, and the status of cases. To date, there have been no SEA allegations reported prior to 2024. As a result, the reports do not present SEA-specific case data or analysis.

Furthermore, the reporting format does not currently disaggregate SEA-related matters from other integrity, ethics, or accountability cases, which may limit transparency and the Bank's ability to demonstrate how SEA allegations would be tracked, addressed, and reported should they arise.

In addition, the report includes limited details on investigation outcomes beyond indicating whether cases are closed or ongoing, nor does it specify whether disciplinary or corrective actions were taken in cases

where potential SEA allegations were substantiated. In line with emerging PSEA transparency practices, the introduction of disaggregated reporting on SEA allegations —including non-identifying information on cases received and institutional responses — could strengthen accountability and preparedness.

Element 4.7.8: The MO promotes a survivor-centred approach to SEA in operations, with operations having a survivor support function in place (stand-alone or part of existing structures) in line with its exposure/risk of SEA.

There is no evidence that CDB has a formal, systematic approach to promoting a survivor-centred approach to SEA across its operations.

MI 4.8: The MO prevents and responds to sexual harassment (SH)

- Element 4.8.1: Organisation-specific dedicated policy statements and/or codes of conduct that address SH available, aligned to international standards and applicable to all categories of personnel.
- Element 4.8.2: The MO has mechanisms in place to regularly track the status of implementation of the policy on SH at HQ and at field levels.
- Element 4.8.3: The MO has clearly identifiable roles, structures and resources in place for implementing its policy/guidelines on SH at HQ and in the field, including support channel for survivors, a body coordinating the response, and clear responsibilities for following up with survivors.
- Element 4.8.4: All managers have undergone training on preventing and responding to SH, and all staff have been trained to set behavioural expectations across the organisation (including with respect to SH).
- Element 4.8.5: The MO makes multiple mechanisms available to seek advice, pursue informal resolution or formally report SH allegations.
- Element 4.8.6: The MO ensures that it acts in a timely manner on formal complaints of SH allegations.
- Element 4.8.7: The MO transparently reports the number and nature of actions taken in response to SH in annual reporting and shares information among peer organisations as appropriate.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 4.8	Satisfactory	2.57	
Element 4.8.1	Satisfactory	3	Medium
Element 4.8.2	Unsatisfactory	2	Medium
Element 4.8.3	Unsatisfactory	2	Medium
Element 4.8.4	Satisfactory	3	Medium
Element 4.8.5	Satisfactory	3	Medium
Element 4.8.6	Satisfactory	3	Medium
Element 4.8.7	Unsatisfactory	2	Medium

MI 4.8 Evidence documents

- Caribbean Development Bank (2009) "CDB Staff Code of Conduct," https://www.caribank.org/sites/default/files/publication-resources/CDB_Staff_CodeofConduct_Booklet_Dec2009.pdf
- Caribbean Development Bank (2015) "Integrity and Ethics Policy," <https://www.caribank.org/sites/default/files/publication-resources/Integrity-and-Ethics-Policy-BdAppr18.6.15.pdf>
- Caribbean Development Bank (2015) "Strategic Framework for Integrity, Compliance and Accountability," <https://www.caribank.org/about-us/policies-and-strategies/strategic-framework-integrity-compliance-and-accountability>
- Caribbean Development Bank (2015) "Whistleblower Policy," <https://www.caribank.org/about-us/policies-and-strategies/whistleblower-policy>
- Caribbean Development Bank (2019) "Gender Equality Policy and Operational Strategy," <https://www.caribank.org/about-us/policies-and-strategies/2019-gender-equality-policy-and-operational-strategy>
- Caribbean Development Bank (2021) "Office of Integrity, Compliance and Accountability Annual Report 2020," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2020>
- Caribbean Development Bank (2022) "Office of Integrity, Compliance and Accountability Annual Report 2021," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2021>
- Caribbean Development Bank (2023) "Office of Integrity, Compliance and Accountability Annual Report 2022," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2022>
- Caribbean Development Bank (2024) "Office of Integrity, Compliance and Accountability Annual Report 2023," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2023>
- Caribbean Development Bank (2024) "The Updated Gender Equality Action Plan 2025–2027 (Paper BD77/24 Add. 2)," (internal document)
- Caribbean Development Bank (2025) "Draft Environmental and Social Review Framework – for National Consultation," (internal document)

MI 4.8 Analysis

Element 4.8.1: Organisation-specific dedicated policy statements and/or codes of conduct that address SH available, aligned to international standards and applicable to all categories of personnel.

CDB has a clear policy framework, codes of conduct and staff requirements that address SH.

CDB is rated **satisfactory** based on alignment to good practice.

The Bank's Policy and Procedures on the Professional Working Environment is a CDB policy covering sexual harassment, harassment, abuse of authority and discrimination.

In addition, Institutional safeguards against sexual harassment (SH) are integrated within the Gender Equality Action Plan (GEAP), which is implemented under the 2019 Gender Equality Policy and Operational Strategy (GEPOS) through both internal and external action pillars.

Under GEAP's Pillar 7 (Internal Actions), the GEAP fosters a culture of safety and respect within the organization, led by senior management, through the development of a sexual harassment policy, training on respectful workplace behaviour, and accountability mechanisms. Under Action Pillar 1 (External Actions), the Bank supports Borrowing Member Countries in integrating gender-responsive safeguards into infrastructure projects, including the adoption of worker codes of conduct and sensitization initiatives on GBV, SEA, and SH.

The CDB's Code of Conduct strictly prohibits SH among members of staff and requires all employees to conduct the Bank's business in a professional manner. It forbids any unwelcome sexual advances, requests for sexual favours, or other verbal, non-verbal, or physical conduct of a sexual nature between staff members that interferes with work, conditions employment, or creates a hostile, intimidating, or offensive environment. Sexual harassment includes:

- Hostile or inappropriate remarks or conduct with sexual undertones directed by one or more staff members toward another;
- Persistent or repeated sexually suggestive behaviour that results in an intimidating or threatening workplace; and
- Intimidation or coercion by a staff member in a position of authority to obtain sexual favours from another staff member.

In 2025, CDB Introduced the "Procedures on the Professional Working Environment." This policy contains a clear definition of SH as "any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment."

The policy requires staff to: (i) behave in a manner that is, and promotes a working environment that is free from any form of Harassment, Sexual Harassment, Discrimination, or Abuse of Authority; (ii) be required to complete assigned Professional Working Environment training on

induction and on a yearly basis thereafter; (iii) be aware of the various options and internal channels available to them for reporting any Complaints they may have; (iv) promptly report to ICA violations of these Procedures that they witness or of which they become aware using the ICA reporting channels; and (v) respect confidentiality and due process and fully co-operate with any investigation conducted or disciplinary process required pursuant to these Procedures. Members of Staff and non-staff personnel, who believe in Good Faith to have witnessed a violation of these Procedures are required to promptly report such violations to their supervisors, the Director for Human Resources or the Director of ICA.

Managers are required to: (i) communicate these Procedures to all Staff under their supervision, and act as a resource for them when they believe that they are being subjected to, or have witnessed, a violation of these Procedures; (ii) take measures should they witness or be informed of any violation of these Procedures, including promptly addressing incidents of Harassment, Sexual Harassment, Discrimination and/or Abuse of Authority; and in dealing with such incidents, demonstrate fairness, confidentiality, impartiality, and without intimidation or favouritism; and (iii) inform the Director, HRA, as soon as a Complaint alleging violation of these Procedures is brought to their attention.

Element 4.8.2: The MO has mechanisms in place to regularly track the status of implementation of the policy on SH at HQ and at field levels.

There is no specific institutional reporting framework to track implementation of the policy framework addressing SH beyond general ICA reporting. A case management system exists for complaints, but there is no evidence of dedicated resources or tools.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

There are no SH-specific indicators, dashboards, monitoring tools, compliance reporting, or progress reviews to track the implementation of the Procedures on the Professional Working Environment.

Oversight occurs only through general integrity and compliance systems, such as the implementation of the ICA Strategic Framework overseen by the Board of Directors through its Oversight Committee, which do not separately monitor SH prevention, SH responses, or the effectiveness of SH-related workplace measures.

There is no evidence of field-level reporting, no tracking of SH complaints or follow-up actions distinct from other misconduct, and no documentation of periodic assessments of SH-related risks.

There is no evidence of a specific focal point or expert within ICA who addresses and coordinates support for instances of SH. ICA implements a case management system called Navex to intake and triage reported cases.

Element 4.8.3: The MO has clearly identifiable roles, structures and resources in place for implementing its policy/guidelines on SH at HQ and in the field, including support channel for survivors, a body coordinating the response, and clear responsibilities for following up with survivors.

While there are specific departments tasked with addressing SH-related issues, there is currently no specific resources tasked to coordinate responses to incidents of SH. CDB is currently strengthening its ethics capacities on matters related to informal resolution of workplace conflicts.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

At the institutional level, the following key CDB departments and units are involved in SH prevention and response:

- The Department of Human Resources is responsible for ensuring that survivors receive appropriate support and services, and that appropriate disciplinary action is taken against individuals found responsible for sexual misconduct.
- CDB's ICA oversees ethics-related matters and provides a comprehensive approach to addressing SEAH cases through its structure, which includes both Integrity and Accountability functions among its five core areas. ICA is responsible for delivering training on sexual misconduct to staff, as well as receiving and investigating SEAH allegations.

Within HRD and ICA, there is currently no specific resource tasked with the coordination and response to claims of sexual harassment.

ICA also manages the Bank's Whistleblower System, some which are directly linked to ICA's case management system. The unit is also tasked with ensuring that complainants and whistle-blowers involved in SEAH cases are protected from retaliation. A key feature is ICA's ability to recommend the implementation of Whistleblower protections directly to the President of CDB.

Of note, ICA does not currently have a separate ethics function to support the provision of informal advice and assist staff facing a potential workplace issue before it becomes a code of conduct/harassment issue. The absence of such a function may play a role in under-reporting of sexual harassment complaints demonstrated in the 2024 Staff Wellness Survey (See MI 3.4). However, since late 2025, CDBs ICA is designating workplace conflict resolution mediators who can support informal conflict management across the organization. Staff members from different offices are being identified for this role and will receive training to perform this role.

In addition, ICA is also recruiting an Ethics Officer to provide advisory and prevention-related functions, including on SH matters. The role is intended to maintain appropriate firewalls with investigative functions,

ensuring that investigations can be conducted independently by other designated officers within the OICA where required.

In supporting survivors, ICA applies the CEB's "Advancing a Common Understanding of a Victim-Centred Approach to Sexual Harassment." These include: (i) offering the victim/survivor assistance to promote their well-being and support them to move forward; (ii) referring the victim/survivor to competent and accessible support services including medical, psychological, socio-economic support, and legal services; (iii) Communicating clearly and promptly, the status, progress and outcomes of actions or processes that concern the victim/survivor to the extent possible so that the victim/survivor understands the actions taken and those to be taken; and (iv) Follow up with the victim/survivor as to whether their work may have been adversely affected by the offender/ alleged offender's actions.

Element 4.8.4: All managers have undergone training on preventing and responding to SH, and all staff have been trained to set behavioural expectations across the organisation (including with respect to SH).

Annual mandatory SH prevention training has been identified; however, lack of data on overall compliance across the institution has not been systematically tracked.

CDB is rated **satisfactory** based on alignment to good practice.

Under the Strategic Framework for Integrity, Compliance, and Accountability, CDB commits to providing staff with appropriate information and continuous training to directors and staff to promote and strengthen a culture of Integrity, Ethics, Compliance, and Accountability across all operations.

Each year, all staff members are required to attend at least one of three mandatory training sessions conducted by CBD's ICA, one of which covers sexual harassment. This requirement is reinforced in the Human Resources Policy on the Professional Working Environment. Compliance has been more systematically tracked since 2025, with 95% of staff trained on the Procedures on the Professional Working Environment late that year.

Element 4.8.5: The MO makes multiple mechanisms available to seek advice, pursue informal resolution or formally report SH allegations.

CDB has clear channels for reporting SH across the organisation, including provision for confidential reporting.

CDB is rated **satisfactory** based on gaps in alignment to good practice.

CDB has a clear policy framework for the protection of whistleblowers, including preventing access of potential respondents to office premises and electronic equipment. CDB's ICA manages the Bank's Whistleblower System, which provides six reporting channels — a globally accessible hotline that allows collect calls, a globally accessible online webform (both linked directly to ICA's case management system), email, telephone, mail, and in-person office visits — ensuring multiple safe and confidential avenues for reporting.

In addition, ICA is tasked with ensuring that complainants and whistleblowers involved in SEAH cases are protected from retaliation, reinforcing the Bank's commitment to integrity, accountability, and a safe and ethical working environment. The Head of ICA may make a direct recommendation to the President for implementation of whistleblower actions. Upon receiving a complaint, the Office acknowledges receipt and conducts an initial assessment to determine whether the matter falls within its ethics or integrity mandate. Where warranted, a formal investigation is launched.

Element 4.8.6: The MO ensures that it acts in a timely manner on formal complaints of SH allegations.

There are no standard timeframes for the resolution of SH cases. The majority of cases are reported to be resolved within 6 months. ‘

Despite having no specific timeline to resolve SEAH cases, CDB is rated **satisfactory** based on its track record of case resolution.

CDB's ICA structure encompasses both Integrity and Accountability Offices among its five core functions, enabling a comprehensive approach to addressing SH-related cases. It is responsible for receiving and investigating SEAH allegations. The unit is also tasked with ensuring that complainants and whistle-blowers involved in SEAH cases are protected from retaliation.

Of note, ICA's Strategic Framework nor its Investigations Procedures identify clear timelines for the resolution of complaints. Details on case resolution timeframes are also not provided in ICA's annual reports. Stakeholders report that most misconduct cases and investigations are concluded within 6 months.

If a violation is substantiated, the Office submits its findings and recommends sanctions to the Sanctions Office and informs the Office of Ethics and Compliance (OEC) Board. Efforts are made to resolve cases within the same year, ensuring that the process remains survivor centred.

Element 4.8.7: The MO transparently reports the number and nature of actions taken in response to SH in annual reporting and shares information among peer organisations as appropriate.

Limited disaggregation of SH cases and actions taken is presented in ICA annual reports.

CDB is rated **unsatisfactory** based on gaps in alignment to good practice.

CDB's ICA produces an annual report that outlines the number of cases received, investigative actions undertaken, and the status of cases. These reports are presented to CDB's Board Audit Committee.

However, the data presented does not disaggregate cases specifically related to SH, which limits the ability to assess the timeliness and effectiveness of the Bank's response to such allegations. In addition, the report does not provide details on investigation outcomes beyond indicating whether cases are closed or ongoing, nor does it specify whether disciplinary or corrective actions were taken in cases where potential SH allegations were substantiated.

RELATIONSHIP MANAGEMENT

Engaging in inclusive partnerships to support relevance, leverage effective solutions and maximise results.

KPI 5: Operational planning and intervention design tools support relevance and agility in partnerships

Ratings

KPI / MI	Rating	Score
KPI 5	Satisfactory	2.58
MI 5.1	Satisfactory	3.50
MI 5.2	Satisfactory	2.67
MI 5.3	Satisfactory	2.60
MI 5.4	Satisfactory	2.60

MI 5.5	Unsatisfactory	2.50
MI 5.6	Unsatisfactory	2.00
MI 5.7	Unsatisfactory	2.25

MI 5.1: Interventions/ strategies aligned with needs of beneficiaries and regional/ country priorities and intended national/ regional results

- Element 5.1.1. Organisation's country or regional strategies refer to national/regional body strategies or objectives
- Element 5.1.2. Reviewed interventions/strategies refer to the needs of beneficiaries, including vulnerable populations and/or opportunities to achieve market impacts and promote an investment enabling environment.
- Element 5.1.3. Organisation's country strategies or regional strategies link the targeted results to national or regional goals
- Element 5.1.4. Structures and incentives in place for technical staff that allow them to invest time and effort in alignment process.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.1	Satisfactory	3.50	
Element 5.1.1	Highly Satisfactory	4	Medium
Element 5.1.2	Highly Satisfactory	4	Medium
Element 5.1.3	Satisfactory	3	Medium
Element 5.1.4	Satisfactory	3	Medium

MI 5.1 Evidence Documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024,"
<https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"
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- Caribbean Development Bank (2023) "Country Engagement Strategy 2023–2025: Guyana," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-guyana-2023-25>
- Caribbean Development Bank (2023) "Country Engagement Strategy 2023–2025: Haiti," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-haiti-2023-25>
- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/jamaica-cspe-2014-2-2016-and-2017-2021
- Caribbean Development Bank (2023) "Private Sector Strategy 2023–2028," https://www.caribank.org/sites/default/files/publication-resources/CDB_Private%20Sector%20Strategy%202023-2028.pdf
- Caribbean Development Bank (2024) "Country Engagement Strategy 2024–2030: Suriname," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22

MI 5.1 Analysis

Element 5.1.1. Organisation's country or regional strategies refer to national/regional body strategies or objectives.

CDB's Country Engagement Strategies explicitly consider and align to national and regional priorities, strategies and objectives.

CDB is rated highly **satisfactory** based on alignment with best practice.

The 2014 OPPM specifies that CDB's country strategies are not standalone documents—they must be firmly anchored in the development priorities of the BMC and, where relevant, regional frameworks.

Country Strategy Papers (CSPs, now called Country Engagement Strategies, CESs) are expected to demonstrate alignment with national development plans, sector strategies, and policy objectives. This alignment ensures that CDB's interventions complement existing government priorities rather than operate in isolation. The Manual also emphasizes that CSPs should articulate how proposed outcomes and resource allocations support these national goals, while integrating cross-cutting themes such as poverty reduction, gender equality, and environmental sustainability.

For regional considerations, the OPPM notes that CDB operates within a broader aid architecture that includes other multilateral and bilateral partners. As such, CSPs should reflect coordination with regional bodies and harmonization with regional strategies, particularly in areas like regional integration, disaster risk management, and governance. This approach helps avoid duplication, leverages partnerships, and reinforces CDB's comparative advantage in the Caribbean development context. In short, the Manual positions CSPs as strategic instruments that link CDB's resources and expertise to the priorities already established by national and regional authorities, ensuring coherence and development effectiveness.

A systematic review of a sample of recent CESs indicate that CESs refer national development frameworks while integrating regional and global objectives:

- The Belize Country Engagement Strategy 2022–26 sets out CDB's strategic direction for collaboration with Belize, aligning closely with the country's Horizon 2030 Framework, the Growth and Sustainable Development Strategy (GSDS), and its forthcoming Medium-Term Development Strategy (MTDS). It also references Belize's National Digital Agenda, Climate Finance Strategy, and National Climate Change Policy. At the regional and global level, the strategy incorporates the Sustainable Development Goals (SDGs), the Paris Agreement, and CDB's Strategic Plan Update (SPU) 2022–2024, as well as the operational themes under the tenth replenishment of the Special Development Fund (SDF-10).
- The Grenada Country Engagement Strategy 2022–26 is anchored in the National Sustainable Development Plan (NSDP) 2020–2035 and the Medium-Term Action Plan (MTAP) 2022–24, alongside the National Adaptation Plan and Disaster Resilience Strategy. It emphasizes Grenada's commitment to sustainable, resilient, and inclusive growth and integrates regional and global frameworks such as the SDGs, CARICOM's Comprehensive Disaster Management Strategy, and the Paris Agreement. The CES also aligns with CDB's SPU 2022–2024 and SDF-10 priorities, focusing on climate resilience, social protection, and economic competitiveness.
- The Saint Vincent and the Grenadines Country Engagement Strategy 2022–26 draws on the National Economic and Social Development Plan (NESDP) 2013–2025 and the National Climate Change Policy, as well as the country's Disaster Risk Management Country Work Programme. It supports SVG's overarching goals of re-engineering economic growth, enhancing human and social development, and preserving environmental sustainability. The strategy is aligned with the SDGs, CARICOM's Liliendaal Declaration on Climate Change, the Paris Agreement, and CDB's SPU and SDF-10 themes.
- The Haiti Country Engagement Strategy 2023–25 is guided by Haiti's Strategic Development Plan (PSDH), the Post-COVID Economic Recovery Plan (PREPOC), and the Southern Peninsula Integrated Recovery Plan (PRIPS). It integrates global and regional objectives, including the SDGs, CDB's SPU 2022–2024, and SDF-10, while emphasizing disaster risk management and climate resilience.
- The Guyana Country Engagement Strategy 2023–25 is anchored in the Low-Carbon Development Strategy (LCDS) 2030 and related national climate and energy policies. It aligns with the SDGs, CARICOM resilience frameworks, and CDB's SPU and SDF-10 priorities, focusing on clean energy, climate resilience, and inclusive growth.
- The Suriname Country Engagement Strategy 2024–30 builds on the Multi-Annual Development Plan (MADP) 2022–2026, Vision 2050, and the National Adaptation Plan. It incorporates regional

and global frameworks such as the SDGs, Green Climate Fund mechanisms, and CDB's corporate priorities for resilience and inclusive development.

Recent Country Strategy and Programme Evaluations confirm that CDB CESs refer and align to national objectives:

- Bahamas – Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response (2024): The CES was aligned with the National Development Plan (NDP) and references the Sustainable Development Goals (SDGs). Country-led, outcome-focused approach ensures relevance to national priorities and flexibility for shocks (e.g., hurricanes, COVID-19).
- Barbados – Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response (2020): CSP was aligned with Barbados' national development priorities and sector strategies, including fiscal sustainability, social protection, and climate resilience. The CES shows strong coherence with regional frameworks such as CARICOM's development agenda.
- Belize – Country Strategy and Programme Evaluation – Belize: Final Report with Management Response (2022): CSP was aligned with Belize's Growth and Sustainable Development Strategy (GSDS) and sectoral plans. The evaluation confirmed relevance to governance, infrastructure, and social development; noted harmonization with other development partners.
- Jamaica – Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response (2023): CSPs (2014–16 and 2017–21) were mapped to Vision 2030 Jamaica and Medium-Term Socio-Economic Policy Frameworks (MTFs). The CES covered 11 of 15 Vision 2030 national outcomes; CES developed through consultations with GOJ and stakeholders.
- Suriname – Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response (2021): CSP was aligned with Suriname's National Development Plan (2012–16) and its four pillars: economic, social, environmental sustainability, and governance.

Element 5.1.2. Reviewed interventions/strategies refer to the needs of beneficiaries, including vulnerable populations and/or opportunities to achieve market impacts and promote an investment enabling environment.

CDBs Strategic Plans, Sector Strategies, CES and operations all explicitly consider the needs of beneficiaries, particularly vulnerable beneficiaries in their design.

CDB is rated **highly satisfactory** based on alignment with best practice.

CDB Strategic Plans and Strategies:

Both the CDB Strategic Plan 2020–2024 and the Strategic Plan Update 2022–2024 explicitly address the needs of beneficiaries, including vulnerable populations, while also identifying opportunities to achieve market impacts and promote an investment-enabling environment. Among sector strategies, CDB's Private Sector Strategy (PSS) has a particularly strong emphasis on promoting an enabling environment to enhance investment.

The 2020–2024 Plan emphasizes inclusive development and resilience building across social, economic, and environmental dimensions. It prioritizes interventions that tackle poverty, gender disparities, and inequality, while improving access to education, health, and social protection for groups such as women, youth, and persons with disabilities. The Plan also underscores the importance of creating an enabling environment for private sector development, particularly through reforms to improve the ease of doing business, expand access to finance for MSMEs, and support innovation and competitiveness. These measures aim to reduce structural barriers and foster economic diversification, thereby promoting market impacts and sustainable growth.

The 2022–2024 Update builds on these priorities in the context of COVID-19 recovery, highlighting the disproportionate impact of the pandemic on vulnerable groups and the urgent need for adaptive social protection systems. It proposes scaling up gender-responsive and socially inclusive interventions, including cash transfers, health insurance, and early childhood development services. At the same time, the Update reinforces the role of private sector development as a driver of resilience, focusing on legal and regulatory reforms, digital transformation, and partnerships to crowd in private investment. By combining targeted support for vulnerable populations with strategies to strengthen entrepreneurial ecosystems and financial markets, the Update positions the Bank to advance both equity and competitiveness in the region.

The CDB Private Sector Strategy (PSS) 2023–2028 is designed to strengthen private sector ecosystems in BMCs to foster dynamic, competitive, and high-growth firms that can drive economic resilience and sustainable development. Central to this approach is creating an investment-enabling environment through legal and regulatory reforms that improve the ease of doing business, reduce transaction costs, and enhance operational efficiency. The strategy emphasizes addressing persistent ecosystem constraints—such as slow implementation of business climate reforms and underdeveloped capital markets—while promoting innovation, digitalization, gender equality, and climate resilience as cross-cutting themes. These interventions aim to unlock opportunities for firms to scale, diversify exports, and participate in regional and global value chains.

To achieve market impact, the PSS adopts a multi-pronged approach focused on three strategic priorities: improving the enabling environment, promoting access to finance, and advancing enterprise development. This includes introducing new financial instruments, expanding direct lending to private firms, and building capacity among MSMEs, financial institutions, and business support organizations. Resource mobilization is framed as a co-creation of markets, leveraging partnerships with private investors and development partners through blended finance, equity, guarantees, and syndication. By combining ecosystem reforms with innovative financing and capacity-building, the strategy seeks to catalyse private sector transformation from project beneficiary to development partner, ultimately driving inclusive growth and resilience across the Caribbean.

CES and interventions:

CDB's OPPM provides clear direction to staff to explicitly consider and identify the impact of CDB's CES and operations on the needs of vulnerable beneficiaries. In the case of PBOs, project teams are required to identify measures to avoid unintentional impacts on vulnerable populations. Review processes consider the extent to which impacts for vulnerable populations are clearly identified.

A review of recent CESs indicates that CDB integrates targeted interventions for vulnerable populations—such as education access, gender equality, and social protection—with strategies to improve market conditions, foster private sector development, and build an investment-friendly environment:

- The Belize Country Engagement Strategy 2022–26 emphasizes support for children with diverse learning needs and vulnerable groups through initiatives such as school feeding programmes, expanded access to digital devices, and gender-responsive early childhood education policies. It also promotes economic empowerment for vulnerable populations by improving access to high-quality Technical and Vocational Education and Training (TVET) and scholarships. Additionally, the CES includes measures to enhance private sector productivity, particularly for women- and youth-owned micro, small, and medium-sized enterprises (MSMEs), by addressing operational constraints and improving access to finance and markets.
- The Saint Vincent and the Grenadines Country Engagement Strategy 2022–26 addresses social vulnerabilities exacerbated by recent shocks, such as the COVID-19 pandemic and volcanic eruption, by prioritizing human capital development, gender equality, and social protection. It focuses on closing skills gaps through demand-driven TVET and digital economy skills, which are critical for improving employment opportunities and labour market resilience. These interventions aim to reduce poverty and inequality while fostering inclusive growth.

- Similarly, the Grenada Country Engagement Strategy 2022–26 highlights the importance of strengthening social protection systems to support vulnerable groups, including women, youth, and persons with disabilities. It also seeks to enhance MSME resilience and competitiveness through training in innovation and improved production processes, as well as trade facilitation measures like implementing an Electronic Single Window to simplify customs procedures. These actions are designed to create a more competitive business environment and enable MSMEs to participate in regional and global value chains.

Recent CSPEs confirm that strategies were designed to address beneficiary needs, including vulnerable populations (e.g., rural communities, women, youth, persons with disabilities), promote inclusive social development and gender equity; support market impacts and investment-enabling environments through competitiveness, private-sector development, and governance reforms. For example,

- Bahamas – Country Strategy and Programme Evaluation (2024): The evaluation indicates that the CSP design explicitly considered social inclusion and gender equity, aiming to address disparities such as boys’ underperformance in education and broader gender issues. Vulnerable rural communities were prioritized in water supply interventions, though sustainability was challenged by affordability and reliance on subsidies. The evaluation also assessed how interventions strengthened national systems and private-sector capacity, including financial management and procurement systems, which are critical for an investment-enabling environment.
- Barbados – Country Strategy and Programme Evaluation (2020): The CSPE indicates that the CSP focused on social protection and climate resilience, targeting vulnerable groups affected by fiscal adjustment and disaster risks. It also aimed to improve the business environment and competitiveness through governance reforms and infrastructure investments, supporting market impacts and private-sector participation.
- Belize – Country Strategy and Programme Evaluation (2022): The CSPE indicates that The CSP was framed around inclusive social and economic development, with interventions to reduce poverty and vulnerability, improve education, and strengthen governance. It emphasized competitiveness and productivity, aligning with Belize’s Growth and Sustainable Development Strategy, and included measures to foster an enabling environment for investment and private-sector growth.
- Jamaica – Country Strategy and Programme Evaluation (2023): The CSPE indicates that The CSPs examined included outcomes such as “Increase access to tertiary education by qualified students from poor and vulnerable households” and “Upgrade and enhance the quality and access to tertiary education”, directly addressing beneficiary needs. The strategy also supported Jamaica’s business environment through an industrial line of credit for SMEs, aiming to stimulate private-sector development and competitiveness.
- Suriname – Country Strategy and Programme Evaluation (2021): The CSP identified gender equality and social vulnerability as cross-cutting issues, highlighting concerns such as teen pregnancy, gender-based violence, and challenges faced by indigenous and Maroon communities. It also targeted economic diversification and private-sector development, aiming to improve competitiveness and create an enabling environment for investment, though uptake was limited.

Element 5.1.3. Organisation’s country strategies or regional strategies link the targeted results to national or regional goals.

As required by CDB’s OPPM, CES and operations consistently link targeted results to national and regional goals.

CDB is rated **satisfactory** based on alignment with best practice.

CDB's OPPM explicitly requires that CSPs/CESs link targeted results to national and regional goals. CSPs/CESs are described as the main instrument for establishing relevance, responsiveness, and results-orientation, and they must demonstrate consistency between the objectives of the country strategy and the country's development priorities. This includes:

- Alignment with national priorities and sector development goals: CSP/CES objectives should be clearly measurable and connected to the country's poverty reduction and development strategies.
- Linkage of expected outcomes to sector goals: The manual specifies that CSPs/CES must show how proposed interventions contribute to sector and national objectives.
- Integration of cross-cutting themes: Development objectives should also reflect CDB's policies on poverty, gender, institutional capacity, environmental sustainability, and social development.
- Regional considerations: Where relevant, CSPs/CESs should incorporate regional strategies and priorities, ensuring coherence with broader Caribbean development frameworks

A review of a sample of recent CES's Results Frameworks show that CDB links its targeted results to national development priorities and regional/global objectives:

- Belize CES 2022–26 aligns its outcomes—such as improved education access, strengthened social protection, and climate-resilient infrastructure—with Belize's Horizon 2030 Framework and forthcoming Medium-Term Development Strategy. These national goals are tied to SDG targets and regional priorities like CARICOM's climate resilience agenda.
- Grenada CES 2022–26 connects its results (e.g., modern climate-resilient infrastructure, enhanced MSME viability, and improved education quality) to the National Sustainable Development Plan 2020–2035 and Medium-Term Action Plan 2022–24, which themselves are mapped to the SDGs and regional disaster resilience frameworks.
- Saint Vincent and the Grenadines CES 2022–26 links its five outcomes—including strengthening human capital and enhancing climate resilience—to the NESDP 2013–2025 and regional frameworks such as CARICOM's Comprehensive Disaster Management Strategy.
- Haiti CES 2023–25 ties its interventions to the Strategic Development Plan (PSDH) and recovery plans, while embedding regional disaster risk management strategies and global commitments like the SDGs.
- Guyana CES 2023–25 aligns its targeted results with the Low-Carbon Development Strategy (LCDS) 2030 and regional climate resilience frameworks, ensuring coherence with CARICOM and global sustainability goals.
- Suriname CES 2024–30 connects its outcomes to the Multi-Annual Development Plan (MADP) 2022–2026 and Vision 2050, while integrating regional climate finance mechanisms and SDG target

Recent CSPE's confirm the linkage between targeted results and national or regional goals in CESs:

- The Bahamas CSPE confirms that the country strategy was explicitly aligned with the Bahamas' National Development Plan (NDP) and mapped to its core pillars of governance, economy, environment, and human capital. Targeted results were designed to advance NDP priorities such as fiscal resilience, disaster preparedness, and education reform. In addition, the strategy demonstrated coherence with regional and global frameworks, including the Sustainable Development Goals (SDGs), ensuring that the outcomes supported both national objectives and broader international commitments.
- The Barbados CSPE shows that the country strategy linked its targeted results to national development priorities, focusing on fiscal sustainability, social protection, and climate resilience. The evaluation highlights that these results were not only relevant to Barbados' domestic goals but also aligned with regional frameworks, particularly CARICOM's development agenda. This

alignment ensured that the strategy contributed to both national recovery and resilience objectives and regional integration efforts.

- The Jamaica CSPE demonstrates that both CSPs (2014–16 and 2017–21) were explicitly linked to Vision 2030 Jamaica and the Medium-Term Socio-Economic Policy Frameworks. Targeted results supported national goals such as improved governance, competitiveness, and environmental sustainability, and were aligned with sector plans to ensure coherence. The evaluation confirms that this alignment strengthened the relevance of the strategy and its contribution to Jamaica's long-term development objectives.

Element 5.1.4. Structures and incentives in place for technical staff that allow them to invest time and effort in alignment process.

Whereas alignment with national priorities is a key consideration for CES and projects, weak engagement throughout CES periods are a potential barrier to ensuring alignment.

CDB is rated **highly satisfactory** based on alignment with best practice.

The OPPM outlines structures and incentives for staff to promote the alignment of strategies and operations with national priorities. The manual allows for grants and loans to finance pre-investment activities such as surveys, feasibility studies, and institutional strengthening. This provides resources for technical staff to access training and advisory support, reducing the burden on internal capacity and enabling deeper engagement in strategy development. Guidance and templates supporting the design of operations identify alignment with national priorities as a key consideration in the review and approval of operations.

The MfDR Corporate Process Review (2015–2020) highlighted incremental improvements in CDB's results architecture, including the introduction of MfDR Action Plans and corporate results frameworks, but noted persistent gaps in institutionalizing these practices. In particular, project-level results frameworks rarely referenced country or sector outcomes, and linkages across levels remained weak. Incentives for staff to prioritize results were limited; performance agreements emphasized disbursement and approvals rather than development outcomes, and training on MfDR was ad hoc. The report recommended reinforcing senior management messaging, integrating MfDR into performance management, and introducing formal and informal incentives to foster a stronger results culture and ensure systematic alignment with national and regional goals.

Recent CPSEs highlight some gaps and challenges in this area, particularly with respect to staff investment in engagement and coordination with BMCs to promote alignment with national priorities over time. The Barbados CSPE emphasizes the importance of coherence and coordination but points out that engagement was limited. The Belize CSPE Recommends improving coordination and engagement models. The Jamaica CSPE highlights weak engagement and burdensome processes as barriers to alignment. The Suriname CSPE recommends more systematic coordination.

MI 5.2: Contextual/ situational analysis (shared where possible) applied to shape the intervention designs and implementation.

- Element 5.2.1: Intervention designs contain a clear statement that positions the intervention within the operating context.
- Element 5.2.2: Reflection points with partners take note of any significant changes in context.
- Element 5.2.3: The MO has financing mechanisms, including restructurings, and targeted programs available, when appropriate, to mitigate the impact of external shocks and crises that harm existing investments.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.2	Satisfactory	2.67	
Element 5.2.1	Satisfactory	3	Medium
Element 5.2.2	Unsatisfactory	2	Medium
Element 5.2.3	Satisfactory	3	Medium

MI 5.2 Evidence Documents

- Caribbean Development Bank (2013) "Policy Paper: A Framework for Policy-Based Operations – Revised (Corrigendum) (Paper BD 72/05 Add. 6 Corr. 2)," (internal document)
- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"
<https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2020) "Disaster Management Strategy and Operational Guidelines 2021 (DiMSOG)," <https://www.caribank.org/sites/default/files/publication-resources/DiMSOG%202021%20FINAL%20redacted.pdf>
- Caribbean Development Bank (2021) "Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"
https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) "A Framework for Policy-Based Operations – Revision of Framework and Extension of Temporary Increase in Limit (Paper BD 72/05 Add. 10)," (internal document)
- Caribbean Development Bank (2022) "Country Engagement Strategy 2022–2026: Belize,"
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- Caribbean Development Bank (2022) "Policy-Based Operations: Strategy 2022–2026 (Paper BD 68/22)," (internal document)
- Caribbean Development Bank (2022) "St. Lucia: Mid-Term Review of the 2022–26 Country Engagement Strategy," (internal document)
- Caribbean Development Bank (2023) "Country Engagement Strategy 2023–2025: Guyana,"
<https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-guyana-2023-25>

- Caribbean Development Bank (2023) "Country Engagement Strategy 2023–2025: Haiti," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-haiti-2023-25>
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- Caribbean Development Bank (2023) "Dominica: Mid-Term Review of the 2022–26 Country Engagement Strategy," (internal document)
- Caribbean Development Bank (2024) "Country Engagement Strategy 2024–2030: Suriname," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2025) "Belize: Mid-Term Review of the 2022–26 Country Engagement Strategy," (internal document)
- Caribbean Development Bank (2025) "Examination of the Implementation Conditions and Development Solutions in CDB's Borrowing Member Countries: Interim Workshops Report," (internal document)
- Caribbean Development Bank (2025) "St. Vincent and the Grenadines: Mid-Term Review of the 2022–26 Country Engagement Strategy," (internal document)
- Caribbean Development Bank (2026) "Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2025," (internal document)
- Caribbean Development Bank (2026) "Guyana: Mid-Term Review of the 2022–26 Country Engagement Strategy," (internal document)

MI 5.2 Analysis

Element 5.2.1: Intervention designs contain a clear statement that positions the intervention within the operating context.

CDB's CES and operations typically draw upon analyses such as Country Poverty Assessments to help position interventions within the operating context.

CDB is rated **satisfactory** based on alignment with good practice.

Country Poverty Assessment:

CDB's OPPM identifies the OPPM as part of its economic and sector work assessing the current conditions affecting the welfare of people. These analyses identify policies, strategies, action programmes and projects that contribute to reducing the extent and severity of poverty in BMCs. CPAs usually involve four core elements: (i) an assessment of the macro-social and economic environment; (ii) institutional analyses; (iii) a national survey of living conditions (SLC); and (iv) a Participatory Poverty Assessment (PPA). CDB also conducts a poverty and social impact analysis of policies and programmes to help identify optimal allocation of public expenditure. The CPA is intended to inform the development of the CES and well as investment and technical assistance operations in countries.

In 2025, CDB concluded an enhanced Country Poverty Assessment (eCPA) covering nine English-speaking OECS states (Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Anguilla and the British Virgin Islands. This support strengthened

BMCs capacity in multidimensional poverty analysis and enabled the development of multidimensional poverty indicators to complement monetary poverty indicators. CDB also supported Belize and Jamaica under the programme with current support to Barbados, Trinidad and Tobago and Turks and Caicos Islands scheduled to conclude in 2026. Beyond the CPA, CDB produces biennial Country Economic Reviews.

Country Engagement Strategies

The OPPM requires that each CSP/CES include a clear statement positioning the intervention within its operating context in order to establish relevance, responsiveness, and results-orientation. The document must explain the country-specific development context, the rationale for selecting CDB assistance, and how the proposed interventions fit within national priorities and sectoral frameworks. It should also outline links to other development partners, implementation arrangements, and monitoring and evaluation criteria. In addition, the CSP/CES must articulate the economic rationale for each intervention and demonstrate how it responds to the macroeconomic and sector context of the borrowing member country.

A reviewed sample of CESs each contain statements that positions the strategy within the country's operating context. These statements typically appear in the Executive Summary and the Country Context sections and explain the socioeconomic conditions, recent shocks, and structural challenges that shape the strategy's design. For example:

- Belize CES 2022–26 opens by noting Belize's sluggish growth, the severe impact of COVID-19 on tourism and agriculture, and fiscal constraints. It positions the strategy as a response to these vulnerabilities while supporting the Government's Medium-Term Development Strategy and Horizon 2030 vision.
- Grenada CES 2022–26 situates its approach within the context of Grenada's recovery from the pandemic, its high exposure to climate risks, and fiscal limitations. It emphasizes the need for resilience-building and alignment with the National Sustainable Development Plan and Medium-Term Action Plan.
- Saint Vincent and the Grenadines CES 2022–26 highlights the dual shocks of COVID-19 and the La Soufrière volcanic eruption, framing the strategy as critical for sustaining recovery and addressing structural vulnerabilities while advancing NESDP goals.
- Haiti CES 2023–25 references the compounded effects of natural disasters, political instability, and the pandemic, positioning the CES as a mechanism to support recovery and resilience in line with Haiti's Strategic Development Plan.
- Guyana CES 2023–25 anchors its interventions in the context of rapid economic transformation driven by oil revenues, while emphasizing inclusive growth and climate resilience under the Low-Carbon Development Strategy.
- Suriname CES 2024–30 frames its strategy around Suriname's fiscal challenges, climate vulnerability, and long-term development vision, aligning with the Multi-Annual Development Plan and Vision 2050.

All five recent CSPEs (Bahamas, Barbados, Belize, Jamaica, Suriname) confirm that country strategies include statements that position interventions within the operating context—typically referencing macroeconomic conditions, social vulnerabilities, climate risks, and institutional capacity. However, the evaluations often note that while context is described, adaptation during implementation was sometimes limited.

Operations

The OPPM requires that projects include a clear statement positioning the intervention within its operating context. In the Project Appraisal and Completion Reporting sections, it specifies that the documentation must contain a succinct account of the macroeconomic and sector context at the time of design, along with

the rationale for the intervention. This includes outlining key policy, institutional, legal, and regulatory issues that shaped the project's design and explaining how these factors influenced the objectives and components. This contextual statement is considered essential for assessing relevance, quality at entry, and later evaluating sustainability and effectiveness.

CDB's OP365 work instructions require that intervention designs be positioned within their operating context. This is achieved through mandatory steps such as developing a Theory of Change that maps the causal pathway from activities to outcomes and identifies assumptions and risk and confirming alignment with national and sector priorities. Additionally, the Engagement Model presented to clients must include a clear description of the project rationale, gaps, and critical path milestones, reinforcing the contextual basis for design and implementation.

A systematic review of 20 PCRVs indicated that, although most project designs are grounded in an analysis of context, the depth of analysis varied considerably across projects. The strongest projects were based on comprehensive diagnostics and drew upon the CDB's Country Poverty Assessment, whereas weaker projects drew upon general sector-level diagnostics but provided more limited analysis.

Element 5.2.2: Reflection points with partners take note of any significant changes in context.

The available evidence suggests that CDB is not agile in adjusting CES and operations to respond to changes in context.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

Country Engagement Strategies

The operations manual requires that reviews and reporting processes, such as Country Strategy and Portfolio Reviews (CSPRs), take account of changes in context. CSPRs include analysis of the country's approach, sector constraints, and linkages to the Country Strategy, which implies revisiting assumptions if the operating environment has shifted. Lessons learned and action plans derived from these reviews are expected to reflect updated realities, including externalities and institutional factors that affect sustainability.

There is evidence that CDB is systematically implementing Mid-Term Reviews of CES. These MTRs consider changes in country context, including economic, social and development indicators. They also consider the ongoing relevance of the CES pillars and thematic areas, implementation progress for projects and emerging lessons. It is not clear that this MTR is prepared jointly with BMC governments or with partners. Each MTR identifies a section that identifies any actions needed to adjust the CES or results frameworks based primarily on the ongoing relevance to development challenges.

Although some MTRs identified major implementation barriers, only one of the six MTRs identified substantive changes to the CES pillars, but these were limited in scope. Minor changes were proposed in terms of timeline extensions and clarification of results frameworks. Beyond MTRs, evidence from APRRs suggests that Country Portfolio Reviews are being conducted with greater frequency with five conducted in 2025. However, evidence remains relatively limited the CES and CPRs are used to inform changes and updates to CES.

Recent CSPEs (Bahamas, Barbados, Belize, Jamaica, Suriname) acknowledge that while some informal or high-level discussions occurred, structured reflection points with partners to review significant changes in context were largely absent. Adaptation was reactive and often undocumented, which limited strategic responsiveness. For example:

- Bahamas CSPE (2024) - The evaluation notes that while consultations occurred during design and some adaptation happened (e.g., adding policy-based loans after Hurricane Dorian and COVID-19), there was no formalized mechanism for systematic reflection with partners to review contextual changes. Adaptation was reactive rather than planned.

- Barbados CSPE (2020) - The CSPE indicates that context shifts (such as fiscal shocks and climate risks) were acknowledged, but structured reflection points were limited. Adjustments were made through ad hoc dialogue rather than through a formal review process.
- Belize CSPE (2022) - The evaluation confirms that while the CSP was aligned with the GSDS, mid-course adjustments were minimal, and there is no evidence of regular reflection sessions with partners to address evolving priorities or external shocks.
- Jamaica CSPE (2023) - The CSPE highlights that adaptive management was weak, partly because CSP-level monitoring was not conducted regularly. Reflection points were not institutionalized, and significant changes (e.g., COVID-19 impacts) were addressed late and through emergency measures rather than planned reviews.
- Suriname CSPE (2021) - The evaluation explicitly states that context changed significantly during implementation (economic crisis, governance shifts), but the CSP was not updated. While high-level dialogue occurred (e.g., presidential visits), there were no structured reflection points to systematically capture and respond to these changes.

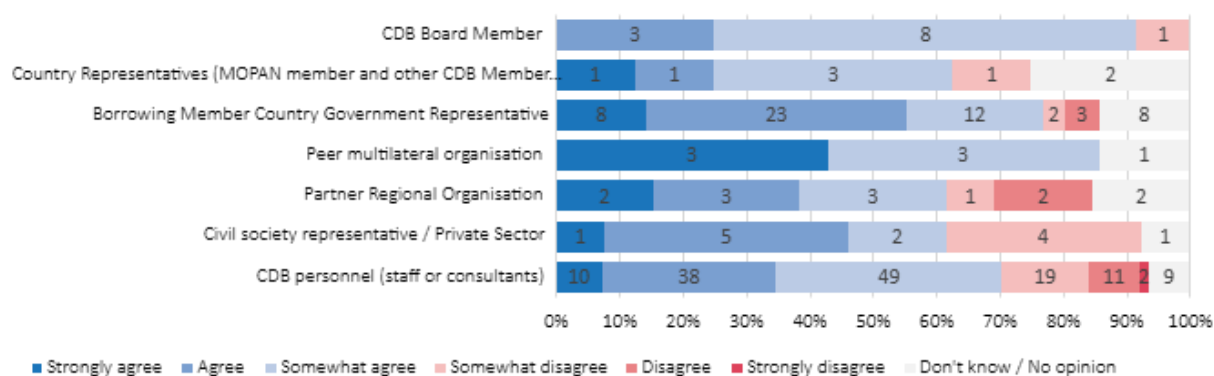
Projects

According to the Operations Manual, Under Implementation Performance for Technical Assistance and projects, staff must consider “any significant changes occurring between preparation and implementation (including changes in the context in which the TA was carried out)” when assessing performance. However, evidence from a review of 20 PCRVs indicate that scope changes to respond to change in context are not particularly common with only four projects in the sample indicating that such changes were made to respond to context changes rather than other factors.

The October 2025 Examination of the implementation conditions and development solutions in CDB’s BMCs Interim Workshops Report notes weak results frameworks and insufficient data (including gender-disaggregated data) at design stage, limiting effective monitoring and adaptive management throughout the project cycle.

Overall, 49% of respondents to MOPAN’s Partner Survey either agreed or strongly agreed that “CDB is agile in adapting its strategies and operations to respond to changes in context.” Of 43 respondents who provided open-text feedback to this question, 12% provided feedback on CDB’s agility in adjusting operations to respond to changes in context. The majority of these responses pointed to the need for greater flexibility in project design and implementation and less procedural bureaucracy to enhance CDB’s agility.

CDB is agile in adapting its strategies and operations to respond to changes in context.



Element 5.2.3: The MO has financing mechanisms, including restructurings, and targeted programs available, when appropriate, to mitigate the impact of external shocks and crises that harm existing investments.

CDB has a range of financial instruments and mechanisms available to respond to crises and external shocks with evidence of their use over the assessment period.

CDB is rated **satisfactory** based on alignment with good practice. However, CDB is not always agile, proactive and flexible in providing this support.

The OPPM identifies several financing mechanisms and targeted programs to help mitigate the impact of external shocks and crises that threaten existing investments:

1. Policy-Based Operations (PBOs)
 - Macroeconomic PBOs: Used when countries face severe internal or external imbalances, including debt management crises or foreign reserve shortages. These operations support policy and institutional reforms to restore stability.
 - Exogenous Shock Response PBOs (ESRPBOs): Specifically designed to respond to unforeseen shocks such as natural disasters or global economic crises. They provide resources to help countries adjust policies and institutions to safeguard economic and social gains. These may include shorter maturities and risk premiums.
 - Regional Public Goods PBOs: Facilitate policy reforms that strengthen regional cooperation and integration, which can help reduce shared vulnerabilities.
2. Additional Financing for Existing Operations
 - The manual allows for additional financing in exceptional circumstances—such as exogenous shocks or natural hazard events—when a financing gap emerges that could undermine project outcomes. This is subject to Board approval.
3. Disaster and Emergency Assistance Instruments
 - Emergency Relief Grant (ERG): Provides immediate grant support for urgent needs after a disaster.
 - Immediate Response Loan (IRL): Offers rapid financing for short-term recovery measures.
 - Rehabilitation and Reconstruction Loan (RRL): Supports medium-term recovery and rebuilding, including risk reduction measures to enhance resilience.

CDB's Disaster Management Strategy and Operational Guidelines (DiMSOG 2021) provide an overview of the Bank's suite of financing mechanisms and flexibility measures to help BMCs mitigate the impact of external shocks and crises that threaten development gains or disrupt ongoing investments. These instruments are designed to provide rapid liquidity, enable portfolio adjustments, and support resilience-building measures. Key mechanisms include:

- Immediate Response Loans (IRL): Up to USD 5 million per event, blending concessional and ordinary resources, to finance urgent short-term recovery activities such as restoring critical infrastructure, clearing affected areas, and supporting vulnerable livelihoods.
- Rehabilitation and Reconstruction Loans (RRL): Targeted at rebuilding social and economic infrastructure and restoring key sectors post-disaster, incorporating "build back better" principles and risk reduction measures. Retroactive financing of up to 30% of eligible rehabilitation expenditures is permitted.
- Contingent Emergency Response Component (CERC): Embedded in investment projects to allow rapid reallocation of funds for emergency recovery without requiring full project restructuring. This mechanism accelerates access to resources during crises.

- Reallocation within Country Portfolios: Existing policies allow unused balances or completed components of ongoing projects to be redirected to urgent recovery needs, reducing delays and administrative burden.
- Policy-Based Operations (PBOs): Can be deployed to support resilience-related reforms and provide liquidity in response to macroeconomic shocks or exogenous crises.
- Proactive Assistance and Targeted Programs: Technical assistance and concessional financing for disaster risk reduction, climate resilience, governance improvements, and institutional strengthening.

These instruments collectively enable CDB to respond quickly and flexibly to shocks, safeguard investments, and maintain continuity in development programming. By combining ex-ante risk reduction measures with ex-post recovery financing, CDB helps its BMCs reduce vulnerability, restore economic activity, and embed resilience into future investments.

CDB's 2022 Policy-Based Operations (PBO) framework and related strategies provide a set of financing mechanisms designed to mitigate the impact of external shocks and crises on BMCs and safeguard development investments. These mechanisms are structured to deliver rapid liquidity support while incentivizing policy and institutional reforms that strengthen resilience.

At the core of this approach are Policy-Based Loans (PBLs), which offer budget support not tied to specific capital projects but linked to agreed reform agendas. The framework includes several variants tailored to different circumstances: Macroeconomic PBOs for fiscal and debt distress, Sector PBOs for targeted sectoral reforms, Exogenous Shock Response PBOs (ESR PBOs) for global or regional crises, and the newly introduced Disaster Response PBO (DR PBO) for natural hazard events. The DR PBO provides immediate liquidity following disasters, contingent on prior implementation of disaster risk management (DRM) reforms and Country Work Programmes (CWPs) and is exempt from the general PBO portfolio limit to ensure responsiveness.

The policy framework allows for revisions in scope, waivers of conditions, and additional financing in exceptional circumstances such as pandemics or catastrophic events. During the COVID-19 crisis, for example, the Board temporarily increased the PBO ceiling from 33% to 38% of total loans outstanding, with proposals to extend this flexibility through 2026. Programmatic and multi-tranche structures further enable phased disbursements and adaptive reform sequencing, reducing the risk of disruption when conditions change.

Complementing these instruments are risk management safeguards. The Office of Risk Management applies independent risk-based limits at the country level and conducts pre-checks on liquidity, capital adequacy, and concentration before approving any restructuring or additional financing. This ensures that while CDB responds quickly to crises, its financial integrity and credit standing remain protected.

Recent CESs include references to financing mechanisms and targeted programs designed to mitigate the impact of external shocks and crises that could harm existing investments. These mechanisms often include concessional financing, grant resources, and restructuring options, as well as contingency facilities for disaster response:

- Belize CES 2022–26 notes a resource envelope of USD 122.5 million, including allocations from the Special Development Fund (SDF-10), and emphasizes exploring grant and concessional financing to maintain debt sustainability. It also references debt restructuring measures (e.g., the 2021 “blue bond” swap) and targeted programs for climate resilience and disaster risk management.
- Grenada CES 2022–26 highlights a blended financing approach combining grants, concessional loans, and limited Ordinary Capital Resources (OCR) due to Grenada's selective default status. It includes UK-CIF grants, SDF-10 allocations, and targeted programs such as the Climate Resilient Water Sector Project (G-CREWS) and Safety Nets for Vulnerable Populations Affected by COVID-

19. The CES also discusses fiscal buffers and disaster risk financing strategies under the Disaster Resilience Strategy.

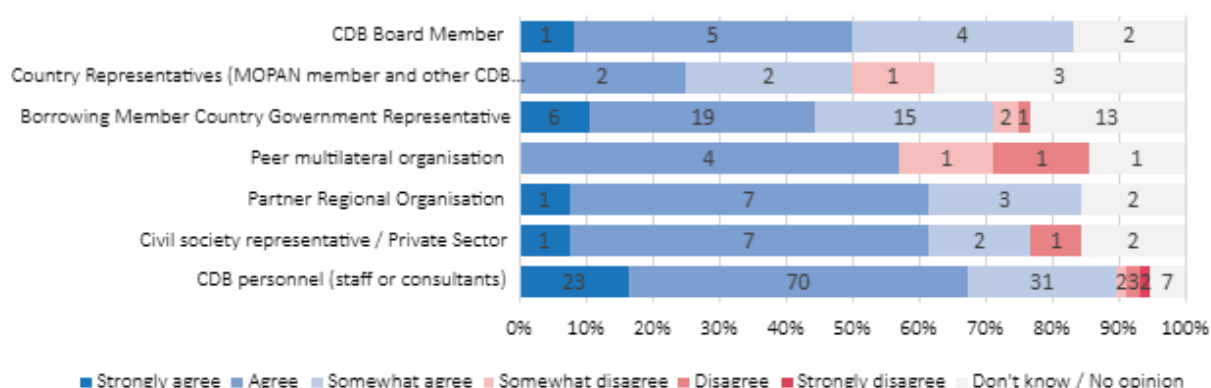
- Saint Vincent and the Grenadines CES 2022–26 specifies an indicative envelope of USD 88.4 million and includes allocations from SDF-10 and other concessional sources. It references emergency response assistance following the La Soufrière volcanic eruption and targeted programs for climate-smart agriculture, resilient infrastructure, and social protection.
- Haiti CES 2023–25 incorporates financing for recovery and resilience, including disaster risk management and climate adaptation programs, and emphasizes leveraging concessional resources to address fiscal constraints and external shocks.

Recent CSPEs also confirm that policy-based loans and targeted financing mechanisms were used to mitigate external shocks and protect investments, especially in response to fiscal crises and natural disasters. However, the evaluations consistently note that adaptation was often reactive rather than systematic and restructuring of existing projects was limited. For example,

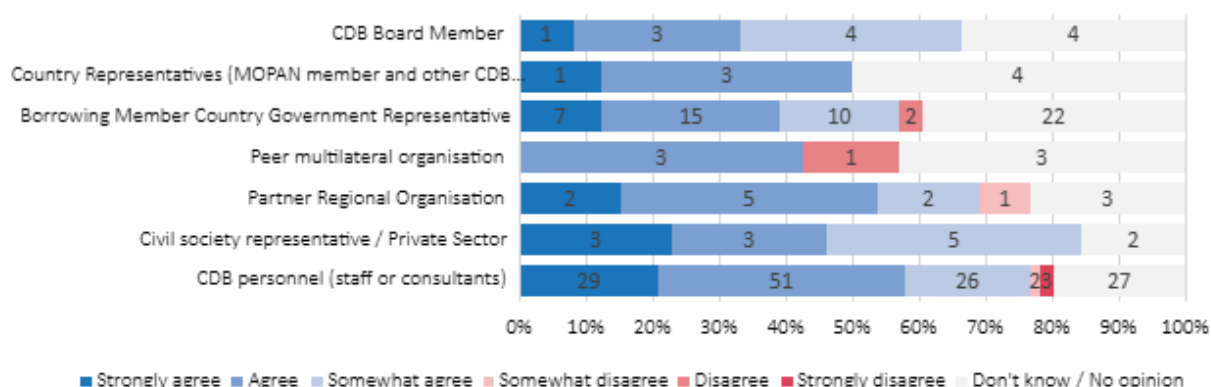
- Bahamas (2024) - The CSPE confirms that the CSP adapted to major shocks—Hurricane Dorian and COVID-19—by introducing policy-based loans (PBLs) and supplementary financing. These mechanisms provided liquidity for fiscal stability and social protection, helping to safeguard ongoing investments. The evaluation highlights this as a positive example of flexibility in response to crises.
- Barbados (2020) - The evaluation notes that Barbados benefited from policy-based lending during fiscal adjustment and debt restructuring periods. These instruments were designed to stabilize macroeconomic conditions and protect investments in social and climate resilience programs. However, the CSPE also points out that while financing was responsive, implementation delays limited impact.
- Belize (2022) - The CSPE indicates that Belize’s CSP included targeted programs and concessional financing to address vulnerabilities, particularly in infrastructure and social sectors. While no major restructuring was reported, the evaluation confirms that flexibility was built into the strategy to accommodate shocks, though uptake was limited.
- Jamaica (2023) - The evaluation highlights the use of a policy-based loan (USD 30 million) during the 2014–16 CSP to support fiscal consolidation and social stability amid macroeconomic stress. However, during COVID-19, adaptation was reactive, and no new financing instruments were introduced under the CSP framework—emergency support came from other partners.
- Suriname (2021) - The CSPE confirms that Suriname’s CSP responded to an economic crisis by approving a policy-based loan for the energy sector, which was not originally planned. This intervention helped mitigate fiscal and macroeconomic shocks. The evaluation notes that while this flexibility was commendable, broader adaptation (e.g., restructuring other projects) was limited.

Overall, 58% of respondents to MOPAN’s Partner Survey agreed or strongly agreed that “CDB offers a mix of instruments that support countries in responding to crises” and 52% agreed or strongly agreed that “CDB provided tailored and effective support to countries to address the impacts of COVID-19.” Of 65 respondents who provided open text feedback for this question, 15% spoke to CDB’s agility in responding to crises. Overall, feedback provided a mixed indication of CDB’s support noting that, despite positive examples in responding to natural disasters and COVID-19, the speed and agility of responses are limited by inflexible processes and limitations in staffing and specialised expertise.

CDB offers a mix of instruments that support countries in responding to crises.



CDB provided tailored and effective support to countries to address the impacts of COVID-19.



MI 5.3: Capacity analysis informs intervention design and implementation, and strategies to address any weakness found are employed

- Element 5.3.1. Intervention designs contain a clear statement of capacities of key country partners.
- Element 5.3.2. Capacity analysis, from the perspective of using and building country systems, considers resourcing, staffing, monitoring and operating structure.
- Element 5.3.3. Capacity analysis statement has been jointly developed with country partners and shared with development partners
- Element 5.3.4. Capacity analysis statement includes clear strategies for addressing any weaknesses, with a view to sustainability, where applicable developed jointly with development partners
- Element 5.3.5. Designs for the MO's non-sovereign operations include an assessment of the management/implementation capacity of investee clients and identified weaknesses are addressed, where appropriate, through advisory services/technical assistance.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.3	Satisfactory	2.60	
Element 5.3.1	Satisfactory	3	Medium
Element 5.3.2	Satisfactory	3	Medium
Element 5.3.3	Satisfactory	3	Medium
Element 5.3.4	Unsatisfactory	2	Medium
Element 5.3.5	Unsatisfactory	2	Medium

MI 5.3 Evidence Documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2019) "Procurement Policy for Projects Financed by CDB," <https://www.caribank.org/sites/default/files/publication-resources/Procurement%20Policy%20for%20Projects-final.pdf>
- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response," <https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2021) "Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2021) "Procurement Procedures for Projects Financed by CDB," <https://www.caribank.org/sites/default/files/publication-resources/201223%20Revised%20CDB%20Procurement%20Procedures%20Final.pdf>
- Caribbean Development Bank (2022) "Country Engagement Strategy 2022–2026: Belize," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-belize>
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- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response,"
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<https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response,"
https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2025) "Examination of the Implementation Conditions and Development Solutions in CDB's Borrowing Member Countries: Interim Workshops Report," prepared by Baastel.
- Caribbean Development Bank (2026) "Development Effectiveness Review 2025," (internal document)
- Caribbean Development Bank (2026) "Draft: Action Plan for Managing for Development Results," (internal document)

MI 5.3 Analysis

Element 5.3.1. Intervention designs contain a clear statement of capacities of key country partners.

CDB consistently identifies capacity gaps among BMC partners and provides support to help address them.

CDB is rated **satisfactory** based on alignment with good practice.

Country-level Assessments:

According to the OPPM, CSPs/CESs must include a clear statement of the operating context and describe the capacities of key country partners. This is part of the requirement to explain the country-specific development context, the rationale for CDB's assistance, and the implementation arrangements. It emphasizes consultation with government, development partners, and other stakeholders, and calls for outlining institutional capacities relevant to executing and monitoring the strategy.

A sample of recent CES contain statements about the capacities of key country partners, typically in sections on Country Context, Lessons Learned, or Risk Analysis and Mitigation. These statements describe institutional strengths and weaknesses, absorptive capacity, and implementation challenges that influence the design of the strategy.

Here's how this appears across the strategies:

- Belize CES 2022–26 notes that limited institutional capacity and weak coordination among ministries affect social protection delivery and data management. It emphasizes the need for capacity building in public financial management, digitalization, and project implementation to achieve national goals.
- Grenada CES 2022–26 explicitly identifies capacity constraints in infrastructure planning and execution, citing gaps in technical staff and project cycle management. It proposes training through CDB's Public Policy Analysis and Management (PPAM) and Project Cycle Management (PCM) programs to strengthen institutional capacity.

- Saint Vincent and the Grenadines CES 2022–26 highlights limited fiscal space and human resource capacity as major constraints, particularly in implementing large-scale projects like port modernization. It also notes weaknesses in social protection systems and gender mainstreaming capacity.
- Haiti CES 2023–25 references severe institutional fragility, governance challenges, and limited technical capacity, which require targeted support for disaster risk management and social resilience programs.
- Guyana CES 2023–25 acknowledges strong policy frameworks (e.g., LCDS 2030) but points to gaps in institutional capacity for managing rapid economic transformation and climate finance, requiring technical assistance and knowledge transfer.
- Suriname CES 2024–30 mentions capacity limitations in planning and monitoring, especially for climate adaptation and infrastructure projects, and proposes institutional strengthening and training as part of its program.

Recent CSPEs (Bahamas, Barbados, Belize, Jamaica, Suriname) confirm that country strategies include statements on partner capacities, typically highlighting gaps in project management, procurement, and institutional coordination. However, these statements are often broad and qualitative, with limited detail on how capacities were assessed or tracked during implementation

Project-level Assessments:

The operations manual requires that project documentation—particularly during appraisal and preparation—include an assessment of institutional and implementation capacity. This means identifying the roles and responsibilities of executing agencies, implementing partners, and other key stakeholders, and evaluating whether they have the technical, managerial, and financial capacity to deliver the project successfully. It also calls for specifying any capacity gaps and outlining measures (such as technical assistance or training) to address them. This requirement is linked to quality-at-entry standards and risk management: projects must demonstrate that institutional arrangements are adequate and that capacity constraints will not jeopardize implementation.

CDB's OP365 work instructions require that project design documents demonstrate the capacity of key country partners through a formal Institutional Assessment and related governance reviews. Task 405, a mandatory step in the Capital Project Critical Path, specifies that the assessment must confirm the ability of statutory bodies, ministries, or executing agencies to manage financial and operational responsibilities. This includes reviewing existing institutional arrangements, identifying gaps, and documenting remedial actions. The findings are incorporated into the Board Document under sections such as Project Viability and Implementation Arrangements, which summarize governance structures, roles, and resource commitments. These requirements ensure that project design explicitly addresses partner capacity as a prerequisite for readiness and risk mitigation.

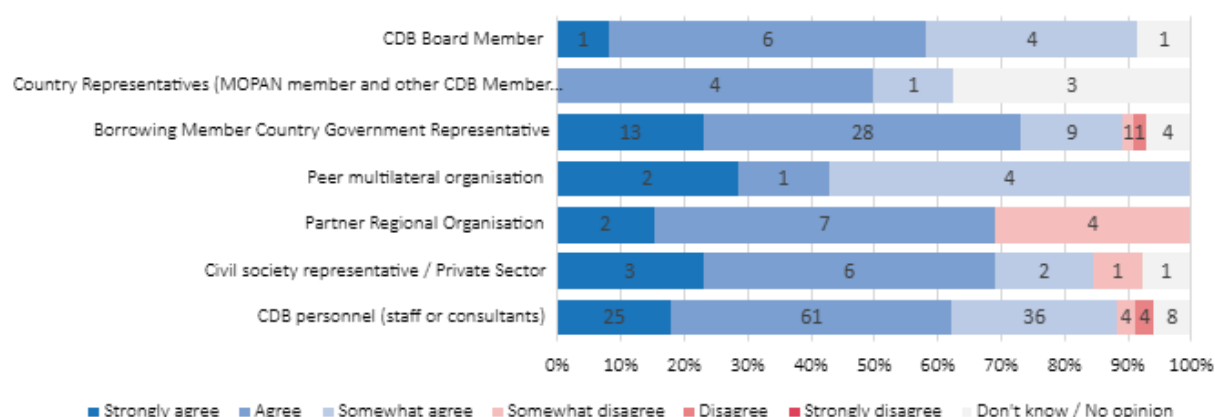
A systematic review of 20 PCRVs indicated that most non-PBL operations contain a capacity development component; however, the success of these components was found to be uneven. These are most likely to contribute to success of the project where capacity development involves multi-agency coordination with maintenance plans for sustainability. Stakeholders noted that the effectiveness of capacity building is limited by systemic churn and brain drain among qualified BMC staff.

The October 2025 Examination of the implementation conditions and development solutions in CDB's BMCs Interim Workshops Report highlights systematic weaknesses at entry, noting that appraisal processes (including feasibility, risk assessment, and capacity checks) are not sufficiently robust or consistently applied. In particular, institutional capacity assessments are inadequate, and market readiness (e.g., contractor/supplier capacity) is often poorly analysed, leading to downstream procurement failures.

Additionally, QAE is undermined by overly optimistic timelines and unrealistic budgets, which do not reflect country realities, inflation risks, or implementation constraints. These design flaws are identified as primary drivers of later delays, cost overruns, and disbursement issues.

Overall, 65% of respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB works to build the institutional capacity of its partners." Of 43 respondents who provided open text feedback to this question, 23% discussed CDB's capacity development activities with partners. Although the feedback notes positive examples, most respondents note uneven effectiveness and the need for a more strategic and systematic approach to building BMC capacity.

CDB works to build the institutional capacity of its partners.



Element 5.3.2. Capacity analysis, from the perspective of using and building country systems, considers resourcing, staffing, monitoring and operating structure.

CDB implements a range of partner capacity and risk assessments to assess the strength of different BMC systems and processes.

CDB is rated **satisfactory** based on alignment with good practice. However, findings from these assessments could be integrated more explicitly into CES.

The OPPM requires that capacity analysis explicitly consider the use and strengthening of country systems and address institutional weaknesses. This analysis must cover:

- **Resourcing and staffing:** It should identify whether the Borrowing Member Country (BMC) has adequate personnel and financial resources to implement the program and, if not, specify measures or TA needed to build sustainable capacity.
- **Monitoring arrangements:** The analysis should outline how monitoring and evaluation will be carried out, including roles, responsibilities, and mechanisms for tracking compliance and results.
- **Operating structures:** It must assess the adequacy of institutional arrangements, governance frameworks, and organizational structures, and propose remedial actions where gaps exist.

Specifically, the manual covers the following areas:

- **Governance Risk Assessments** - During appraisal, staff must identify governance-related risks—alongside operational, macroeconomic, social, environmental, and capacity risks—and incorporate mitigation measures into project or program design. These risks are also monitored during implementation and reflected in disbursement conditions where necessary.
- **Financial Management Assessments** - The manual requires fiduciary assessments of a country's financial management systems, including budget processes, accounting, auditing, internal

controls, and fiscal transparency. It references tools such as Public Expenditure and Financial Accountability (PEFA) reviews and mandates action plans when weaknesses are found.

- Procurement Risk Assessments - Procurement systems are evaluated as part of fiduciary assessments. If gaps exist, the manual calls for measures to strengthen procurement arrangements and ensure compliance with CDB standards before and during implementation.
- Country Safeguards Systems Assessments - Environmental and social safeguard requirements are embedded in project screening and categorization. The manual requires analysis of national systems against international best practices and mandates compliance with CDB's Environmental and Social Review Procedures (ESRP), including performance requirements and risk mitigation plans

The sample of CESs consider the following regarding capacity analysis and building country systems:

- Belize CES 2022–26: Notes weaknesses in institutional capacity for social protection delivery and data management and calls for improved staffing and coordination among ministries. It emphasizes strengthening monitoring systems and embedding flexibility through mid-term reviews. Digitalization and governance reforms are highlighted as enablers for better operating structures.
- Grenada CES 2022–26: Provides a detailed assessment of capacity gaps in infrastructure planning and execution, citing shortages of technical staff and weak project cycle management. It proposes targeted training (PPAM and PCM certification), institutional strengthening, and improved monitoring frameworks to enhance implementation.
- Saint Vincent and the Grenadines CES 2022–26: Identifies fiscal and human resource constraints as major risks, particularly for large-scale projects. It includes measures to strengthen institutional capacity, improve social protection systems, and enhance monitoring through mid-term reviews and results frameworks.
- Haiti CES 2023–25: Highlights severe institutional fragility and governance challenges, noting the need for capacity building in disaster risk management and social resilience. It stresses the importance of strengthening operating structures and monitoring systems to ensure effective delivery.
- Guyana CES 2023–25: Acknowledges strong policy frameworks but points to gaps in institutional capacity for managing rapid economic transformation and climate finance. It proposes technical assistance and knowledge transfer to improve staffing and operational efficiency.
- Suriname CES 2024–30: Mentions limitations in planning and monitoring capacity, especially for climate adaptation and infrastructure projects. It recommends institutional strengthening, training, and improved resource allocation to support effective implementation.

Recent CSPEs (Bahamas, Barbados, Belize, Jamaica, Suriname) confirm that country strategies acknowledge capacity constraints and propose measures to strengthen systems, but they do not consistently provide a comprehensive capacity analysis covering resourcing, staffing, monitoring, and operating structures from the perspective of using and building country systems. The CESs do not include formal, structured assessments of governance, financial management, procurement, and safeguards systems.

Procurement Risk Assessments

CDB's Procurement Policy and Procedures require that procurement risk assessments form an integral part of project planning and implementation. Under Section 6 of the Policy and Paragraphs 5.09–5.14 of the Procedures, Recipients must prepare a Procurement Plan that reflects the perceived risks of the procurements to be undertaken and the capacity of implementing agencies. For projects with higher risk or sensitive procurement, a detailed Procurement Strategy is mandatory, outlining risk mitigation measures proportional to the complexity and value of the project. Additionally, CDB applies a risk-based approach to determine prior or post review requirements (Paragraph 5.04) and mandates Contract Management Plans

for high-risk contracts (Annex 7). These provisions ensure that procurement risks are systematically identified, assessed, and managed throughout the project cycle.

Element 5.3.3. Capacity analysis statement has been jointly developed with country partners and shared with development partners

CDB’s policy framework notes that capacity analysis assessments should be developed jointly with partners. There are several notable examples where CDB has implemented capacity development with partners.

CDB is rated **satisfactory** based on alignment with good practice.

For country strategies, the OPPM requires that they be prepared in consultation with the government, development partners, and other stakeholders, and include the operating context. For projects, while the manual emphasizes assessing institutional capacity and management efficiency of executing agencies, it does not explicitly state that these capacity assessments must always be jointly developed with country partners and shared with development partners. However, it does encourage stakeholder participation and coordination, especially in technical assistance and policy-based operations, which often involve joint reviews and harmonized monitoring frameworks.

The Belize CES 2022–26, Grenada CES 2022–26, and Saint Vincent and the Grenadines CES 2022–26 mention that the strategy was formulated through broad consultative processes with government officials and stakeholders. However, they do not explicitly state that the capacity analysis component was jointly developed or formally shared with development partners. The Haiti CES 2023–25, Guyana CES 2023–25, and Suriname CES 2024–30 also reference consultations and alignment with national priorities, but again, there is no clear statement confirming joint development of the capacity analysis or its dissemination to development partners.

Recent CSPEs (Bahamas, Barbados, Belize, Jamaica, Suriname) note that capacity considerations were included in strategies, but not that they were jointly developed with country partners nor systematically shared with development partners.

However, stakeholders confirmed increasing efforts to deliver capacity development activities in partnership with peers. CDB’s Annual Reports identify several examples:

- In 2021, CDB developed the Let’s REAP – Learning Recovery and Enhancement Programme was jointly developed with the CARICOM Secretariat and OECS Commission to train teachers, principals, and education ministries in post-COVID learning recovery. In 2022, 2,910 educators completed a 45-hour certification, with a target of 15,000 teachers trained across the region.
- In 2021, CDB contributed to the design of a regional Monitoring, Reporting and Verification (MRV) system for climate finance developed with GCF, the WFP and Global Affairs Canada in Belize, Haiti, Jamaica, and St. Kitts & Nevis.
- In 2022, CDB co-sponsored a high-level Disaster Risk Financing conference with the IDB and World Bank, supporting the Government of Haiti to finalise its national DRF strategy.
- In 2024, CDB established the Caribbean Gender Equality Knowledge Exchange Lab and trained 150 policymakers from all 19 BMCs in gender mainstreaming and strengthening national gender focal points. They also established the Caribbean Gender-Based Violence Practice Network with UN Women and the UWI Institute for Gender and Development Studies, engaging 80 professionals.
- In 2024, CDB implemented multi-country procurement reform work with the World Bank, IDB, including drafting and reviewing procurement acts, developing Standard Bidding Documents, training procurement boards and review councils.

- In 2024, CDB implemented the SheTrades Caribbean Hub, co-implemented with the International Trade Centre. This programme trained 687 participants through 14 online courses, including 75 policymakers, in gender-responsive trade. In total, 1,723 women-led MSMEs were onboarded.

Element 5.3.4. Capacity analysis statement includes clear strategies for addressing any weaknesses, with a view to sustainability, where applicable developed jointly with development partners

Identified capacity gaps are typically addressed as part of CDB's engagement with countries. However, available evaluative evidence suggests that this support is often delivered project-by-project rather than as a comprehensive and programmatic approach to capacity development with limited explicit evidence that this support is developed with partners.

CDB is rated **unsatisfactory** based on the absence of a systematic approach for addressing BMC capacity gaps in collaboration with partners.

The sample of reviewed CESs include capacity gaps which are explicitly acknowledged. Strategies to address them include training, technical assistance, digitalization, and governance reforms. Sustainability is emphasized through institutional strengthening and long-term partnerships with development partners such as IDB, UNDP, and CDB's own programs.

Across the five CSPEs reviewed (Bahamas, Barbados, Belize, Jamaica, and Suriname), country strategies consistently acknowledged institutional and operational capacity weaknesses and proposed measures such as technical assistance, training, and partnerships to address them. However, these measures were generally project-specific and lacked a comprehensive, sustainability-focused framework. Importantly, the evaluations do not confirm that capacity analysis statements were jointly developed with country partners or co-created with development partners. While consultations informed strategy design, structured collaboration to define capacity-building strategies and ensure long-term institutional strengthening was limited.

Nevertheless, CDB is working to support capacity development in BMCs through a more harmonised approach, including the implementation of joint statistical activities in the OECS in partnership with the World Bank, facilitating greater donor collaboration. Another positive development includes plans to launch training on Management for Development Results in partnership with peer MDBs as part of the forthcoming Action Plan for Management for Developing Results (2026-2030), still under development. However, there is no evidence that such partnerships are being pursued systematically in the context of CES design and planned actions to support capacity development in BMCs.

Element 5.3.5. Designs for the MO's non-sovereign operations include an assessment of the management/implementation capacity of investee clients and identified weaknesses are addressed, where appropriate, through advisory services/technical assistance.

CDB lacks tailored procedures to assess the management and implementation capacity of investee clients. There is evidence that technical assistance is provided to address any gaps identified, but it is not clear how these assessments contribute to the approval of operations in light of potential risk. As CDB's nonsovereign portfolio grows, specific procedures will be required.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice.

CDB's OPM does not outline a specific process tailored for non-sovereign operations to assess the management and implementation capacity of investee clients, linking this to risk management and sustainability. This assessment covers governance arrangements, organizational structure, staffing, financial soundness, and compliance with environmental and social safeguards. The intent is to ensure that the client has the ability to execute the project effectively and meet contractual obligations.

Where gaps or weaknesses are identified, the manual provides for remedial measures through advisory services and TA. These can include institutional strengthening, training, and capacity-building programs tailored to the client's needs. For example, if a financial intermediary lacks robust credit risk systems or environmental screening procedures, CDB may require the development of these systems and provide TA to implement them. Similarly, for private sector projects, TA may support improvements in governance, procurement practices, or monitoring frameworks.

Recent CSPEs confirm that non-sovereign operations were part of the country strategies in some cases, but they do not consistently document a formal assessment of investee clients' management or implementation capacity at the strategy level. Where such assessments occurred, they were typically embedded in project appraisal rather than explicitly described in the CES or CSPE. Advisory services and technical assistance were sometimes provided to address weaknesses, but this was not systematic across all countries.

- The Bahamas CSPE (2024) mentions private sector engagement through initiatives like the Orange Loan for creative industries. The CSPE notes that capacity-building support was offered to the Bahamas Development Bank (BDB) to strengthen its ability to deliver MSME services, but there is no detailed capacity assessment framework at the CSP level. Advisory support was provided, but sustainability was unclear.
- The Jamaica CSPE (2023) mentions an industrial line of credit for SMEs as part of private-sector development. The evaluation highlights that uptake was limited and does not provide evidence of structured capacity assessments or advisory services for investee clients.

MI 5.4: Detailed risk (strategic, political, reputational, operational) management strategies ensure the identification, mitigation, monitoring, and reporting of risks

- Element 5.4.1. The MO has identified a clear framework for assessing different types of risk during the preparation of investments and other operations and determining which risks are most prominent.
- Element 5.4.2. The MO's investment assessment and structuring for non-sovereign operations includes a detailed analysis of commercial viability and means of mitigating financial performance risk and market risk, including identification of whether there is a need for blended concessional finance.
- Element 5.4.3. The MO's process for assessing and structuring investments and other operations includes a detailed analysis of political and reputational risk.
- Element 5.4.4. The MO has a system in place to monitor the financial performance of non-sovereign operations and address risks to financial sustainability throughout the investment cycle.
- Element 5.4.5. Intervention design is based on contextual analysis that includes analysis of potential risks of sexual abuse and other misconduct vis-à-vis host populations

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.4	Satisfactory	2.60	
Element 5.4.1	Satisfactory	3	Medium
Element 5.4.2	Unsatisfactory	2	Medium
Element 5.4.3	Satisfactory	3	Medium
Element 5.4.4	Satisfactory	3	Medium
Element 5.4.5	Unsatisfactory	2	Medium

MI 5.4 Evidence Documents

- Caribbean Development Bank (2014) *"Environmental and Social Review Procedures,"* <https://www.caribank.org/sites/default/files/publication-resources/EnvironmentalandSocialReviewProcedures.pdf>
- Caribbean Development Bank (2014) *"Operational Policies and Procedures Manual,"* (internal document)
- Caribbean Development Bank (2020) *"Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"* <https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%28%29.pdf>
- Caribbean Development Bank (2021) *"Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"* https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) *"Country Engagement Strategy 2022–2026: Belize,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-belize>
- Caribbean Development Bank (2022) *"Country Engagement Strategy 2022–2026: Grenada,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-grenada>
- Caribbean Development Bank (2022) *"Country Engagement Strategy 2022–2026: Saint Vincent and the Grenadines,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-saint-vincent-and-grenadines>
- Caribbean Development Bank (2022) *"Country Strategy and Programme Evaluation – Belize: Final Report with Management Response,"* https://www.caribank.org/sites/default/files/publication-resources/Belize%20CSPE%20Report%20OIE%20Final%20with%20Management%20Response_redacted.pdf
- Caribbean Development Bank (2023) *"Country Engagement Strategy 2023–2025: Guyana,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-guyana-2023-25>
- Caribbean Development Bank (2023) *"Country Engagement Strategy 2023–2025: Haiti,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-haiti-2023-25>
- Caribbean Development Bank (2023) *"Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response,"* https://www.caribank.org/publication_types/corporate-evaluations/jamaica-cspe-2014-2-2016-and-2017-2021
- Caribbean Development Bank (2024) *"Country Engagement Strategy 2024–2030: Suriname,"* <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) *"Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response,"* https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2024) *"Delegation and Devolution of Technical Assistance (TA) Approval and Extension to Terminal Disbursement Dates,"* (internal document)
- Caribbean Development Bank (2025) *"Draft Environmental and Social Review Framework – for National Consultation,"* (internal document)

- Caribbean Development Bank (2025) *"Examination of the Implementation Conditions and Development Solutions in CDB's Borrowing Member Countries: Interim Workshops Report,"* prepared by Baastel.
- Caribbean Development Bank (2025) *"Risk Appetite Framework,"* (internal document)

MI 5.4 Analysis

Element 5.4.1. The MO has identified a clear framework for assessing different types of risk during the preparation of investments and other operations and determining which risks are most prominent.

CDB has frameworks in place supporting enterprise risk management, operational risk management and the management of environmental and social safeguards. However, evidence suggests that implementation of these frameworks in CES and operations is uneven and management of risks is not always proactive.

CDB is rated **satisfactory** based on increasing alignment with good practice.

The Enterprise Risk Management Framework (ERMF) and Risk Appetite Framework

CDB has recently established an updated ERMF to support the implementation of the TYS. The ERMF identifies overarching governance and oversight arrangements and well as life cycle processes, the risk appetite statement, key risk categories and tools for CDB to identify, monitor and manage different types of risk.

In December 2025, CDB introduced an Enhanced Risk Appetite Framework (RAF) designed to ensuring alignment of the overall ERMF with CDB's evolving strategic objectives and context, introducing a comprehensive risk taxonomy of financial and non-financial risks and ensuring protection of its AA+ rating from major Credit Agencies.

CDB's Risk Taxonomy comprises five primary and two cross cutting risk categories, illustrated in [Table 15](#), below.

Table 15. CDB's Risk Taxonomy

Primary Risks	Strategic Risk	Risks that may affect the Bank's ability to fulfil its mission, implement its strategies, and achieve institutional objectives. This includes potential impacts on the Bank's positioning within the broader development finance landscape.
	Financial Risk	Risks of financial loss arising from the Bank's inability to efficiently and economically manage its financial resources or meet its financial obligations, particularly in relation to capital and balance sheet management (e.g. credit, market risks).
	Developmental Risk	Risks embedded in the design, implementation, and monitoring of the Bank's development projects, including sustainability risks—such as environmental, social, or governance (ESG) factors—that could materially impact the developmental effectiveness or value of investments.
	Operational Risk	Risks resulting from inadequate or failed internal processes, systems, human error, or external events, which could result in financial losses or reputational damage.
	Compliance Risk	Risks arising from legal or regulatory sanctions and financial loss, a financial institution may suffer because of its failure to comply with applicable laws, regulations, codes of conduct, or standards of good practice.
Cross-cutting Risks	Legal Risk	Risks arising from non-compliance or negligence in legal obligations, including, but not limited to, those derived from the Bank's Charter, legal frameworks, and operational agreements.
	Reputational Risk	The risk of damage to the Bank's credibility or public image due to a mismatch between its actions and stakeholder expectations.

CDB's Risk Appetite Statements (RAS) define what level of risk the Bank is willing to accept in delivering its mandate for each category of risk defined in the Risk Taxonomy. These translate CDB's strategic objectives into measurable risk parameters and tolerances across key risk categories, enabling management and staff to take informed decisions about the management and acceptance of risk. Granular RAS have been identified for Strategic Risk, Financial Risk, Developmental Risk, Operational Risk and Compliance Risk. The RAS identifies a system of Key Risk Indicators, metric and monitoring and reporting arrangements to promote action in addressing risks approaching tolerance thresholds.

The RAF translates the overall principles of the ERMF and RAS into measurable boundaries and governance processes and formally establishes key elements such as governance arrangements, risk ownership, processes and tools to define, communicate and monitor risks in line with the Bank's risk appetite. Most importantly, the RAF identifies clear roles, responsibilities and requirements for managing risks across all relevant functions, setting the stage for a functional three lines of defence model. For each granular RAS, CDB identifies an approach to managing risk as well as clear risk owners and processes.

CDB's internal Enterprise Risk Committee and Assets and Liabilities Committees play an important role in the governance of non-financial and financial risks respectively, reporting to the SAT and the Oversight and Assurance Committee of the Board, creating a clear structure for escalation and oversight. The RAF identifies clear roles and responsibilities for monitoring and reporting, including triggers for further escalation.

Stakeholders CDB has undertaken efforts to socialise the new risk appetite framework to ensure all staff understand their role in identifying, managing and escalating risks throughout the operations cycle. This has included training on key risk types, reporting and escalation pathways. This training is nascent but play an essential role in strengthening CDB's risk management culture. Business Departments play a critical role in collecting and elaborating operational data for risk monitoring and risk decisions within their areas of expertise. ORM monitors compliance with the RAF on a quarterly basis, collecting and validating necessary risk data from owners. Key risks are then reporting to the ALCO and ERC. An overview of risks is provided to the Board of Directors on a quarterly basis.

Management of Development Risks in Operations:

The operations manual includes a framework for assessing risks during the preparation of investments and other operations. It requires staff to identify and analyse different types of risks—such as governance, fiduciary (financial management and procurement), environmental and social, institutional capacity, and macroeconomic risks—early in the project cycle. These risks must be documented in appraisal reports and linked to mitigation measures.

The framework emphasizes:

- Systematic risk identification: Risks are categorized by type and assessed for likelihood and potential impact.
- Prioritization: The most prominent risks—those that could significantly affect project outcomes—must be highlighted and addressed through design features, covenants, or technical assistance.
- Integration into quality-at-entry and monitoring: Risk assessments inform project structuring and supervision plans, ensuring that mitigation strategies are tracked throughout implementation.

This approach is embedded in the Bank's operational policies for investment lending, policy-based operations, and technical assistance, and is reinforced by requirements for safeguard screening and fiduciary assessments.

The operations manual explicitly addresses Operational Risk Management (ORM) as a core principle for safeguarding CDB's activities. It adopts the Basel II definition of operational risk: "the risk of direct or indirect loss due to inadequate or failed internal processes, people and systems or from external events." The framework emphasizes that ORM is pervasive and can affect every stage of the project cycle—

identification, preparation, appraisal, supervision, and completion. The Operations Policies and Procedures Manual itself is presented as a key tool for reducing ORM by standardizing processes, clarifying responsibilities, and ensuring quality assurance. It also calls for continuous updating of the manual to reflect changes in the operating environment. The manual has not been updated since 2014.

OPM 365

CDB's OP365 work instructions establish a structured approach for assessing risks during project preparation and determining which risks are most significant. The process begins with Task 209 – Complete the Project Gap and Risk Analysis, which creates a centralized record of gaps and risks, rated by severity and linked to mitigation actions. These risks are discussed with the client during Task 301 – Present Engagement Model to Client, ensuring alignment on critical issues that could affect the project's implementation. Later, Task 501.4.7 – Prepare Key Project Risks requires that risks rated as moderate or higher, along with proposed mitigation measures, are documented in the Board Document. Additionally, Task 501.2 – Prepare Office of Risk Management Commentary provides an institutional perspective on risk management for decision-making.

Stakeholders note, however, that despite the identification of specific tasks in OPM 365, uneven data quality for ongoing supervision limits visibility of how operational risks are managed over project implementation.

Furthermore, CDB has sought to improve risk management by expanding delegation of authority, especially for technical assistance, enhancing procurement oversight, and strengthening project implementation monitoring through new tools such as evaluation dashboards, a completion validation database, and results-tracking mechanisms. All tiers include safeguards such as peer review, committee checks, and OP365 tracking for auditability. CDB has also advanced sustainability and ESG risk integration, developing a sustainability risk management framework and resilience assessment tools.

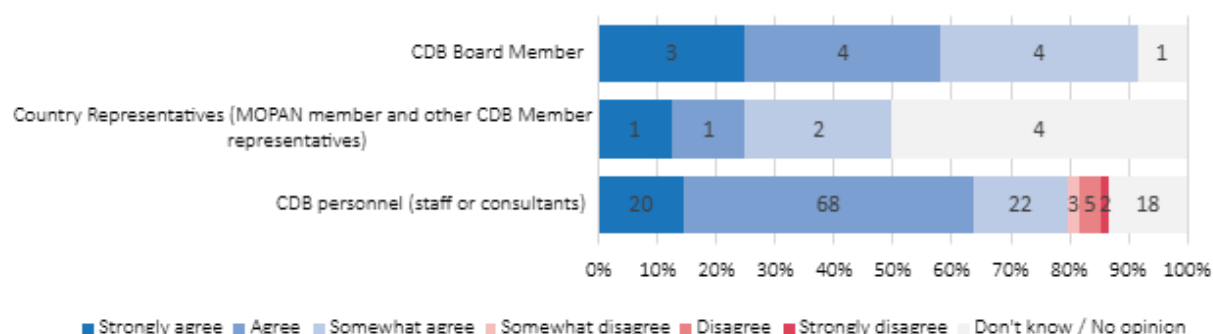
Stakeholders note, however, that these reform initiatives have faced challenges in their implementation due to long recruitment times for key experts, staff availability and workloads. Some reforms have faced challenges due to a perceived absence of a proactive risk management culture in the implementation and management of operations.

Renewal of Operational Risk Management

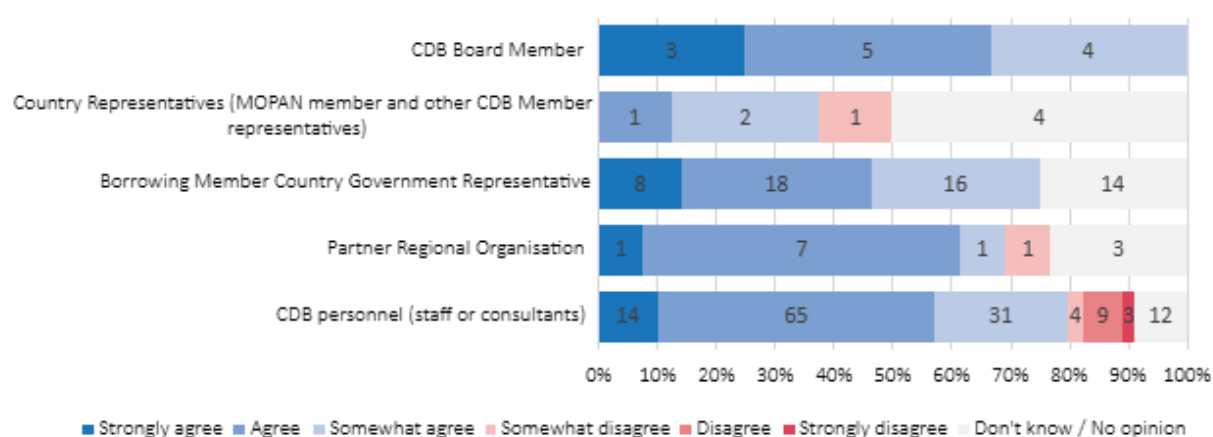
CDB is currently in the process of updating the Bank's operational risk management practices in line with the new ERMF. This has included a structured diagnostic of the risk management environment and development of a 24-month implementation road map. Departments across the organisation were engaged to assess current practices, identify vulnerabilities and inform targeted interventions. Operational risk workshops are being convened across different departments to help improve ownership, establish risk champions, improve awareness and support practical application of new tools. A new comprehensive ORM Framework is currently being developed. Over the coming months, CDB aims to formalise governance structures, mandates, tools and processes for implementing the new framework, including the implementation of a new digital solution.

Overall, 68% of respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB identifies and manages enterprise risks effectively" and 62% agreed or strongly agreed that "CDB identifies and manages operational risks effectively," suggesting some room for improvement. Of 65 respondents that provided open text feedback to this question, 20% provided feedback about CDB's risk management practices. Common themes included recognition of progress made in enterprise risk management, with recognition of the need for further progress. Respondents also noted structural weaknesses in operational risk management and resource constraints limiting proactive risk management practices in implementation.

CDB identifies and manages enterprise risks effectively.



CDB identifies and manages operational risks effectively.



Environmental and Social Safeguards

The OPPM requires that all CDB-financed projects comply with the Bank's Environmental and Social Review Procedures (ESRP).

The Environmental and Social Review Procedures (ESRP) establishes a comprehensive framework for managing environmental and social risks in all CDB-financed operations. It requires systematic risk assessment throughout the project cycle, starting with screening and categorisation to determine the level of analysis needed. Projects are classified by risk (Categories A, B, C, FI), and high-risk projects undergo full Environmental and Social Impact Assessments (ESIA). The ESIA process must identify direct, indirect, cumulative, and transboundary impacts, evaluate alternatives, and propose mitigation measures through an Environmental and Social Management Plan (ESMP).

The ESRP includes eight Performance Requirements covering pollution control, hazardous substances, biodiversity, cultural heritage, affected communities, vulnerable groups, land acquisition/resettlement, and health and safety. It emphasizes capacity building, requiring assessment of the borrower's institutional capacity and, where gaps exist, provision of technical assistance or strengthening measures.

Stakeholder engagement is mandatory for projects with significant impacts, with requirements for meaningful consultation, disclosure of information, and grievance redress mechanisms. Monitoring and reporting obligations are embedded in loan conditions, and compliance is tracked through supervision and performance audits. For private sector and financial intermediary operations, ESRP mandates evaluation

of the investee's or intermediary's capacity to manage environmental and social risks and, where necessary, development of appropriate management systems.

The 2024 evaluation concluded that the ESRP has become increasingly central to CDB's operations over the past decade. Staff awareness and ownership of environmental and social safeguards have grown significantly. BMCs generally view the ESRP as fit for purpose, though some find the requirements demanding. The procedures have helped institutionalize risk management and foster a more holistic approach that considers potential benefits alongside risk mitigation.

However, the evaluation identified gaps in guidance and implementation. While project preparation and appraisal stages are robust, monitoring and enforcement during implementation remain weak. Contractors often lack incentives and clarity on their responsibilities and reporting on Environmental and Social Monitoring Plans (ESMPs) is inconsistent. Social safeguards—particularly gender, vulnerable groups, and SEA (Sexual Exploitation and Abuse)—require more detailed guidance. Climate change considerations are integrated but not treated as a distinct classification, and stakeholder engagement practices vary widely across projects.

Compared to other Multilateral Development Banks (MDBs), CDB's smaller size and regional expertise offer a comparative advantage for tailored, flexible approaches, including potential use of country systems where capacity is strong. However, the ESRP tools and templates have not kept pace with evolving international standards, leading BMCs to rely on guidance from other MDBs.

The evaluation recommends that CDB update its ESRP to align with evolving international best practices and regional needs. Key actions include enhancing guidance on climate risk screening, biodiversity protection, and stakeholder engagement; integrating clear protocols for sexual exploitation and abuse (SEA) prevention; and clarifying the role of gender analysis tools within the ESRP process. It also advises defining conditions for using BMC environmental and social frameworks through a phased approach, starting with low-risk projects, and developing a user-friendly communication package with visual guides, templates, and training materials to strengthen capacity and improve accessibility for all stakeholders.

Stakeholders note that CDB is currently revising and strengthening its ESRPs. As of December 2025, CDB has prepared a draft updated Environmental and Social Review Framework (ESRF) which aims to be more proactive, risk-based and impact-oriented system that aims to improve both project quality and long-term development outcomes. The Framework, currently undergoing consultations with BMCs, will bring CDB in line with existing good practice across MDBs. The proposed framework includes an updated set of nine standards, including: (i) Assessment and Management of Environmental and Social Risks and Impacts; (ii) Labour and Working Conditions; (iii) Resource Efficiency and Pollution Prevention and Management; (iv) Community health and Safety; (v) Land Acquisition and Involuntary Resettlement; (vi) Biodiversity Conservation and Sustainable Management; (vii) Vulnerable and Indigenous Peoples; (viii) Cultural Heritage; and (ix) Stakeholder Engagement and Information Disclosure. In particular, the updated ESRF provides additional details on the responsibilities of borrowers throughout the project cycle and well as the responsibilities and process undertaken by CDB staff.

Country Engagement Strategies

Each CES identifies financial risks (credit, liquidity, debt sustainability), operational risks (capacity constraints, governance issues, project delays), and developmental risks (climate vulnerability, gender inequality, social exclusion). Risks are linked to the country's operating context—such as exposure to natural disasters, fiscal fragility, and external shocks like COVID-19 or commodity price volatility. Most CES documents include a structured risk analysis table or narrative, outlining:

- Risk categories (financial, operational, developmental, environmental).
- Potential impact on strategy implementation.
- Mitigation measures, such as:

- Capacity building and institutional strengthening.
- Disaster risk management mainstreaming.
- Flexible programming and mid-term reviews.
- Mobilization of concessional financing and grants.
- Partnerships with development agencies for technical assistance

For example:

- Belize CES 2022–26: Identifies credit and liquidity risks, operational risks, and proposes mitigation through closer macroeconomic monitoring, capacity building, and active engagement with development partners.
- Grenada CES 2022–26: Includes a detailed risk matrix and references the Disaster Resilience Strategy as part of mitigation.
- SVG CES 2022–26: Highlights risks from fiscal constraints and disaster vulnerability, with measures like climate screening and contingency planning.
- Haiti, Guyana, Suriname CESs: Address risks related to governance, climate vulnerability, and external shocks, with mitigation through targeted programs and flexible financing.

CSPEs confirm that CDB applies risk assessment processes during project preparation, but they also highlight gaps in consistency and documentation at the country strategy level. Risk considerations are present—especially governance, fiduciary, and implementation risks—but they are often embedded in project-level due diligence rather than articulated as part of a formal, overarching framework in the CSP. For example,

- Bahamas (2024): This CSPE notes that fiscal and governance risks were identified and addressed through policy-based loans and institutional strengthening measures. However, the CSPE does not reference a structured risk framework at the CSP level; risk management was reactive to shocks (Hurricane Dorian, COVID-19).
- Barbados (2020): This CSPE notes that risks related to fiscal sustainability and climate vulnerability were acknowledged, and mitigation measures were included (e.g., resilience-building projects). No explicit mention of a formalized risk prioritization framework beyond project-level assessments.
- Belize (2022): This CSPE notes that Governance and capacity risks were flagged, and technical assistance was proposed to mitigate them.
- Jamaica (2023): This CSPE notes that macroeconomic and implementation risks were recognized, but adaptive management was weak. Risk identification was broad and lacked structured prioritization; recommendations call for stronger integration of risk analysis in CES design.
- Suriname (2021): This CSPE noted high governance and capacity risks for a new borrowing member and proposed mitigation through partnerships and TA. The CSPE explicitly states that while risks were identified, the CSP did not include a formal mechanism for updating or reprioritizing risks as context changed.

Operations:

Evidence from 20 PCRVs indicated that operational risks were identified and managed appropriately in about half of the projects covered, identifying tangible actions undertaken to address and mitigate risks identified at appraisal. In the other half of PCRVs, risk management was identified as reactive, linked to inconsistent project monitoring, staffing gaps, weak institutional capacity and implementation delays.

The October 2025 Examination of the implementation conditions and development solutions in CDB's BMCs Interim Workshops Report notes that even when appraisal is thorough, its findings are not carried into implementation. Risk assessments, feasibility studies, and design assumptions are not systematically used during execution, resulting in inconsistent risk monitoring and poor responsiveness.

Element 5.4.2. The MO's investment assessment and structuring for non-sovereign operations includes a detailed analysis of commercial viability and means of mitigating financial performance risk and market risk, including identification of whether there is a need for blended concessional finance.

Whereas CDB's OPPM identifies risk assessment and mitigation considerations for nonsovereign operations, CDB's tools and processes are primarily geared toward risk management for sovereign operations.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice.

The OPPM requires that investment assessments and structuring for non-sovereign operations include a detailed analysis of commercial viability and risk mitigation measures. Specifically, it emphasizes:

- **Financial and Economic Viability:** Projects must be sound financially and economically, as well as environmentally and socially sustainable. This includes assessing profitability, cash flow, debt service capacity, and cost recovery assumptions.
- **Risk Identification and Mitigation:** The appraisal process considers financial performance risk and market risk and requires strategies to mitigate these—such as structuring covenants, adjusting loan terms, or providing technical assistance to strengthen management and governance.
- **Additionality and Catalytic Role:** CDB's participation should enable resource mobilization from other lenders and may involve offering longer maturities or technical advice to improve project leverage and resilience.
- **Blended Concessional Finance:** While not explicitly labelled as “blended finance,” the manual allows for mixed financing modalities (loan, grant, contingently recoverable loan) and partnerships with other development partners when CDB resources alone cannot close financing gaps or achieve expected outcomes.

The operations manual imposes clear limits and exposure controls for private sector (non-sovereign) operations to manage risk and maintain portfolio balance. These include:

- **Portfolio Exposure Cap:** Non-sovereign operations cannot exceed 30% of CDB's capital (defined as paid-up capital plus reserves and unallocated net income, less receivables).
- **Single Project Limit:** CDB's exposure to any single private sector project is capped at 2.5% of capital, and financing normally covers no more than 40% of total project cost.
- **Minimum Loan Size:** No private sector loan can be less than USD 750,000.
- **Financial Ratios:** Projects must maintain a maximum debt-to-equity ratio of 1:1 and a debt service coverage ratio of at least 2, based on conservative cash flow projections.
- **Intermediary Lending Limit:** Exposure to any one private financial intermediary is limited to USD 25 million or 7.5% of capital, whichever is lower, and the unsecured portion cannot exceed 50% of exposure.
- **Portfolio Concentration:** The manual also monitors sector exposure and requires substantial co-financing with other financial institutions to reduce concentration risk.

However, stakeholders confirm that CDB continues to apply its processes and templates for sovereign operations to its non-sovereign operations – a practice that cannot be maintained as CDB scales up its nonsovereign portfolio. Stakeholders note the need to identify private sector-specific risks instruments to appraise nonsovereign operations appropriately, including for additionality and risk for development outcomes. CDB applies a Grant Equivalence Calculator to assess the provision of blended finance in line with good practice, but its methodology and the level of concessionality among its nonsovereign operations is not made publicly available.

This process of adapting CDB's existing processes for nonsovereign operations remains ongoing and has been delayed in part due to the availability and workload constraints of existing staff.

Element 5.4.3. The MO's process for assessing and structuring investments and other operations includes a detailed analysis of political and reputational risk.

CDB's existing processes highlight the need to consider political and reputational risk. These concepts are considered as part of CDB's overall enterprise and operational risk management approach.

CDB is rated **satisfactory** based on alignment with good practice.

Political and reputational risks are reflected directly in CDB's new ERMF and RAF under the categories of developmental risk. Reputational risk is treated as a cross-cutting risk that cuts across the different risk categories.

The Operations manual specifies that CDB's process for assessing and structuring investments—including all types of operations—must include a detailed risk analysis that covers political and reputational risks alongside other categories. Both risks are integrated into the risk assessment framework during project preparation and country strategy formulation. They influence decisions on structuring, supervision intensity, and whether additional capacity-building or technical assistance is needed. During project appraisal, staff are required to identify risks such as operational, macroeconomic, political economy, social, environmental, governance, and capacity/implementation risks, and ensure that mitigation measures are built into the design of the operation. These measures may include covenants, disbursement conditions, or targeted technical assistance.

For non-sovereign operations, the manual acknowledges that changes in government policy, regulatory frameworks, or political instability can affect project viability. These risks are assessed during appraisal and often mitigated through measures such as legal covenants, diversification strategies, and engagement with government counterparts to ensure policy continuity. For policy-based operations, political commitment and reform ownership are critical—weak ownership is flagged as a major risk.

The operations manual highlights reputational risk as a consequence of operational failures, governance lapses, or non-compliance with environmental and social safeguards. It stresses that inconsistent application of policies, delays, or poor stakeholder engagement can damage CDB's credibility. To mitigate this, the manual requires strict adherence to safeguard standards, transparency in procurement, and robust monitoring and reporting systems. Persistent non-compliance by borrowers can trigger financial and legal consequences to protect the Bank's reputation.

For sustainability and completion reporting, the operations manual also calls for examining socio-political support, institutional arrangements, and the stability of the political and institutional setting, as these factors influence long-term viability and reputational exposure.

Element 5.4.4: The MO has a system in place to monitor the financial performance of non-sovereign operations and address risks to financial sustainability throughout the investment cycle.

CDB identifies a clear risk appetite that differentiates its approach for credit exposures for sovereign and non-sovereign borrowers.

CDB is rated **satisfactory** based on progress achieved in establishing this differentiated perspective. However, there is still an urgent need to mature systems for monitoring credit risk of nonsovereign operations in line with CDB's ambitions to scale up private sector operations.

CDB's recently approved Risk Appetite Framework (RAF) identifies a differentiated approach to credit exposures, maintaining a major appetite for sovereign counterparties in line with its mandate to support member countries, and a minor appetite for non-sovereign counterparties, reflecting a more conservative stance to ensure alignment with strategic objectives and credit rating considerations. At the individual transaction level, credit risk is controlled through rigorous due diligence, appropriate security or credit risk mitigation techniques where relevant, and ongoing monitoring of counterparties.

Stakeholders confirm that CDB currently lacks dedicated and systematic tools to monitor the financial performance of nonsovereign operations and related risks for financial sustainability across the investment cycle. These tools are currently under development by the private sector division; however, this reform process has taken time due to the availability and workloads of existing staff. Additionally, CDB does not have a watch listing or credit recovery function due to a lack of direct project finance experience. This will be a critical next step to ensure that CDB's updated framework for managing credit risk are fully operationalised.

PCRVs indicate that specific measures are undertaken to assess financial risks for projects involving lines of credit. A review of 20 PCRVs produced during the assessment period identify common measures, including monitoring of rate of Return on Average Assets against a minimum threshold, profitability and NPLs rates of financial institutions. These measures will not be adequate to manage risk if CDB scales up its involvement in direct project finance.

Element 5.4.5. Intervention design is based on contextual analysis that includes analysis of potential risks of sexual abuse and other misconduct vis-à-vis host populations

CDB's processes for identifying, assessing and mitigating SEAH risk are not yet systematic, including limited institutional capacity and awareness.

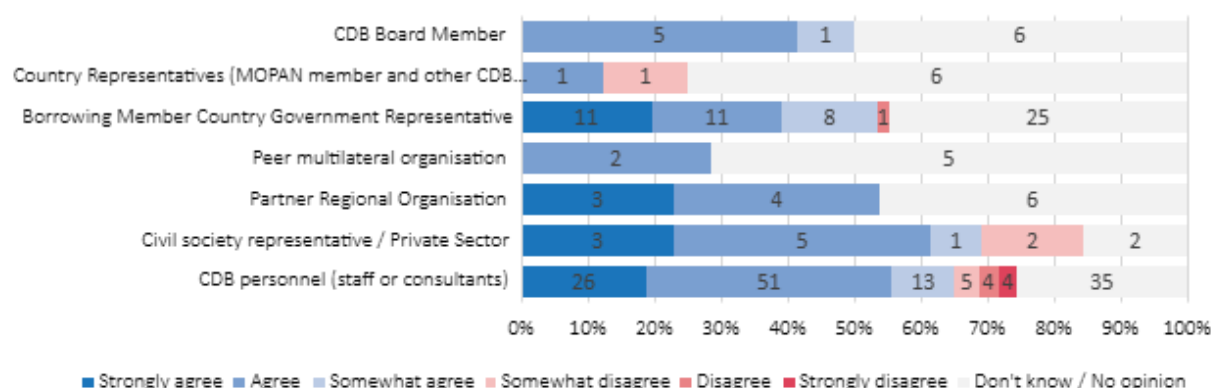
CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB's Environmental and Social Safeguards Unit (ESU) within the Projects Department plays a central role in ensuring that SEA risks are identified, assessed, and managed within CDB's operations. The 2014 Environmental and Social Review Procedures describes how CDB manages environmental and social risks. While no specific references to SEA were found, "affected communities" and "vulnerable groups" are identified as two of the eight performance requirements that must be addressed in managing the environmental and social impacts of CDB projects. The potential adverse consequences of CDB operations on women and children are acknowledged, with emphasis on ensuring that the views and preferences of vulnerable groups are heard and incorporated into project design.

Stakeholders noted that CDB does not yet have a separate and institutionalised screening tool for SEAH risks in operations. However, social sector experts and gender experts do review the appropriateness of project grievance mechanisms in high-risk contexts. Training of BMC partners and contractors is provided but is not yet systematic across operations. Overall stakeholders pointed to risks emerging from uneven capacity, skills and awareness across different BMCs and the need for greater awareness raising for SEAH risks within CDB more generally.

Overall, 48% of respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB prevents and responds to Sexual Exploitation and Abuse and Sexual Harassment effectively" in its operations. There were limited open text feedback provided regarding the management of SEAH risks in operations. However, those respondents that provided feedback indicated insufficient institutional capacity and resourcing, limited awareness across the institution and the need for stronger systems, guidance and controls.

In its operations, CDB prevents and responds to Sexual Exploitation and Abuse and Sexual Harassment effectively.



MI 5.5: Intervention designs include the analysis of cross-cutting issues (as defined in KPI 2)

- Element 5.5.1: Approval procedures require an assessment of the extent to which cross-cutting issues have been integrated in the design.
- Element 5.5.2: Plans for intervention monitoring and evaluation include attention to cross-cutting issues.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.5	Unsatisfactory	2.50	
Element 5.5.1	Satisfactory	3	Medium
Element 5.5.2	Unsatisfactory	2	Medium

- MI 5.5 Evidence Documents
- Caribbean Development Bank (2014) *"Operational Policies and Procedures Manual,"* (internal document)
- Caribbean Development Bank (2020) *"Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"*
<https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2021) *"Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"*
https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) *"Country Engagement Strategy 2022–2026: Belize,"*
<https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-belize>
- Caribbean Development Bank (2022) *"Country Engagement Strategy 2022–2026: Grenada,"*
<https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-grenada>

- Caribbean Development Bank (2022) "Country Engagement Strategy 2022–2026: Saint Vincent and the Grenadines," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-saint-vincent-and-grenadines>
- Caribbean Development Bank (2022) "Country Strategy and Programme Evaluation – Belize: Final Report with Management Response," https://www.caribank.org/sites/default/files/publication-resources/Belize%20CSPE%20Report%20OIE%20Final%20with%20Management%20Response_redacted.pdf
- Caribbean Development Bank (2023) "Country Engagement Strategy 2023–2025: Guyana," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-guyana-2023-25>
- Caribbean Development Bank (2023) "Country Engagement Strategy 2023–2025: Haiti," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-haiti-2023-25>
- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/jamaica-cspe-2014-2-2016-and-2017-2021
- Caribbean Development Bank (2024) "Country Engagement Strategy 2024–2030: Suriname," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-suriname-2024-2030>
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22

MI 5.5 Analysis

Element 5.5.1. Approval procedures require an assessment of the extent to which cross-cutting issues have been integrated in the design.

CES and operations consider cross-cutting issues in design – and this is mostly implemented.

CDB is rated **satisfactory** based on alignment to general good practice.

The operations manual requires that approval procedures for projects and country strategies include an assessment of the extent to which cross-cutting issues have been integrated into the design. These cross-cutting issues included, at the time of preparation of the manual, poverty reduction, gender equality, environmental sustainability, governance, and regional integration.

For CSPs/CES, the operations manual specifies that they must articulate how these themes are embedded in objectives and expected outcomes, and this is reviewed during quality-at-entry and approval stages. Similarly, for projects, appraisal reports must demonstrate that cross-cutting issues have been considered in design and implementation arrangements, and this forms part of the evaluation criteria for Board approval.

A sample of recent CESs incorporate cross-cutting issues to varying degrees

- Of the reviewed CESs, each CES mainstreams gender equality and youth empowerment. The Belize CES 2022–26 prioritizes gender-responsive education, women's economic empowerment, and youth skills development. The Grenada CES 2022–26 includes targeted programs for gender equality, GBV prevention, and youth rehabilitation and training. SVG CES 2022–26 focuses on gender equality in education and social protection, and youth engagement through citizen security

programs. Other CESs (Haiti, Guyana, Suriname) also integrate gender and youth empowerment as cross-cutting themes.

- Every CES mainstreams gender equality and youth empowerment. Belize CES 2022–26 prioritizes gender-responsive education, women’s economic empowerment, and youth skills development. Grenada CES 2022–26 includes targeted programs for gender equality, GBV prevention, and youth rehabilitation and training. SVG CES 2022–26 focuses on gender equality in education and social protection, and youth engagement through citizen security programs. Other CESs (Haiti, Guyana, Suriname) also integrate gender and youth empowerment as cross-cutting themes.
- Fragility is explicitly addressed in Haiti CES 2023–25, which highlights governance and institutional weaknesses, and in SVG and Grenada CESs, which note vulnerability to external shocks and natural disasters. Belize and Suriname also reference fiscal fragility and social vulnerability.
- CESs promote regional integration through trade facilitation, CARICOM frameworks, and cross-border initiatives. Belize CES supports regional trade and digital platforms. Grenada CES references OECS cooperation and WTO Trade Facilitation Agreement. SVG CES aligns with CARICOM’s Comprehensive Disaster Management Strategy.
- Regarding digital transformation, Belize CES includes a National Digital Agenda for e-services and connectivity, Grenada CES promotes ICT-enabled education and MSME digitalization, SVG CES integrates digital skills development and innovation, Guyana and Suriname also reference digital transformation as part of modernization and competitiveness strategies.

Recent CSPEs (Bahamas, Barbados, Belize, Jamaica, and Suriname) integrate some cross-cutting issues into country strategies, but the depth and consistency vary. Some areas (gender, climate resilience) were more systematically addressed, while others (fragility, digital transformation) were limited or absent.

- Empowerment of Women and Youth was confirmed in all CSPEs, though was uneven in implementation. Gender mainstreaming was a stated priority in Suriname, Jamaica, and Belize, with proposed measures like sex-disaggregated data and gender analysis. Youth empowerment was referenced mainly through education and skills development (Bahamas, Jamaica), but rarely as a standalone strategy.
- Climate Change, Resilience, Biodiversity, and Nature was strongly integrated in Barbados, Belize, and Suriname CSPs, which included climate resilience and disaster risk reduction as pillars. The Bahamas CSP addressed resilience in water and energy sectors post-Hurricane Dorian. Biodiversity and nature were mentioned in Suriname and Belize but not operationalized.
- Fragility was implicitly addressed through disaster risk management and resilience measures (Bahamas, Belize, Barbados), but not framed as a fragility agenda. Suriname noted governance fragility but without a structured approach.
- Regional Cooperation and Integration was mentioned in all CSPEs as a principle, but weakly integrated into CSP design. Suriname and Jamaica noted regional integration as important but did not operationalize it. Barbados referenced CARICOM alignment.
- Digital Transformation was not integrated across all CSPEs. Jamaica mentioned ICT-enabled education and distance learning pilots; Bahamas referenced digital tools in education. No CSP had a comprehensive digital transformation strategy.

Across operations, a systematic review of 20 PCVRs determined that although elements of cross-cutting issues were considered in project designs, projects generally did not include specific outcomes related to cross-cutting themes in results frameworks and limited outcome-level results for cross-cutting themes nor gender disaggregated data were reported.

CDB’s OP365 work instructions embed cross-cutting issues throughout the project preparation and appraisal process to ensure alignment with the Bank’s strategic priorities and international best practices. A key requirement is Task 201.4.6, which mandates assessing how cross-cutting themes—such as

Governance, Digital Transformation, Gender Equality, and Regional Cooperation and Integration—can be integrated into project design. This task also considers priority areas like climate resilience, renewable energy, youth development, and the blue economy. The assessment involves reviewing project scope, consulting with clients and subject matter experts, and documenting inclusion in the Board Document.

Gender mainstreaming is addressed through multiple steps, including the development of the Theory of Change (Task 201.2) and the preparation of Outcome and Output Indicators (Task 501.4.6), ensuring gender-sensitive results are embedded in the Results Framework. Similarly, climate resilience is incorporated through Task 201.4.4, which requires initial climate risk screening and determines whether a Climate Risk Vulnerability Assessment is needed. Environmental and social safeguards, including stakeholder engagement and attention to vulnerable groups, are covered under Task 201.4.3, which involves completing the Environmental and Social Screening Memorandum and verifying compliance with CDB's ESRP.

Governance and institutional capacity are reviewed under Task 202, which evaluates project oversight structures, such as the Project Steering Committee and management arrangements. These considerations feed into the Implementation Arrangements section of the Board Document (Task 501.4.3). Finally, the Results Framework and indicators (Task 501.4.6) consolidate these cross-cutting themes, ensuring they are measurable and monitored throughout the project cycle.

Element 5.5.2. Plans for intervention monitoring and evaluation include attention to cross-cutting issues.

Monitoring of results for cross-cutting issues remains inconsistent across CES and operations, particularly at the outcome level.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The operations manual requires that monitoring and evaluation (M&E) plans for interventions explicitly address cross-cutting issues such as poverty reduction, gender equality, environmental sustainability, and governance. This is part of the results-based management approach embedded in both CSPs/CESs and project design.

For CSPs/CESs, the manual states that the results framework should include indicators that measure progress on these cross-cutting themes, and these must be tracked during implementation and reviewed in portfolio performance assessments. For projects, appraisal reports must outline how M&E systems will capture data on these issues, ensuring that they are not treated as add-ons but integrated into the core performance monitoring structure.

The reviewed sample of CESs generally includes Results Monitoring Framework (RMF) indicators for these cross-cutting themes, but the depth and specificity vary by country:

- Empowerment of Women and Youth: All CESs have gender markers and indicators for gender-responsive interventions.
- Climate Change, Resilience, Biodiversity, and Nature: Every CES includes climate-related indicators.
- Fragility: Haiti CES explicitly includes indicators for governance strengthening and disaster risk management capacity. Other CESs (SVG, Grenada) track resilience-building for vulnerable communities.
- Regional Cooperation and Integration: Indicators often relate to trade facilitation and regional connectivity.

- Digital Transformation: Belize includes indicators for National Digital Agenda implementation (e-services, connectivity). Grenada & SVG include indicators for ICT-enabled education and MSME digitalization. Suriname includes indicators for digital infrastructure and e-governance.

Recent CSPEs confirm that cross-cutting issues were referenced in RMFs and M&E frameworks at the design stage, but integration was inconsistent and often weak in practice. Gender and climate resilience were most commonly included, while fragility, regional integration, and digital transformation were rarely operationalized in monitoring systems.

As noted above, a systematic review of 20 PCVRs determined that although elements of cross-cutting issues were considered in project designs, projects generally did not include specific outcomes related to cross-cutting themes in results frameworks and limited outcome-level results for cross-cutting themes nor gender disaggregated data were reported.

CDB's OP365 work instructions require that monitoring and evaluation (M&E) plans explicitly incorporate cross-cutting issues as part of project design and supervision. Task 202.4 – Assess the Adequacy of Monitoring & Evaluation Processes in Project Design mandates reviewing whether proposed M&E arrangements are sufficient to track progress toward outcomes defined in the Theory of Change and Results Framework (Task 201.2). Since these frameworks must integrate cross-cutting themes—such as gender equality, climate resilience, governance, and digital transformation—the M&E system is expected to include indicators and reporting mechanisms that capture these dimensions. Further, Task 501.4.6 – Prepare Outcome and Output Indicators reinforces this requirement by specifying that indicators should reflect cross-cutting priorities and be aligned with CDB's Results Monitoring Framework.

MI 5.6: Intervention designs include detailed and realistic measures to ensure sustainability.

- Element 5.6.1. Intervention designs include statement of critical aspects of sustainability, including institutional framework, resources and human capacity, social behaviour, technical developments and trade, as appropriate
- Element 5.6.2. Intervention design defines key elements of the enabling policy and legal environment that are required to sustain expected benefits from successful implementation.
- Element 5.6.3. The critical assumptions that underpin sustainability form part of the approved monitoring and evaluation plan.
- Element 5.6.4. Where shifts in policy and legislation are needed to promote the sustainability of future investments, opportunities are identified to address these needs through upstream activities and advisory services.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.6	Unsatisfactory	2.00	
Element 5.6.1	Unsatisfactory	2	Medium
Element 5.6.2	Unsatisfactory	2	Medium
Element 5.6.3	Unsatisfactory	2	Medium
Element 5.6.4	Unsatisfactory	2	Medium

MI 5.6 Evidence Documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2024) "Establishing a Caribbean Development Bank-Managed Climate Change Project Preparation Fund (Paper BD 137/24)," (internal document)
- Caribbean Development Bank (2025) "Examination of the Implementation Conditions and Development Solutions in CDB's Borrowing Member Countries: Interim Workshops Report," (internal document)

MI 5.6 Analysis

Element 5.6.1. Intervention designs include statement of critical aspects of sustainability, including institutional framework, resources and human capacity, social behaviour, technical developments and trade, as appropriate.

Although CES and operations regularly identify critical factors and risks addressing sustainability of operations, evidence from evaluations indicate that sustainability risks are addressed inconsistently in the design of CES and operations, including a lack of clear arrangements for monitoring.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The operations manual requires that intervention designs include a clear statement of critical aspects of sustainability, and it specifies what these should cover. For both projects and country strategies, sustainability is treated as a multidimensional concept that goes beyond financial viability. The design must address:

- Institutional framework: Whether the executing agencies and governance structures are adequate for long-term operation and maintenance.
- Resources and human capacity: Availability of financial resources and skilled personnel to sustain outcomes after project completion.
- Social behaviour and ownership: Measures to ensure stakeholder participation and community buy-in, which are essential for continued use and maintenance.
- Technical developments: Adaptability to technological changes and capacity for upgrading systems over time.
- Trade and market considerations: For interventions with economic or commercial components, the design should assess market dynamics and competitiveness.

These elements are expected to be documented in appraisal reports and linked to risk mitigation and capacity-building measures. The manual also encourages integrating sustainability considerations into monitoring and evaluation frameworks to track progress during implementation.

CDB's OP365 work instructions require that intervention designs explicitly address sustainability across multiple dimensions. During the Theory of Change development (Task 201.2) and subsequent feasibility tasks, teams must identify assumptions and risks that could affect long-term outcomes, including institutional frameworks, resource availability, and human capacity. Governance and oversight arrangements are reviewed under Task 202, ensuring that institutional structures and project management systems are robust enough to support sustainability. Technical and economic sustainability is also embedded in the process. Task 201.4.1 mandates a review of engineering and technical designs to confirm feasibility and identify constraints, while Task 201.4.9 requires assessing the adequacy of data on economic and financial benefits. This is reinforced by Task 405 – Complete Institutional Assessment and

Detailed Financial and Economic Analysis, which includes evaluating institutional capacity and conducting economic analyses such as the Economic Rate of Return (ERR) where applicable. The Project Gap and Risk Analysis (Work Instruction 209) provides a structured approach to project risk assessment by requiring identification and rating of risks, development of mitigation actions, and formal review and approval by the Office of Risk Management.

Economic Analysis of Projects:

According to the operations manual, Economic analysis is a mandatory component of project appraisal and is complemented by financial, institutional, and environmental assessments. Together, these analyses inform risk mitigation strategies and design features that strengthen sustainability. Economic analysis is used to determine whether a project generates net economic benefits to the country that exceed its costs, including indirect benefits such as employment and cost savings. This ensures that resources are allocated to interventions that contribute to long-term development goals. The manual emphasizes that economic analysis should not only assess financial viability but also consider broader sustainability factors—such as institutional capacity, social and environmental impacts, and resilience to external shocks. Projects must demonstrate that benefits will be sustained beyond the financing period.

Financial Intermediary Lending (FIL):

According to OPPM, sustainability is linked to the capacity and governance of the intermediary. The manual requires that intermediaries demonstrate financial soundness, strong credit and risk management systems, and compliance with prudential regulations. It emphasizes that FIL should strengthen the intermediary's institutional capacity, including environmental and social risk management systems, so that sustainability is embedded in their operations. The manual also calls for market-based on-lending rates to avoid distortions and ensure long-term viability, while encouraging measures that improve efficiency and resilience of financial institutions.

Nonsovereign Operations:

According to OPPM, Sustainability is assessed through commercial viability and institutional robustness. Projects must be financially and economically sound, with clear plans for governance, technical capacity, and risk mitigation. The manual requires that weaknesses in management or implementation capacity be addressed through advisory services or technical assistance, ensuring that clients can maintain operations beyond the financing period. It also highlights the importance of sound corporate governance, adherence to environmental and social safeguards, and compliance with regulatory frameworks as prerequisites for sustainability.

CDB's ERMF and RAF

CDB very recently approved a new ERMF and RAF (discussed in 5.4.1), under which development risks will be assessed as part of the design and implementation of operations. These risks include institutional capacity for implementation & sustainability, Institutional capacity for implementation & sustainability is the risk that the project executing agency, implementing partners and service providers lack the capacity to effectively and efficiently implement and sustain the activities supported by the project.

The RAF is only recently approved and it is not possible to consider its impact on how operations are designed and monitored.

Evidence of Application in CES and Projects

A review of 7 CES covering MOPAN's sample countries during the assessment period indicated that all CES explicitly identified factors and risks to sustainability, but the depth of analysis varies. The Belize, Grenada, SVG, Haiti, and Suriname CES provide the most comprehensive treatment, clearly outlining institutional, fiscal, climate, macroeconomic, and governance risks that could undermine long-term outcomes. These strategies often include risk tables, mitigation measures, and explicit linkages between

risks and expected results. The CES for Saint Lucia and Guyana acknowledge risks such as limited implementation capacity, climate vulnerability, and fiscal constraints, but identify less explicit and structured means of mitigation.

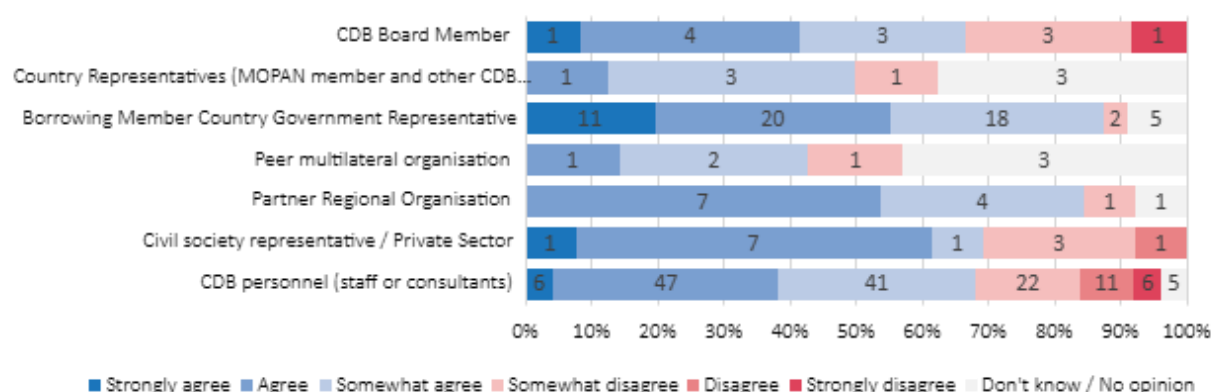
A systematic analysis of 20 PCVRs produced over the assessment period identified that 70% of projects explicitly identify and consider risks to sustainability in the design of operations, however this analysis was somewhat weaker in the case of operations involving Lines of Credit. However, PCRVs commonly note that factors supporting the sustainability of interventions have not been assessed deeply enough, particularly risks related to institutional capacity gaps. Furthermore, although sustainability risks were frequently identified during design, they were not always operationalised systematically in implementation.

A systematic review of 5 CSPEs implemented over the period yielded similar issues: Although CES explicitly identify risks to sustainability up-front, risk mitigation strategies were not consistently operationalised, especially with respect to institutional capacity gaps. Furthermore, Environmental and climate resilience measures were often present in project design but inadequately monitored for long-term continuity. Financial sustainability — especially for infrastructure and social sector projects — was highlighted as a recurring weakness, with several CSPEs citing insufficient provision for operation and maintenance.

The 2025 Implementation Study's Interim Workshop Report notes there is limited in-country presence and insufficient participation of technical, social, and gender specialists, which contributes to compliance gaps (especially safeguards) and declining quality during implementation. The report also identifies weak feedback loops, including limited post-project monitoring and inadequate use of lessons learned, meaning supervision does not effectively inform future project design.

Overall, 42% respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB's institutional processes promote well-designed operations positioned to deliver results." Among 63 respondents who provided open text feedback for this question, 45% raised concerns around sustainability risks due to limited implementation capacity and overstretched staff.

CDB's institutional processes promote well-designed operations positioned to deliver results.



Element 5.6.2. Intervention design defines key elements of the enabling policy and legal environment that are required to sustain expected benefits from successful implementation.

Although CDB typically identifies policy, legal and regulatory gaps that could affect the sustainability of results for operations, available evidence suggests that CDB addresses policy gaps consistently in the implementation of PBOs, but much less consistently for other operations.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The operations manual requires that intervention design explicitly define key elements of the enabling policy and legal environment necessary to sustain benefits after implementation. The appraisal process must assess whether the policy and regulatory framework supports the intervention and identify gaps that could undermine long-term outcomes. If weaknesses exist, the design should include measures—such as policy dialogue, technical assistance, or capacity-building—to strengthen these frameworks.

The manual requires that Policy-Based Operations (including sector PBOs) incorporate design features that address sustainability, which includes consideration of the enabling policy and legal environment. During appraisal, staff must assess whether “the legal and institutional framework is in place or will be developed during implementation” and whether critical stakeholders have or will have incentives to implement reforms successfully. Because PBOs operate over short timeframes, the manual instructs staff to include, “if feasible, mechanisms or design features that lessen the likelihood that reforms will be reversed in the future, in order to promote longer-term sustainability of the benefits of the reform measures.” Examples include self-reinforcing conditions within a sector or incentives for stakeholders after implementation.

CDB’s PBO framework emphasizes that interventions must go beyond providing liquidity support and address the structural conditions necessary for sustainable development outcomes. According to the PBO Policy and Guidelines (2022 Revision), country readiness for a PBO requires a structured reform programme aligned with national development priorities and supported by an adequate macroeconomic framework. Critically, the design of PBOs must incorporate measures to strengthen the policy-supporting environment, including the formulation and implementation capacity of institutions. This often entails embedding reforms within legal and regulatory frameworks to ensure continuity and resilience beyond the disbursement period.

The Programme Results Matrix (PRM), which underpins each PBO, should explicitly link policy actions to outputs and outcomes and include mechanisms that reduce the risk of reversal of reforms. These mechanisms may involve legislative changes, adoption of fiscal responsibility laws, procurement and public financial management (PFM) regulations, and disaster risk management frameworks.

The PBO Strategy 2022–26 prioritises interventions that create enabling environments for resilience across social, production, environmental, financial, and institutional dimensions. This includes reforms to strengthen governance, improve planning and coordination systems, and establish adequate regulatory frameworks for climate action, social protection, and innovation ecosystems.

CDB’s OP365 work instructions require that intervention design explicitly address the enabling environment necessary to sustain project benefits. This includes confirming alignment with national and sector policies (Task 201.3) and assessing governance and institutional arrangements (Task 202) to ensure adequate oversight and capacity. The design process must identify critical aspects of sustainability—such as institutional frameworks, resource availability, human capacity, social behaviour, and technical developments—and propose measures to strengthen these areas where gaps exist. Additionally, Task 405 – Complete Institutional Assessment and Detailed Financial and Economic Analysis mandates evaluating the economic viability of projects and reviewing whether the legal and regulatory environment supports long-term implementation.

Evidence from CES and Implementation:

A systematic review of 20 PCVRs indicated that CDB's operations are uneven in the extent to which key policy, legal and regulatory gaps that could affect the sustainability of results are identified and addressed in implementation. PBOs are the most consistent in identifying and addressing these risks whereas other types of operations do not systematically seek to address policy gaps that could impact the sustainability of operations – and approximately 20% of projects did not identify or speak to these risks at all.

Similar challenges were noted across 5 CSPEs, covering or partially covering the assessment period. Although all CES identified potential policy, legal and regulatory gaps that could affect the sustainability of project results, common challenges included:

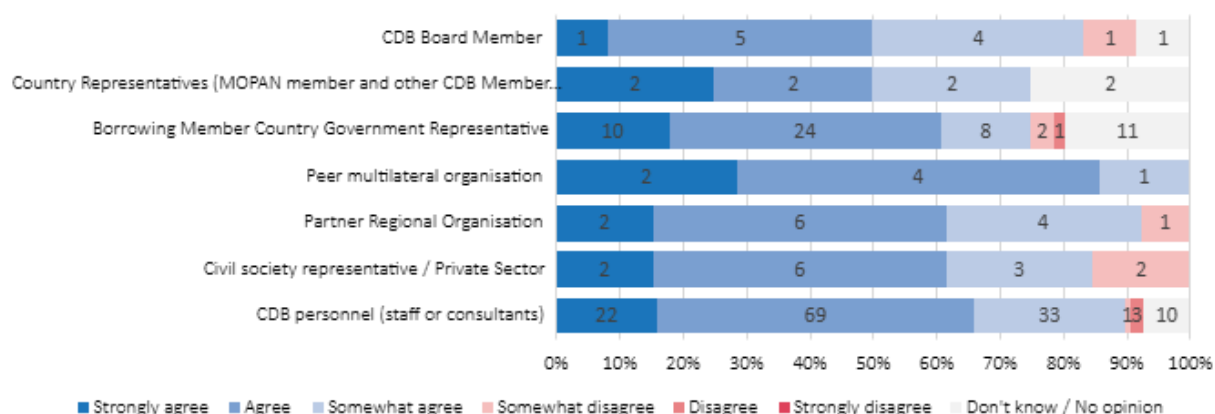
Identification without sustained follow-up: Most CSPEs find that while CDB consistently identifies policy and regulatory weaknesses as sustainability risks, its operational response remains transactional rather than programmatic;

Weak integration in investment projects: In contrast, standalone investment loans rarely integrated policy reform or legal capacity-building, leaving regulatory barriers unaddressed; and

Limited national policy influence: CSPEs highlight that CDB's policy dialogue has not consistently translated into national policy change, particularly in smaller borrowing members with limited institutional capacity.

Overall, 63% of respondents to MOPAN's Partner Survey either agreed or strongly agreed that "CDB engages in policy dialogue to create an enabling environment." Of the 43 respondents who provided open-text feedback for this question, 16% of respondents raised concern about CDB's contribution to policy reform. Common themes emerging from this feedback include: (i) need for a more deliberate and structured approach to policy dialogue; (ii) concerns about weak follow-through on analytical work and knowledge products; (iii) limited visibility of CDB's policy influence; and (iv) missed opportunities to support broader enabling environment reforms

CDB engages in policy dialogue to create an enabling environment.



Element 5.6.3. The critical assumptions that underpin sustainability form part of the approved monitoring and evaluation plan.

Although CES and operations consistently identify factors that affect sustainability, these are rarely incorporated into results frameworks and monitoring and evaluation plans.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The operations manual requires that sustainability assumptions be explicitly identified and incorporated into the monitoring and evaluation (M&E) framework for all projects. These assumptions include:

- Policy-related assumptions (e.g., sector reform, cost recovery, tariffs, financial performance of implementing agencies).
- Economic and financial viability (cost effectiveness, cost recovery within viable ranges).
- Beneficiary participation and stakeholder ownership.
- Environmental risk management.
- Governance, institutional and fiduciary capacity, including provisions for operation and maintenance.
- Political stability and borrower commitment.
- Socioeconomic or poverty impact.
- Baseline data availability and monitoring mechanisms to measure development impacts.

The manual also links these assumptions to sustainability ratings and requires that they form part of the approved M&E plan, with performance indicators, baseline data, and time-bound targets clearly defined.

CDB's OP365 work instructions require that critical assumptions underpinning sustainability are embedded in the approved monitoring and evaluation framework. During Task 201.2 – Commence Validation/Assessment of the Theory of Change, assumptions and risks at output and outcome levels are identified, including those related to institutional capacity, policy support, resource availability, and social behaviour. These assumptions are then carried forward into the Results Framework and indicator design under Task 501.4.6 – Prepare Outcome and Output Indicators, which forms the basis of the M&E plan.

Evidence from CES and Operations

A systematic review of CES found that sustainability factors are recognised in all CES, but their incorporation into the Results Frameworks and M&E plans varies widely. Only Belize, Grenada, and SVG include explicit sustainability indicators—typically focusing on climate resilience, institutional capacity, or environmental management. Suriname and Saint Lucia refer to sustainability implicitly but without embedding it in SMART, measurable indicators. Guyana and Haiti, despite acknowledging sustainability risks, do not reflect these considerations in their RFs. M&E plans show a similar pattern: Belize and Grenada explicitly track sustainability through mid-term reviews, resilience indicators, and monitoring of institutional systems, while other CES rely on general portfolio monitoring that does not systematically capture sustainability dimensions. Overall, only a minority of CES formally embed sustainability into their results architecture.

Across five CSPEs, CDB's monitoring of sustainability factors through M&E systems was found to be limited and uneven. A similar challenge was noted for operations. A systematic review of 20 PCVRs indicated that, although sustainability considerations were generally built into design, they were not systematically translated into indicators in the RMF nor monitoring arrangements. Finally, M&E systems often lacked the capacity, data or structure to monitor sustainability outcomes. This was done systematically for only three projects out of the sample.

The 2025 Implementation Study's Interim Workshop Report notes that supervision is characterized as weak and uneven, with limited real-time monitoring, lack of early warning systems, and insufficient follow-up during implementation.

Element 5.6.4. Where shifts in policy and legislation are needed to promote the sustainability of future investments, opportunities are identified to address these needs through upstream activities and advisory services.

Although operational policies emphasise the importance of an enabling environment to support the sustainability of results, operations and CES rarely identify and implement measures to promote shifts in policy and legislation needed to support sustainability. When this is done, it is

typically done through a project-by-project approach rather than a systematic or programmatic approach.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The operations manual does emphasize that sustainability of investments often depends on an enabling policy and legal environment. Where gaps exist—such as outdated legislation, weak regulatory frameworks, or inadequate institutional arrangements—it requires that these issues be addressed proactively. Specifically, it notes that if shifts in policy or legislation are necessary to ensure the long-term viability of future investments, these should not be left to chance. Instead, opportunities must be identified during project preparation to tackle these needs through upstream activities and advisory services. Advisory services and upstream interventions are seen as critical tools for strengthening governance, improving institutional capacity, and aligning sector policies with development objectives.

CDB's PBO framework recognizes that sustainable development outcomes often depend on creating an enabling policy and legal environment. Where shifts in policy or legislation are necessary to promote the sustainability of future investments, the Bank seeks to identify opportunities to address these needs through upstream activities and advisory services. This approach is embedded in the PBO Policy and Guidelines (2022 Revision), which require that appraisal teams assess institutional weaknesses and incorporate TA and policy dialogue to strengthen reform readiness. These upstream activities may include support for drafting legislation, revising regulatory frameworks, and improving governance structures. The PBO Strategy 2022–26 reinforces this principle by prioritizing interventions that combine financial support with advisory services to catalyse reforms in areas such as public financial management, fiscal responsibility legislation, procurement systems, and disaster risk management frameworks.

In 2024, CDB established a CDB-managed Climate Change Project Preparation Fund (CC PPF) to provide grant financing for early-stage project preparation, including feasibility studies, climate risk assessments, and concept development for climate-related investments. The fund targets public sector and non-profit entities and supports four types of projects, including CDB-financed investments, projects seeking international climate finance, resilience-integrated projects, and climate-related technical assistance. The fund is designed to address a major bottleneck in the Caribbean—limited capacity and resources to prepare bankable climate projects, which constrains access to climate finance.

Evidence from CES and Operations

As noted above, a systematic review of 20 PCVRs indicated that CDB's operations are uneven in the extent to which key policy, legal and regulatory gaps that could affect the sustainability of results are identified and addressed in implementation. PBOs are the most consistent in identifying and addressing these risks whereas other types of operations do not systematically seek to address policy gaps that could impact the sustainability of operations – and approximately 20% of projects did not identify or speak to these risks at all.

Similar challenges were noted across 5 CSPEs, covering or partially covering the assessment period. Although all CES identified potential policy, legal and regulatory gaps that could affect the sustainability of project results, common challenges included:

- Identification without sustained follow-up: Most CSPEs find that while CDB consistently identifies policy and regulatory weaknesses as sustainability risks, its operational response remains transactional rather than programmatic;
- Weak integration in investment projects: In contrast, standalone investment loans rarely integrated policy reform or legal capacity-building, leaving regulatory barriers unaddressed; and
- Limited national policy influence: CSPEs highlight that CDB's policy dialogue has not consistently translated into national policy change, particularly in smaller borrowing members with limited institutional capacity.

MI 5.7: Institutional procedures (including systems for hiring staff, procuring project inputs, disbursing payment, logistical arrangements etc.) positively support speed of implementation and adaptability in line with local contexts and needs

- Element 5.7.1. The MO has clear internal procedures for approving investments and other operations and managing disbursements in line with legal agreements.
- Element 5.7.2. Institutional procedures are adaptable to local contexts and needs.
- Element 5.7.3. The MO has a system in place to ensure operations are implemented in accordance with internal policies and pre-agreed conditions in legal agreements.
- Element 5.7.4. The MO has systems and targets in place to manage processing and implementation timelines in line with institutional targets.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 5.7	Unsatisfactory	2.25	
Element 5.7.1	Satisfactory	3	Medium
Element 5.7.2	Unsatisfactory	2	Medium
Element 5.7.3	Unsatisfactory	2	Medium
Element 5.7.4	Unsatisfactory	2	Medium

MI 5.7 Evidence Documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2026) "Draft: Annual Review of the Performance of the Portfolio of Projects under Implementation for the Year Ended December 31, 2025," (internal document)

MI 5.7 Analysis

Element 5.7.1. The MO has clear internal procedures for approving investments and other operations and managing disbursements in line with legal agreements.

CDB has clear internal procedures for approving investments and managing disbursements.

CDB is rated satisfactory. However, stakeholders continue to perceive CDB's approval and disbursement processes and slow, unpredictable, cumbersome and untransparent.

Agreement Establishing and By-laws

CDB has a clear governance framework for approving investments and managing disbursements in line with its legal agreements. Under the Agreement Establishing CDB, all powers of the Bank are vested in the Board of Governors, which delegates operational authority to the Board of Directors. The Board of Directors is responsible for directing general operations and approving loans, guarantees, equity investments, and technical assistance in conformity with the Bank's strategic directions. Each operation must be supported by a written appraisal report prepared by the President, based on detailed staff analysis, ensuring that decisions are grounded in sound development banking principles.

Disbursement procedures are equally rigorous. Loan contracts specify repayment terms, currencies, and conditions, and funds are released only after compliance with agreed reforms and maintenance of an appropriate macroeconomic framework. The Agreement requires that borrowers draw funds solely to meet

expenditures as they are actually incurred, and the Bank must take measures to ensure that proceeds are used exclusively for their intended purposes.

OPPM

The manual provides clear internal procedures for approving investments and for managing disbursements. These procedures are embedded in the Bank's operational cycle and include:

Approval Process

- Every operation—whether investment lending, policy-based operations, sector lending, or technical assistance—must follow a structured sequence: identification, preparation, appraisal, approval, and implementation.
- Approval requires submission of a Project Appraisal Report (PAR) and supporting documentation to the relevant internal committees and ultimately to the Board of Directors.
- The manual specifies that legal agreements must be finalized and signed before any disbursement can occur, ensuring compliance with agreed terms and conditions.

Disbursement Management

- Disbursements are governed by the Loan Agreement and General Conditions, which outline eligibility, procurement, and financial reporting requirements.
- The manual requires that disbursement requests be verified against the legal agreement, including conditions precedent, procurement compliance, and adherence to financial covenants.
- For policy-based operations, tranche releases are tied to policy matrix milestones, while for investment projects, disbursements are linked to physical and financial progress.

Monitoring and Control

- Internal control mechanisms include prior review and clearance by the Bank's financial management and legal departments.
- The manual also mandates periodic audits and reporting to ensure funds are used for intended purposes and in accordance with the legal agreements.

OP365

CDB's OP365 work instructions establish clear internal procedures for approving investments and managing disbursements in strict alignment with legal agreements. The process begins with structured project intake and preliminary analysis, followed by preparation of the Board Document under the 501 series, which includes financial analysis, risk assessment, and terms and conditions. Formal approval is secured through internal reviews and the Loans Committee before execution of legally binding Financing Agreements (Task 601). Disbursement management is governed by Task 602 – Issue Disbursement Letter to Client, which outlines withdrawal procedures, and Task 603 – Monitor Satisfaction of Conditions Precedent to First Disbursement, ensuring compliance with all contractual obligations prior to fund release.

Non-sovereign operations

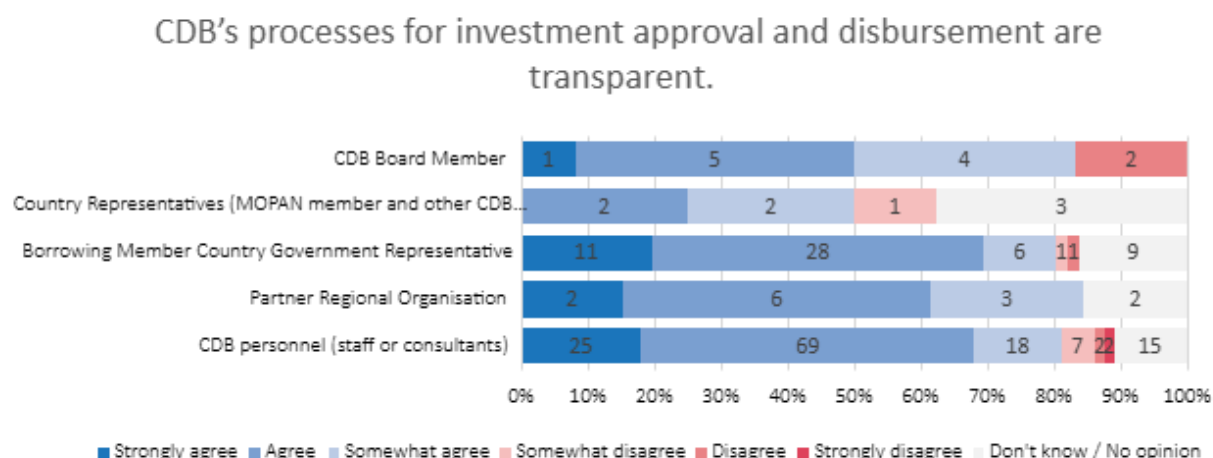
The operations manual procedures also apply to NSOs. The manual requires NSOs to follow a structured approval process, including due diligence, credit risk assessment, and legal documentation before Board approval. Disbursements for NSOs are strictly governed by the loan or guarantee agreement, and internal checks ensure compliance with covenants, conditions precedent, and security arrangements. Monitoring focuses on financial performance, compliance with environmental and social safeguards, and adherence to contractual obligations.

Other improvements implemented over the period

A key challenge noted by stakeholders is that, despite minor changes being implemented in the management of project design, appraisal and implementation, these changes have not been incorporated into CDB's OPPM, which has not been updated since 2014. A process is currently ongoing to update the OPPM and present it in a more integrated and accessible way.

One such change was the introduction of an electronic disbursement system in 2020 during the onset of the COVID-19 pandemic as part of CDB's response to major implementing challenges faced by BMCs. This system was launched alongside electronic procurement tools promoted as part of the Bank's procurement framework. COVID-19 made traditional paper-based, in-person approvals and claims processes difficult or impossible and these systems provided a faster and safer way of keeping project implementation moving forward. In 2023, CDB launched a new electronic claims system integrated with wider project portfolio management and core banking systems. This system is intended to facilitate more efficient and transparent processing of claims, streamlining workflows and providing real-time management data for project implementation.

Despite the improvements made, 65% of respondents to MOPAN's Partner Survey either agreed or strongly agreed that "CDB's processes for investment and disbursement are transparent." Of 65 respondents who provided open text feedback, 25% spoke to the transparency of approval and disbursement processes. This feedback noted several challenges, including: (i) approval processes seen as lengthy and cumbersome; (ii) unpredictability in disbursement creating uncertainty for project teams; (iii) lack of transparency and clarity in procedures; and (iv) need for greater standardisation of procedures.



Element 5.7.2. Institutional procedures are adaptable to local contexts and needs.

CDB's OPPM identifies mechanisms for flexibility in core operational processes. Yet evidence from CES and evaluations indicates that although the need for flexibility to respond to local contexts and needs is often identified upstream, it is operationalised inconsistently in implementation.

CDB is rated as **unsatisfactory** based on a perceived lack of flexibility and fitness for purpose of CDB's institutional procedures.

The operations manual requires that project design and implementation arrangements be tailored to the country's institutional, policy, and legal environment. It emphasizes analysing local governance structures, capacity constraints, and regulatory frameworks during appraisal. Where local systems need strengthening, the manual calls for technical assistance and policy dialogue to adapt institutional arrangements and ensure sustainability. The manual stresses that monitoring frameworks and fiduciary arrangements should reflect local institutional capacity, while maintaining compliance with the Bank's standards.

Exogenous Shock Response PBOs (ESRPBOs) & Macroeconomic PBOs

These operations are designed to respond to country-specific shocks or macroeconomic imbalances, so the manual emphasizes flexibility in policy dialogue and reform measures. The operations manual requires that the policy matrix and disbursement conditions reflect the country's institutional capacity and legal framework, adapting to urgent needs while maintaining sustainability principles. Upstream advisory services and technical assistance are encouraged to strengthen resilience and institutional readiness for future shocks.

Emergency Relief Grant (ERG)

ERGs are highly context-driven and aim to provide rapid humanitarian assistance. The manual specifies simplified procedures for approval and disbursement but still requires alignment with local emergency response systems and coordination with national authorities. Adaptability is critical—procurement and implementation arrangements can be adjusted to local emergency protocols while ensuring fiduciary safeguards.

Immediate Response Loan (IRL)

IRLs are designed for quick-disbursing support after disasters or crises. The manual allows streamlined internal processes and flexible implementation arrangements to fit local emergency management structures. It emphasizes that while speed is essential, compliance with legal agreements and monitoring of use of funds remain mandatory.

Rehabilitation and Reconstruction Loan (RRL)

RRLs focus on medium-term recovery and rebuilding, requiring alignment with national reconstruction strategies and local institutional capacity. The manual calls for flexibility in design to accommodate local conditions, including policy and regulatory adjustments needed for sustainable rebuilding. Advisory services and technical assistance are often integrated to strengthen governance and sector frameworks during reconstruction.

Non-sovereign operations

For private sector projects, the manual requires that financing structures, covenants, and risk mitigation measures be adapted to the specific market, regulatory environment, and borrower capacity. This includes customizing loan terms, security arrangements, and monitoring requirements to reflect local conditions. The manual emphasizes assessing country risk, sector risk, and sponsor capacity during appraisal. Where local legal or regulatory frameworks are weak, the Bank may require additional safeguards or advisory support to ensure compliance and sustainability. While maintaining the Bank's standards, the manual allows flexibility in reporting and monitoring arrangements to accommodate local business practices, provided these do not compromise fiduciary integrity or development impact.

Evidence from CES and Operations

In general, stakeholders noted that CDB's processes provide limited flexibility to adapt to different circumstances and challenges in implementation. A review of 5 CSPEs indicated that CDB demonstrates uneven flexibility in applying its processes, showing adaptability in emergencies and PBOs, but much less flexibility to address contextual challenges elsewhere. Evaluations consistently suggest that greater procedural flexibility—for example in procurement thresholds, local contracting, and disbursement modalities—could improve implementation efficiency and responsiveness in smaller or capacity-constrained borrowing member countries.

A review of 20 PCVRs similarly suggested mixed performance in flexible application of procedures. CDB tends to be more flexible when working in fragile states, when operating in co-financed projects and when responding to crises and macroeconomic shocks. However, in other cases, rigid adherence to loan conditions and limited responsiveness to context posed challenges for implementation and results.

A review of 7 CES indicated that anticipation of the need for flexible application of processes and actual plans for implementation are uneven. Most CES incorporate some degree of flexibility in applying CDB's processes, but the extent and structure vary significantly. Three CES—Belize, SVG, and Haiti—explicitly embed flexibility through mechanisms such as mid-term reviews, regular portfolio “stocktakes,” adaptive results frameworks, and allowances for real-time adjustment of priorities. Haiti's CES demonstrates the strongest commitment to flexibility, reflecting its fragile context and need for responsive, sequenced, and grant-driven operations. Grenada, Guyana, and Suriname acknowledge the need for flexibility, particularly in response to capacity constraints or macroeconomic uncertainty, but do not articulate formal mechanisms or procedures. Saint Lucia provides the least explicit guidance, with flexibility implied rather than structured. Overall, six of these CES reference flexibility, yet only three provide a clearly defined operational approach for adjusting CDB processes, suggesting that flexibility is recognised but not systematically integrated across the portfolio.

Element 5.7.3. The MO has a system in place to ensure operations are implemented in accordance with internal policies and pre-agreed conditions in legal agreements.

CDB's OPPM identifies structured procedural requirements throughout the operational cycle. However, this framework is considered outdated and procedural compliance is identified as uneven across operations.

CDB is rated as **unsatisfactory** based on a perceived lack of flexibility and fitness for purpose of CDB's institutional procedures.

The operations manual provides framework that applies to all operation types, ensuring alignment with both internal standards and contractual obligations:

1. Structured Operational Cycle
 - Every operation follows a defined sequence: identification → preparation → appraisal → approval → implementation → completion.
 - At each stage, compliance with internal policies (such as procurement, safeguards, financial management) is verified.
2. Legal Agreement Compliance
 - Disbursements cannot occur until legal agreements are signed and conditions precedent are met.
 - The manual requires that loan covenants, policy conditions, and fiduciary requirements be monitored throughout implementation.
3. Internal Review and Clearance
 - Dedicated units (legal, financial management, procurement, safeguards) review and clear documents before approval and disbursement.
 - For policy-based operations, tranche releases are tied to policy matrix milestones; for investment projects, disbursements depend on physical and financial progress.
4. Monitoring and Evaluation
 - The manual mandates regular progress reporting, audits, and supervision missions to ensure adherence to agreed conditions.
 - Deviations trigger corrective actions, including suspension of disbursements if compliance lapses.
5. Accountability and Control
 - Internal systems track compliance with General Conditions of Loan Agreements, procurement rules, and safeguard policies.

- Completion reports assess whether operations adhered to internal policies and legal agreements.

CDB's OP365 work instructions confirm that the Bank has a robust system to ensure operations are implemented in accordance with internal policies and the conditions set out in legal agreements. This system is embedded in the critical path through mandatory tasks such as Task 601 – Finalisation and Execution of Financing Agreements, which establishes legally binding terms, and Task 602 – Issue Disbursement Letter to Client, which provides clear withdrawal instructions aligned with those agreements. Compliance is further reinforced by Task 603 – Monitor Satisfaction of Conditions Precedent to First Disbursement and ongoing supervision tasks under the 700 series, which track adherence to financing terms, safeguard requirements, and performance standards.

A systematic review of 20 PCVRs indicates that procedural compliance is uneven, with some level of deviation across projects in different contexts. Procedural adherence is strongest in PBLs, which outline clear, discrete requirements and a clear schedule. Investment loans show more inconsistency, including late conditions precedent, late reporting, failure to meet schedule requirements, TDD extensions. Procurement compliance is generally good, even where other procedural areas lag. Non-adherence is most acute in complex, multi-actor, or fragile-state projects. A key challenge noted by stakeholders is that operational practices can vary from CDB's stated policy framework and procedures given to the fact that they have not been updated formally for the last decade.

Element 5.7.4. The MO has systems and targets in place to manage processing and implementation timelines in line with institutional targets.

CDB sets and consistently reports against institutional targets in its RMF regarding processing times (appraisal to approval) and implementation (approval to first disbursement). However, these timeframes have not consistently decreased over the assessment period.

CDB is rated as **unsatisfactory** based on limited progress in using institutional targets to reduce processing times.

The operations manual requires that the Bank maintain systems to track project processing milestones (identification, preparation, appraisal, approval) and implementation progress. These systems are designed to ensure compliance with internal service standards and Board-approved timelines. It emphasizes that timeliness of processing and implementation is a key performance indicator for the Bank. Staff are expected to use internal tracking tools and reporting systems to monitor adherence to institutional targets. The manual also allows adjustments for country-specific contexts and project complexity, provided these are documented and justified.

CDB has established systems and institutional targets to manage project processing and implementation timelines. The Bank's Corporate RMF sets clear benchmarks. To support these goals, CDB uses OP365, a comprehensive project cycle management platform that integrates pipeline tracking, quality assurance, risk management, and real-time dashboards for senior management. In 2024, CDB enhanced OP365 with a procurement review module to monitor procurement timelines and identify bottlenecks early, alongside an e-claims module for streamlined disbursement processing. These tools, combined with structured supervision protocols and annual portfolio reviews, provide an approach to improving efficiency and accountability across the project lifecycle.

Despite these systems, performance against institutional targets has been mixed. In 2023, the ARPP demonstrated that processing time improved significantly, averaging 91 days from appraisal to Board approval, but post-approval activities extended timelines to 149 days, resulting in an average of nine months to first disbursement—above the six-month target. However, in 2024, timelines lengthened further to 166 days for appraisal-to-approval and 250 days for approval-to-effectiveness, driven by complex projects and misaligned partner processes. Implementation periods also remain longer than planned,

averaging 7–9 years versus the 5–6 years projected in appraisal reports, largely due to procurement delays and capacity constraints in BMCs. ARPPs across the assessment period indicate that processing and implementation timeframes have been variable but have not consistently decreased.

The most recent ARPP for 2025 demonstrates some notable areas of improvement but it remains too early to judge whether this reflects the outcome of a sustainable change in processing activities. Whereas average time taken from appraisal to Board Approval is noted as 6.4 months, this is tied to a limited number of challenging projects, with the ARPP noting that this timeframe is reduced to 3 months for the rest of the portfolio. Time from approval to signing (5 months) and signing to effectiveness (1.8 months) has also decreased relative to 2024. Average extension of Terminal Disbursement Dates decreased to 44 months from 77 months in 2024. Positive initiatives undertaken include the roll out of a new procurement review module and client portal as well as new dashboards in OP365 that enable managers to track processing time across the portfolio.

KPI 6: Working in coherent partnerships directed at leveraging and catalysing the use of resources

Ratings

KPI / MI	Rating	Score
KPI 6	Satisfactory	2.53
MI 6.1	Satisfactory	3.00
MI 6.2	Satisfactory	2.60
MI 6.3	Satisfactory	2.80
MI 6.4	Satisfactory	2.75
MI 6.5	Satisfactory	3.00
MI 6.6	Unsatisfactory	2.00
MI 6.7	Unsatisfactory	2.16
MI 6.8	Unsatisfactory	2.33
MI 6.9	Unsatisfactory	2.16

MI 6.1: Planning, programming and approval procedures enable agility in partnerships when conditions change

- Element 6.1.1: Procedures in place to encourage joint planning and programming among Borrowing Countries and Development Partners.
- Element 6.1.2: Mechanisms, including budgetary, in place to allow programmatic changes and adjustments when conditions change.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.1	Satisfactory	3.00	
Element 6.1.1	Satisfactory	3	Medium
Element 6.1.2	Satisfactory	3	Medium

MI 6.1 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)

- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"
<https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2021) "Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"
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- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022,"
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- Caribbean Development Bank (2023) "Private Sector Strategy 2023–2028,"
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- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)
- Caribbean Development Bank (no date) "OP365 Work Instructions," (internal document)

MI 6.1 Analysis

Element 6.1.1: Procedures in place to encourage joint planning and programming among Borrowing Countries and Development Partners.

CDB has clear policies and mechanisms in place to support joint planning and programming and there is evidence of several regional initiatives involving joint planning and programming.

CDB is rated satisfactory based on having clear policies that promote joint planning and programming in alignment to good practice. However, there are opportunities to make joint planning and programming more systematic in operations and programming.

Operational Policies and Procedures Manual:

The Operational Policies and Procedures Manual (OPPM) of the CDB provides mechanisms to encourage joint planning and programming among BMCs and development partners. These mechanisms are embedded in several operational areas, particularly in Policy-Based Operations (PBOs), technical assistance, and country programming.

Joint planning is embedded in the Country Programming and Project Development Process. During the preparation of CES, CDB consults with development partners to align strategies with national priorities and identify opportunities for co-financing and complementary interventions.

For projects, the Bank encourages stakeholder participation at the design stage, including government agencies, beneficiaries, and other donors, to ensure ownership and harmonisation. Project Launch Workshops (PLWs) are organised to familiarise all parties with project design and implementation plans, creating space for coordinated planning and execution.

TA procedures also promote joint planning. Applications for TA must align with national and regional priorities and consider other technical assistance recently received by the beneficiary to avoid duplication. The Bank encourages collaboration with other agencies in designing TA projects, sharing methodologies, and co-financing studies or capacity-building initiatives. TA appraisal documents include sections on economic and institutional context, linkages to CDB's investment activities, and coordination with other donors. Quality-at-Entry standards require clear articulation of expected results and stakeholder roles, reinforcing joint planning principles.

For both investment and TA operations, supervision missions and completion reporting involve joint reviews with borrowers and stakeholders. These reviews assess progress, compliance, and lessons learned, often through exit workshops that include CDB, the borrower, implementing agencies, and other partners. This ensures continuous alignment and shared accountability throughout the project cycle.

For PBOs, the OPPM emphasizes harmonisation and collaboration with other development partners when they pursue similar policy reform objectives. This includes aligning appraisal processes, supervision, and monitoring frameworks, and developing common policy matrices to ensure coherence and reduce duplication. Where CDB resources alone cannot meet financing needs, the Bank will only appraise a PBO as part of a joint operation with other partners. This approach ensures shared financial responsibility and unified support for country-owned reform agendas, while leveraging resources for greater impact.

At the regional level, according to the OPPM, CDB fosters cooperation through initiatives that support regional public goods, such as statistical systems and financial regulation. These interventions often involve pooling resources and coordinating implementation through regional bodies like CARICOM and OECS. Across all operations, the OPPM embeds principles of participation and consultation, requiring early engagement with BMCs and partners during project identification, joint missions for appraisal and supervision, and harmonised reporting and evaluation standards.

These procedures aim to reduce transaction costs, enhance aid effectiveness, and strengthen country ownership by ensuring that interventions are coherent, complementary, and aligned with both national priorities and regional development goals.

OP365 Work Instructions:

CDB has embedded collaboration with BMCs and Development Partners into its Capital Project Critical Path, as documented in OP365 work instructions:

- Under Task 301 – Present Engagement Model to Client, CDB formally introduces the Engagement Model, which outlines critical milestones, resource requirements, and implementation targets. This step facilitates dialogue with the Client and, where relevant, development partners to ensure clarity on roles and responsibilities. Following this, Task 302 – Obtain Agreement in Principle from the Client secures formal commitment through a “Letter of Request,” enabling CDB to proceed with project preparation in coordination with other stakeholders.
- Task 201.3 – Confirm and Assess Alignment with National/Sector Priorities ensures that proposed projects are consistent with national development strategies and sector plans. This alignment creates opportunities for harmonized interventions and joint programming with other donors, reducing duplication and maximizing impact.

- Inclusive governance is addressed in Task 202 – Review and Assess Client’s Governance and Oversight for the Project, which includes establishing Project Steering Committees (PSCs). These committees often involve representatives from multiple stakeholders, including development partners, to strengthen coordination and oversight.
- Technical Assistance (TA) and Non-TA interventions identified during preliminary analysis are managed through Task 401 – Prepare and Implement Technical Assistance Interventions and Task 402 – Monitor and Support Non-TA Interventions. These steps allow CDB and partners to jointly address gaps and ensure readiness for implementation. Additionally, Task 403.1 – Review and Provide “No Objections” to Procurement Documents harmonizes procurement processes with international standards, supporting joint financing and streamlined execution.

Development Effectiveness Reviews:

The 2022 DER provides evidence of collaborative planning through initiatives that aligned CDB’s interventions with regional and global priorities. For example, the Bank partnered with the CARICOM Secretariat and the OECS Commission to advance the Learning Recovery and Enhancement Programme (Let’s REAP), a regional roadmap designed to mitigate pandemic-induced learning losses and accelerate educational outcomes. Similarly, in the energy sector, the approval of the revised Energy Sector Policy and Strategy (ESPS) introduced the ASERT 2030 framework, which explicitly calls for collective action among BMCs and development partners to accelerate renewable energy investments and regulatory reforms. The report also notes joint efforts with the Inter-American Development Bank (IDB) and other partners to strengthen social protection systems and expand MSME support, demonstrating coordinated programming to address post-pandemic recovery and resilience.

The 2023 DER notes CDB’s role in fostering joint planning through regional dialogues and multi-stakeholder initiatives. An example is the implementation of the ASERT 2030 framework, which convened a Regional Regulatory ASERT Dialogue to identify minimum regulatory conditions for incentivizing private investment in renewable energy. This process involved collaboration with BMC governments, regulators, and development partners, culminating in the publication of the Minimum Regulatory Function (MRF) study. In education, CDB continued its partnership with CARICOM and OECS under Let’s REAP, training over 1,000 educators and preparing for large-scale rollout in 2024. The Bank also worked with the World Bank and OECS to relaunch the Enhanced Country Poverty Assessment Programme, aimed at improving poverty data and institutional capacity across BMCs. These examples illustrate coordinated programming that integrates technical assistance, policy reform, and capacity building across multiple actors.

The 2024 DER highlights several instances of joint planning and programming between CDB, BMCs, and development partners. In the education sector, CDB collaborated with CARICOM, OECS, and the University of the West Indies to host an Education Symposium, producing a CARICOM-endorsed Agenda for Action and Advocacy for Education Reform. In trade and agriculture, the Bank partnered with regional agencies to develop CAHFSA Guidelines for intra-regional trade in plant and animal products and approved a project to establish a Climate-Smart Agriculture Knowledge and Information Platform, both requiring coordinated regional engagement. Additionally, CDB worked with other Multilateral Development Banks (MDBs) to design and implement an electronic government procurement (e-GP) assessment tool, promoting harmonized standards across partner countries. These initiatives reflect a deliberate effort to embed joint planning into sectoral strategies and regional policy frameworks.

Country Strategy and Programme Evaluations:

Across the five Country Strategy and Programme Evaluations (CSPEs) reviewed—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—a recurring theme is the limited extent of formalized joint planning and programming between Borrowing Member Countries (BMCs) and development partners. While all strategies acknowledge the importance of coordination, actual practice has often been ad hoc, reactive, and concentrated during crisis response rather than embedded in routine programming.

Joint planning was most evident during the 2018 economic crisis when CDB collaborated with the IMF and IDB to deliver a Policy-Based Loan (PBL) aligned with the Barbados Economic Recovery and Transformation Plan (BERT). Outside this context, coordination was largely bilateral and informal, with the Planning and Priorities Committee serving as the main mechanism for project review. There was no structured donor forum, and engagement with civil society was minimal. Recommendations called for formalizing partnerships and leveraging global climate funds for resilience projects.

- The strongest example of joint programming was the 2014–16 PBL according to the Jamaica CSPE, which involved coordinated support from CDB, IMF, IDB, and World Bank. Other instances included technical cooperation with FAO on irrigation and IDB on intellectual property, as well as regional disability assessments engaging ILO and UWI. However, most development partners were unaware of CDB's activities, reflecting weak visibility and missed opportunities. Planned citizen security interventions did not proceed, and the evaluation urged CDB to participate actively in UNDP-led donor groups and leverage its comparative advantage in climate resilience and rural development.
- The Bahamas CSPE noted that while consultations occurred during CSP preparation, joint programming was minimal. Coordination was largely ad hoc, with no evidence of structured mechanisms for harmonizing interventions. Other IFIs, offering larger and more concessional financing, dominated the donor landscape. The report recommended strengthening donor coordination platforms and aligning interventions with national disaster risk management and climate resilience priorities.
- Suriname's CSPE highlighted that CDB's engagement was relatively new and lacked formalized collaboration with other development partners. While initial consultations were strong, joint planning remained limited beyond bilateral discussions. Opportunities for synergy in climate resilience, water management, and statistical capacity building were identified but not fully exploited. Recommendations included active participation in donor forums and exploring co-financing arrangements for infrastructure and social sector projects.
- The evaluation found that despite extensive consultations during CSP development, donor coordination during implementation was weak. Other IFIs such as IDB and World Bank were more visible and proactive, often overshadowing CDB's efforts. Lessons emphasized the need to strengthen institutional capacity and harmonize interventions through formalized joint programming arrangements. Recommendations included leveraging regional initiatives and aligning interventions with Vision 2030 priorities via collaborative platforms.

Element 6.1.2: Mechanisms, including budgetary, in place to allow programmatic changes and adjustments when conditions change.

CDB has clear policies and mechanisms that support the adjustments to CES and operations to respond to changing conditions.

CDB is rated **satisfactory** based on the existence of necessary policies and mechanisms. However, there are opportunities to apply these mechanisms more systematically to promote adaptive management.

The OPPM provides clear mechanisms to ensure flexibility and responsiveness across all major operational types when conditions change.

- For investment lending, the OPPM allows changes in project scope or design during supervision, provided they do not materially alter objectives. Significant changes require Board approval, while minor adjustments can be approved by management. Budgetary reallocations within approved projects are permitted under defined thresholds, enabling projects to respond to cost overruns, technical challenges, or contextual shifts. The Bank may also provide additional financing to

complete original activities or expand impact when unexpected funding gaps occur, treating this as a new loan commitment linked to the original project.

- For PBOs, programmatic and multi-tranche modalities are designed to allow adjustments in reform actions and disbursement schedules over time. This flexibility enables countries and CDB to adapt to evolving economic realities without compromising agreed objectives. In addition, the Bank can approve additional financing for ongoing PBOs to address unforeseen shocks—such as natural disasters or fiscal crises—or to scale up reforms. These adjustments require Board approval and a full appraisal of the revised scope, ensuring accountability.
- Technical Assistance (TA) operations incorporate similar flexibility. Adjustments in terms, conditions, or implementation schedules can be made to accommodate changing priorities or unforeseen delays. TA budgets may be revised to include additional activities or extend timelines, provided they remain consistent with the original objectives and funding ceilings. These changes are documented and approved through streamlined processes, ensuring that TA interventions remain relevant and effective.

The operations manual emphasizes the importance of mid-term reviews and allows for course corrections during implementation. These reviews assess borrower performance, institutional changes, and the effectiveness of reforms, and they explicitly consider whether mid-term adjustments are needed to achieve objectives. Action plans developed during these reviews include remedial measures, responsibilities, timelines, and costs.

Reallocation of Loan Proceeds

The OPPM provides procedures for reallocation of project component costs when actual costs differ from estimates or when minor design variations occur without changing project scope. Project Supervisors (PS) can recommend reallocations, and Project Managers (PM) or Division Chiefs (DC) may approve minor changes. Significant changes in scope require preparation of a Board Paper and Board approval.

Changes in Loan Projects

Variations in project scope or design are addressed under supervision procedures. Minor changes can be approved internally, while major changes—such as altering agreed policy reforms or project objectives—require Board of Directors (BOD) approval.

Additional Financing

The manual allows for additional financing when unforeseen circumstances create funding gaps or when scaling up project impact is justified. This is treated as a new loan commitment and requires a full appraisal to confirm technical feasibility, economic viability, and alignment with country strategies. Both Ordinary Capital Resources (OCR) and Special Development Fund (SDF) resources can be used for this purpose.

Cancellation or Suspension

Clear procedures exist for cancellation, suspension, or restoration of loan rights when projects are not completed or when compliance issues arise. Decisions to cancel or suspend are made by the Loans Committee, and related actions—such as calling in a loan or initiating arbitration—are also governed by defined approval hierarchies.

The OP365 work instructions allow programmatic changes and adjustments when conditions evolve during the project cycle.

- Under Task 406 – Review and Confirm Changes to the Engagement Model, CDB allows for formal revisions to project scope, timelines, and financing arrangements. This process requires documentation of proposed changes in the portfolio management system, consultation with the Client, and internal approval by the Division Chief or higher authorities.

- Significant changes, including variations in scope or requests for additional resources, are addressed through Task 707 – Complete Arrangements for Variations in Scope/Additional Financing. When adjustments require extra funding or major design changes, CDB prepares a Board Document outlining the proposed modifications and their financial implications. Approval by the Bank’s Board of Directors or the President ensures that budgetary flexibility is available to meet new requirements.
- Tasks such as 203.2 – Review Procurement Arrangements enable amendments to procurement plans and strategies, allowing for resubmissions when market conditions or capacity constraints arise. Similarly, monitoring tasks identify resource gaps and trigger remedial actions, including Technical Assistance interventions, which can be financed by CDB or development partners

Across five CSPEs reviewed—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—adaptive mechanisms for programmatic changes were generally weak. While all strategies acknowledged the need for flexibility, most lacked formalized mid-term reviews, dynamic Results Monitoring Frameworks (RMFs), or contingency financing arrangements. Adjustments were often reactive, triggered by crises such as economic shocks or natural disasters, and implemented through exceptional instruments like Policy-Based Loans (PBLs) rather than embedded in the CSP design.

- The Barbados CSPE found that programmatic flexibility was primarily achieved through the introduction of a programmatic PBL series during the 2018 economic crisis. These loans allowed CDB to pivot from stalled investment projects toward fiscal stabilization and social protection measures under the Barbados Economic Recovery and Transformation Plan (BERT). However, beyond PBLs, there were no systematic mechanisms—such as mid-term reviews or adaptive RMFs—to facilitate course correction. Planned CSP updates did not occur, and budgetary reallocations were limited, leaving the portfolio vulnerable to delays and cancellations when conditions changed.
- The Jamaica CSPE highlighted that while RMFs were included in CSP design, they were poorly structured and not used for adaptive management. Indicators were often not SMART, and mid-term reviews were never conducted, meaning contextual changes were not systematically addressed. Adjustments were largely reactive, such as emergency financing during the COVID-19 pandemic, which came from IMF rather than CDB. Although the CSP papers envisioned flexibility, these mechanisms were not operationalized, resulting in delays and rescoping rather than proactive redesign.
- The Bahamas CSPE noted that while the CSP recognized the country’s vulnerability to exogenous shocks, formal mechanisms for adjustment were limited. Flexibility was introduced through a Programmatic Recovery and Resilience PBL approved in 2023, which focused on revenue enhancement and resilience-building after severe hurricane impacts and COVID-19 disruptions. However, this was an exceptional measure rather than a built-in feature of the CSP. The evaluation recommended embedding contingency financing and adaptive planning tools in future strategies to better manage climate and economic shocks.
- Suriname’s CSPE revealed that the CSP (2014–18) lacked structured mechanisms for adjustment despite significant economic deterioration soon after approval. The sharp recession in 2015–16 and subsequent fiscal crisis required IMF intervention and ad hoc support from CDB and IDB. While some projects were rescheduled or scaled down, there was no formal mid-term review or budgetary flexibility within the CSP framework. The evaluation stressed the need for adaptive instruments and proactive risk management in future strategies, particularly given Suriname’s exposure to commodity price volatility and governance challenges.
- The Trinidad and Tobago CSPE found that while the CSP design acknowledged risks, it did not include operationalized mechanisms for programmatic adjustment. There were no mid-term reviews, and RMFs were not used to trigger changes. Adjustments were made on a case-by-case

basis, often through technical assistance or project rescoping rather than strategic reallocation of resources. The evaluation recommended integrating flexible financing instruments and formal review points into future CESs to ensure responsiveness to economic shocks and implementation delays.

MI 6.2: Partnerships based on an explicit statement of comparative or collaborative advantage e.g. technical knowledge, convening power/partnerships, policy dialogue/advocacy.

- Element 6.2.1: The MO's country, regional and/or sector strategies identify its comparative advantage and potential synergies with other development partners.
- Element 6.2.2: The MO's strategies, knowledge work and pipelines demonstrate the identification of clear opportunities for collaboration in line with comparative advantage.
- Element 6.2.3: The MO's donor partnerships build on comparative advantage, promote shared priorities for cross-cutting issues and help de-risk investments through a range of mechanisms.
- Element 6.2.4: The MO has clear processes and structures in place to facilitate co-financing of operations with other partners.
- Element 6.2.5: Where possible, the MO works with countries and other development partners through government-led platforms.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.2	Satisfactory	2.60	
Element 6.2.1	Satisfactory	3	Medium
Element 6.2.2	Unsatisfactory	2	Medium
Element 6.2.3	Satisfactory	3	Medium
Element 6.2.4	Satisfactory	3	Medium
Element 6.2.5	Unsatisfactory	2	Medium

MI 6.2 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"
<https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2021) "Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"
https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) "Country Strategy and Programme Evaluation – Belize: Final Report with Management Response,"
https://www.caribank.org/sites/default/files/publication-resources/Belize%20CSPE%20Report%20OIE%20Final%20with%20Management%20Response_redacted.pdf
- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response,"

https://www.caribank.org/publication_types/corporate-evaluations/jamaica-cspe-2014-2-2016-and-2017-2021

- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2023) "Private Sector Strategy 2023–2028," https://www.caribank.org/sites/default/files/publication-resources/CDB_Private%20Sector%20Strategy%202023-2028.pdf
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2024) "Development Effectiveness Review – 2023," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)
- Caribbean Development Bank (no date) "OP365 Work Instructions," (internal document)

MI 6.2 Analysis

Element 6.2.1: The MO's country, regional and/or sector strategies identify its comparative advantage and potential synergies with other development partners.

CDB's policies, strategies and CES link its comparative advantage to deep regional knowledge, strong relationships with governments, and ability to provide tailored technical assistance and policy dialogue.

CDB is rated **satisfactory** based on alignment to good practices. However, actual development partner engagement and coordination to operationalise this comparative advantage in BMCs has been uneven.

According to the OPPM, country strategies are required to identify CDB's comparative advantage and potential synergies with other development partners. CSPs are prepared in consultation with governments, development partners, and other stakeholders, and they serve as the main instrument for establishing relevance, responsiveness, and results-orientation in CDB's operations. The CSP explains the country-specific development context, the rationale for selecting CDB assistance, and explicitly addresses links to other development partners. It also sets out the economic rationale for each intervention—whether investment projects, policy reform programmes, or technical assistance—and functions as a monitoring and evaluation tool for tracking performance over the CSP period.

CDB's strategic frameworks consistently emphasize its role as a trusted regional institution with deep knowledge of Caribbean contexts and strong relationships with BMCs. Across its sectoral and thematic strategies, the Bank often highlights its comparative advantage—such as cultural proximity, responsiveness, and ability to integrate cross-cutting issues—and its intent to leverage partnerships with multilateral development banks, UN agencies, regional bodies, and private sector actors. However, the degree to which these elements are explicitly articulated varies by strategy.

- Agriculture Sector Policy and Strategy (ASPS 2020–2025): ASPS identifies CDB's comparative advantage as a regional institution with strong country knowledge and the ability to act as a catalyst for investment. It emphasizes selectivity and focus, leveraging its limited resources to crowd-in financing and promote regional cooperation. Synergies are central to the strategy, with clear commitments to partner with multilateral development banks, UN agencies, donors, farmer and

fisher organizations, civil society, and private sector actors through co-financing, technical assistance, and public-private partnerships.

- Disaster Management Strategy and Operational Guidelines (DiMSOG 2021): DiMSOG articulates CDB's strengths—trust, cultural affinity, responsiveness, and accreditation to global climate funds—as its comparative advantage in disaster risk management. It prioritizes partnerships as a core pillar, working with CDEMA, regional institutions, MDBs, and bilateral donors to harmonize disaster risk reduction and climate resilience efforts. The strategy also seeks synergies through joint financing, knowledge sharing, and alignment with global frameworks such as the Sendai Framework and SDGs.
- Youth Policy and Operational Strategy (YPOS 2020): YPOS references CDB's track record in education, citizen security, and youth empowerment as a basis for its comparative advantage, though less explicitly compared to other strategies. It strongly emphasizes synergies, highlighting partnerships with UNICEF, PAHO, ECLAC, USAID, and other actors, and promoting multipartite and intergenerational collaboration, including private sector engagement. The strategy positions CDB as a convener and advocate for integrated youth development across sectors.
- Gender Equality Policy and Operational Strategy (GEPOS): GEPOS implies CDB's comparative advantage through its mandate and experience in gender mainstreaming. Synergies are acknowledged through alignment with global frameworks (SDG 5) and collaboration with governments and civil society, though operational partnerships are less detailed.
- Education and Training Policy and Strategy: This strategy suggests CDB's comparative advantage is its long-standing investment in education infrastructure and capacity building but does not explicitly frame it as such. Synergies are mentioned in general terms, referencing collaboration with regional and international education bodies.
- Climate Resilience Strategy (CRS 2019–2024): CRS implies CDB's comparative advantage through its regional focus and accreditation to global climate finance mechanisms, positioning the Bank to mobilize concessional resources for resilience. Synergies are explicitly highlighted, with commitments to partner with the Green Climate Fund, Adaptation Fund, MDBs, and regional climate institutions to scale up financing and technical support for climate adaptation and mitigation.

Across the five CSPEs reviewed—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—CDB's comparative advantage is consistently linked to its deep regional knowledge, strong relationships with governments, and ability to provide tailored technical assistance and policy dialogue. However, evaluations reveal that these strengths were not always leveraged to create synergies with other development partners. While there were examples of collaboration, particularly during crises or in specialized sectors, systematic coordination and joint programming remained limited. For example:

- The Barbados CSPE emphasized CDB's comparative advantage in its understanding of the regional context and its ability to respond quickly during the 2018 economic crisis through a PBL. This intervention demonstrated effective synergy with the IMF and IDB, as all three institutions coordinated to support fiscal stabilization under the Barbados Economic Recovery and Transformation Plan (BERT). However, outside this context, CDB's engagement with other partners was minimal, and opportunities for collaboration in areas such as climate resilience and renewable energy were missed. The evaluation recommended leveraging partnerships with institutions like the Green Climate Fund and European Investment Bank to expand financing for resilience projects.
- The Jamaica CSPE noted that CDB's comparative advantage lies in its regional expertise and ability to support social protection and rural development. Despite this, the evaluation found that CDB did not fully capitalize on these strengths to build synergies with other development partners. While the 2014–16 PBL showcased strong collaboration with IMF, IDB, and World Bank, most other interventions were implemented in isolation. Planned partnerships in citizen security and

governance did not materialize, and many international development partners were unaware of CDB's activities. The report recommended that CDB actively participate in existing coordination platforms, such as UNDP-led donor groups, and position itself as a leader in climate resilience and rural infrastructure.

- The Bahamas CSPE highlighted CDB's comparative advantage in disaster risk management and climate resilience, areas of critical importance given the country's vulnerability to hurricanes. While CDB provided targeted support for resilience-building and energy efficiency, the evaluation found limited evidence of structured collaboration with other IFIs or donors. Larger players such as IDB and World Bank dominated the financing landscape, often overshadowing CDB's efforts. The report recommended that CDB strengthen partnerships with regional climate initiatives and global funds and explore co-financing arrangements to scale up its impact in infrastructure and renewable energy projects.
- Suriname's CSPE identified CDB's comparative advantage in providing technical assistance and supporting institutional capacity building, particularly in procurement and statistical systems. However, the evaluation noted that synergies with other development partners were limited, despite opportunities in areas such as climate resilience, water management, and social sector reform. During the 2015–16 economic crisis, CDB worked alongside IMF and IDB, but this collaboration was reactive rather than strategic. The report recommended that CDB formalize partnerships and leverage its niche expertise to complement larger IFIs, especially in governance and capacity-building initiatives.
- The Trinidad and Tobago CSPE underscored CDB's comparative advantage in technical assistance, institutional strengthening, and knowledge creation. These areas were seen as critical for supporting evidence-based planning and improving public sector efficiency. However, the evaluation found that CDB did not consistently use these strengths to create synergies with other development partners. While consultations during CSP preparation were extensive, collaboration during implementation was weak, and other IFIs such as IDB and World Bank were more visible. The report recommended that CDB focus on niche areas—such as capacity building and resilience—and actively pursue joint programming to enhance development effectiveness.

Element 6.2.2: The MO's strategies, knowledge work and pipelines demonstrate the identification of clear opportunities for collaboration in line with comparative advantage.

Whereas CDB's comparative advantage in regional knowledge, policy dialogue, and technical assistance is recognised, evidence of systematic identification and operationalisation of collaboration opportunities through strategies, knowledge products, or project pipelines in BMCs is uneven.

CDB is rated **unsatisfactory** based on the lack of a systematic approach to consider and respond to opportunities to address regional knowledge and policy dialogue.

Although CDB demonstrates relevant regional collaboration and partnership to this end in many areas, CDB does not have a clear strategy for partnerships or RCI. Furthermore, evidence from evaluations suggests limited planning and uneven operationalisation of these initiatives.

The 2022 DER demonstrates collaboration in several areas. For instance, CDB partnered with CARICOM and OECS to implement the Learning Recovery and Enhancement Programme (Let's REAP), leveraging their regional convening power and education expertise to address pandemic-induced learning gaps. Similarly, in the energy sector, the ASERT 2030 framework was introduced to accelerate renewable energy investments through collective action, drawing on CDB's financing capacity and regional partners' technical expertise. The report also notes collaboration with the Inter-American Development Bank (IDB) and other donors to strengthen social protection systems and MSME support, reflecting a deliberate alignment of roles where partners bring specialized knowledge and resources.

The 2023 DER provides examples of collaboration, particularly in climate resilience and regulatory reform. The Regional Regulatory ASERT Dialogue, convened under the ASERT 2030 framework, illustrates how CDB leveraged its position as a regional financier while engaging regulators and technical agencies to design the Minimum Regulatory Function (MRF) for the electricity sector. This partnership combined CDB's financial leadership with partners' regulatory expertise to create an enabling environment for private investment in renewable energy. Additionally, the relaunch of the Enhanced Country Poverty Assessment Programme with the World Bank and OECS highlights collaboration where CDB provided financing and coordination, while partners contributed technical capacity in poverty measurement and data analytics.

The 2024 DER provides evidence of partnerships that address systemic challenges. For example, the Education Symposium, co-hosted with CARICOM, OECS, and the University of the West Indies, produced a CARICOM-endorsed Agenda for Action on education reform, leveraging CDB's convening power and financing with partners' policy influence and academic expertise. In procurement reform, CDB collaborated with other Multilateral Development Banks (MDBs) to develop an electronic government procurement (e-GP) assessment tool, aligning MDBs' global standards expertise with CDB's regional implementation role. Similarly, initiatives like the CAHFSA Guidelines for intra-regional trade demonstrate how technical agencies' specialized knowledge complements CDB's financing and coordination capabilities.

The five CSPEs reviewed—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—consistently recognized CDB's comparative advantage in regional knowledge, policy dialogue, and technical assistance. However, evidence of systematic identification of collaboration opportunities through strategies, knowledge products, or project pipelines was mixed. While some CSPs flagged potential partnerships and thematic synergies, most lacked operationalized mechanisms to translate these into joint programming or co-financing arrangements.

- The Barbados CSPE acknowledged CDB's comparative advantage in fiscal policy support and social sector analysis, particularly through its Country Gender Assessment (CGA) and technical assistance linked to PBLs. The evaluation noted that these instruments created entry points for collaboration on gender-responsive budgeting and social protection reform. It also recommended leveraging partnerships with institutions such as the EU, IFC, and World Bank for technical assistance and grant funding. However, beyond these recommendations, there was limited evidence that the CES pipeline systematically embedded collaborative opportunities in areas like climate resilience or private sector development.
- The Jamaica CSPE found that while the CES highlighted donor coordination and proposed collaboration with IDB, World Bank, and UNDP on citizen security and governance, these plans did not materialize. The evaluation noted that knowledge work and strategy documents referenced opportunities to scale up successful projects and share expertise on governance frameworks, but no formal agreements were secured. The strongest example of collaboration was the 2014–16 PBL, which involved IMF, IDB, and World Bank. Other isolated cases included technical cooperation with FAO and IDB. Overall, the CSP pipeline did not consistently identify or operationalize opportunities for joint programming aligned with CDB's strengths in climate resilience and rural development.
- The Bahamas CSPE indicated that while the CSP recognized CDB's niche in disaster risk management and resilience, there was little evidence of a structured approach to embedding collaboration opportunities in the pipeline. Knowledge work on climate resilience was strong, but partnerships with global climate funds and other IFIs were not formalized. The evaluation recommended that future strategies explicitly integrate co-financing arrangements and joint programming in areas such as renewable energy and infrastructure resilience, where CDB's comparative advantage could complement larger IFIs.
- Suriname's CSPE highlighted CDB's comparative advantage in institutional capacity building and technical assistance, particularly in procurement and statistical systems. While the CES

acknowledged opportunities for collaboration in climate resilience and governance, these were not systematically pursued. The evaluation noted that knowledge products and strategy discussions identified potential synergies with IDB and IMF during the economic crisis, but these remained reactive rather than embedded in the pipeline. Future strategies were advised to formalize partnerships and leverage CDB's expertise to complement larger IFIs in governance and social sector reform.

- The Trinidad and Tobago CSPE recognized CDB's strengths in technical assistance and knowledge generation, which could support evidence-based planning and public sector reform. However, the evaluation found limited evidence that these strengths were translated into collaborative opportunities within the CES pipeline. While consultations during CSP preparation were extensive, implementation lacked structured mechanisms for joint programming. Recommendations included embedding partnership frameworks in future strategies and using knowledge work to position CDB as a leader in resilience and institutional strengthening.

Element 6.2.3: The MO's donor partnerships build on comparative advantage, promote shared priorities for cross-cutting issues and help de-risk investments through a range of mechanisms.

CDB's donor partnerships are structured to pool resources, share knowledge, and create enabling conditions for transformative investments in the Caribbean.

CDB is rated **satisfactory** for this indicator, reflecting the scope of partnerships with donor organisations, regional organisations, vertical mechanisms and partners to de-risk investments. However, there remains a need to establish a more strategic approach.

Across DERs, CDB's donor partnerships are portrayed as mechanisms that attempt to leverage comparative advantage, align with shared priorities, and help de-risk investments. For example, the 2022 DER emphasizes collaboration under the revised Energy Sector Policy and Strategy (ESPS), where CDB worked with regional energy organizations and development partners to accelerate renewable energy investments through the ASERT 2030 framework, combining CDB's financing role with partners' technical expertise. It also highlights joint efforts with the Inter-American Development Bank (IDB) to strengthen social protection systems and MSME support, promoting cross-cutting priorities such as resilience and gender equality.

The 2023 Review reinforces this approach by showcasing partnerships with global climate finance instruments like the Green Climate Fund (GCF) and the Adaptation Fund, which provide concessional resources and innovative financing tools—such as debt-for-climate swaps and green bonds—that reduce risk exposure for BMCs while advancing climate resilience and governance objectives. Similarly, the 2024 Review illustrates how partnerships with other Multilateral Development Banks (MDBs) on procurement reform and with CARICOM and OECS on education reform build on each partner's strengths: MDBs contribute global standards expertise, while regional bodies offer policy influence and convening power. These collaborations also embed cross-cutting themes—such as gender equality and climate resilience—into project design, supported by mechanisms like readiness filters, portfolio reviews, and co-financing arrangements that mitigate implementation risks. Collectively, the DERs demonstrate that CDB's partnerships are not only strategic but also structured to pool resources, share knowledge, and create enabling conditions for transformative investments in the Caribbean.

The five reviewed CSPEs—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—note that CDB has a strong comparative advantage in regional knowledge, policy dialogue, and technical assistance. However, evidence that donor partnerships consistently leveraged these strengths to promote shared priorities (such as gender, climate resilience, and governance) and de-risk investments was mixed. While there were examples of collaboration during crises and in specialized sectors, most partnerships were ad hoc rather than embedded in CSP design.

Element 6.2.4: The MO has clear processes and structures in place to facilitate co-financing of operations with other partners.

Although CDB has clear policies and instruments that support co-financing, implementation in operations has been inconsistent with no clear means of measurement and the need for a more strategic approach in CES and BMCs.

CDB is rated **satisfactory** for this indicator based on identified arrangements to support co-financing through MOUs and contribution agreements. However, CDB still lacks a holistic corporate perspective on cofinancing, including means of monitoring and targets.

Co-financing in the OPPM and Corporate Reporting:

The OPPM provides a framework for co-financing operations with other development partners, ensuring that CDB can leverage resources and harmonize efforts to maximize development impact. Co-financing is recognized as a strategic tool for addressing resource constraints and promoting donor coordination, and the manual outlines clear modalities and operational processes to achieve this.

- The OPPM defines three main co-financing modalities: joint financing, parallel financing, and loan participation. Under joint financing, CDB and its partners share responsibility for financing a common list of goods and services, using procurement procedures acceptable to all parties. Parallel financing allows each partner to finance different components of the same project, with agreements established upfront to avoid duplication and ensure complementarity. Loan participation involves a lead lender selling participation in a loan to other financiers, transferring proportional risk and enabling CDB to benefit from the due diligence and preferred creditor status of multilateral institutions.
- The operations manual emphasizes co-financing in PBOs, particularly when CDB resources alone cannot close financing gaps. In such cases, the Bank will only appraise a PBO request as part of a joint operation with other development partners. This approach includes harmonizing policy matrices, aligning disbursement conditions, and coordinating supervision and monitoring frameworks. By doing so, CDB ensures that policy reforms are supported consistently across donors, reducing transaction.
- Co-financing is encouraged in investment lending and sector-wide approaches, where CDB acts as a catalyst for mobilizing additional resources. The OPPM notes that cooperation with other donors occurs during sector analysis, policy design, and program implementation, particularly in areas such as education, infrastructure, and climate resilience. This collaborative approach helps align interventions with national strategies while pooling technical and financial resources for greater impact.
- For private sector and financial intermediary lending, co-financing is considered essential due to CDB's relatively small resource base and prudential exposure limits. The manual highlights partnerships with other financial institutions, including multilaterals, as a key component of private sector operations.

However, despite this policy framework, CDB has no clear mechanisms in place to monitor the extent to which its operations are cofinanced with other partners.

The OP365 work instructions provide structures to facilitate co-financing of operations with other development partners. These mechanisms are integrated into the Capital Project Critical Path.

- Tasks such as 201.4.8 – Confirm the Availability of CDB Resources require the identification and allocation of loan and grant resources, including the integration of external fund sources. This step ensures that co-financing arrangements are documented, with terms and conditions for each funding source clearly outlined. Similarly, Task 205 – Assess the Adequacy of Counterpart Funding

establishes the Borrowing Member Country's contribution, which is critical for structuring joint financing with other partners.

- During project preparation, OP365 includes provisions for negotiating financing terms and conditions with the Client and development partners. These negotiations allow for adjustments to accommodate co-financing arrangements, ensuring clarity on roles, responsibilities, and financial commitments before Board approval.

MOUs with Partners:

CDB maintains a range of MOUs and contribution agreements with other institutions (upwards of 23) with other institutions, including peer MDBs, national donors and regional organisations such as CARICOM. These MOUs vary in content but typically outline the agreed terms and conditions for co-financed operations with respect to eligibility, approvals and procurement among several other issues. While these documents play an important role in enabling collaboration and co-financing by establishing requirements and ways of working, they do not indicate that these agreements have been actioned to support actual co-financing. Partners contacted during country visits indicated that uneven implementation of these agreements to support operations.

Corporate Reporting:

Co-financing is reported in the appraisal reports for specific operations, but CDB does not provide an aggregated indication of the extent to which operations are co-financed with partners. Furthermore, CDB does not identify targets for co-financing.

Across DER reports, co-financing is presented as a strategic mechanism to expand resources, share risks, and align priorities. The 2022 DER notes that CDB actively pursued blended financing arrangements under its revised Energy Sector Policy and Strategy, particularly through the ASERT 2030 framework, which encourages joint investments in renewable energy and energy efficiency projects. This approach leverages concessional resources from partners like IDB and bilateral donors to complement CDB's own financing.

The 2023 DER highlights partnerships with global climate finance instruments such as the GCF and the Adaptation Fund. These partnerships enable CDB to structure projects with grant components and concessional loans, reducing risk BMCs and making specific investments—such as geothermal energy development and streetlight retrofitting—financially viable. The report also points to collaboration with other MDBs on procurement reform and capacity building, which often accompanies co-financed operations to strengthen governance and implementation.

The 2024 DER provides further examples of co-financing structures, including readiness filters and portfolio oversight mechanisms designed to align CDB's resources with those of partners. It cites joint initiatives like the Education Symposium, which combined CDB's financing with technical expertise from CARICOM, OECS, and the University of the West Indies, and the development of an electronic government procurement (e-GP) tool with other MDBs.

Recent country strategy and program evaluations consistently noted that while co-financing is recognized as a strategic priority, clear processes and institutional structures to operationalize it were generally weak. Most partnerships were ad hoc, often emerging during crises or for specific projects rather than through systematic frameworks embedded in CSP design.

Element 6.2.5: Where possible, the MO works with countries and other development partners through government-led platforms.

There is evidence of CDB working through various country, regional and partner platforms, but they lack a systematic approach to doing so.

CDB is rated as **unsatisfactory** based on a gap to good practice in this area and mixed evidence of support the country coordination mechanisms.

The DERs report that CDB works with countries and development partners through government-led platforms, providing several examples across years. The 2022 DER highlights CDB's engagement in national and regional consultations during the design of the revised Energy Sector Policy and Strategy (ESPS), ensuring alignment with government priorities and leveraging regional energy bodies' technical expertise. The 2023 DER notes the relaunch of the Enhanced Country Poverty Assessment Programme (eCPA), implemented with the OECS Commission and the World Bank to strengthen poverty data systems under government leadership, as well as the UK Caribbean Infrastructure Conference, which convened governments, donors, and project teams to improve implementation of UKCIF-funded projects. Similarly, the 2024 DER underscores CDB's participation in the CARICOM-endorsed Education Symposium, co-hosted with CARICOM, OECS, and the University of the West Indies, which served as a government-led platform for shaping regional education reform and mobilizing partners around shared priorities.

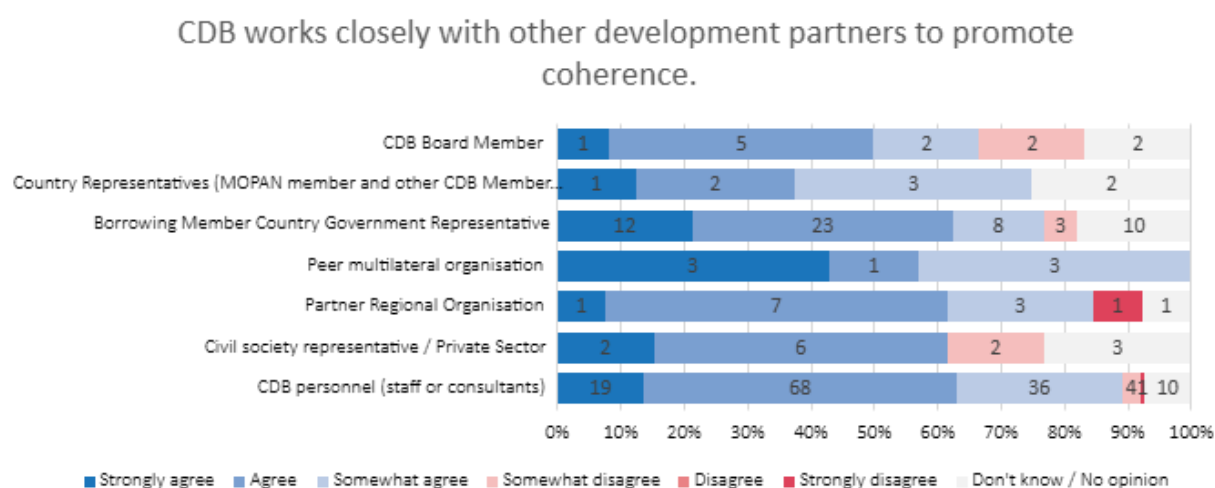
However, CDB currently lacks a clear policy or approach for convening or engaging with partners through country platforms. Whereas most CES contain a narrative speaking to alignment with the activities of other donors, CES do not provide a clear mapping of donor activities for different sectors to identify how CDB's interventions complement those of other partners.

All five CSPEs reviewed confirm that government-led platforms are critical for coordination, but CDB's participation has been inconsistent. Future strategies should institutionalize engagement in these forums to align priorities, promote cross-cutting issues (e.g., gender, climate resilience), and facilitate joint programming.

- The Barbados CSPE highlighted that the main government-led coordination mechanism was the Planning and Priorities Committee, chaired by the Prime Minister, which reviewed projects every two months. This platform improved transparency and helped resolve implementation bottlenecks. However, donor coordination beyond this committee was minimal, and CDB's engagement with civil society and broader stakeholders was weak. The evaluation recommended more structured participation in government-led forums and leveraging these platforms to align priorities and accelerate implementation.
- The Jamaica CSPE found that while the Planning Institute of Jamaica (PIOJ) plays a central role in donor coordination, CDB's participation in these mechanisms was limited. Existing platforms, such as UNDP-led donor groups and sectoral working groups, offered opportunities for alignment, but CDB was often absent or minimally engaged. This lack of visibility contributed to missed opportunities for joint programming and harmonization with other IFIs. The evaluation urged CDB to strengthen its presence in these forums and use them to promote shared priorities such as climate resilience and social protection.
- The Bahamas CSPE noted that government-led platforms for donor coordination were in place, particularly for disaster recovery and resilience planning, but CDB's engagement was not systematic. Larger IFIs such as IDB and World Bank were more active in these forums, often shaping the agenda. The evaluation recommended that CDB increase its participation in these platforms to leverage its comparative advantage in disaster risk management and climate resilience.
- Suriname's CSPE indicated that while coordination structures existed within the Ministry of Finance and Planning, CDB's engagement was limited. During the fiscal crisis, collaboration with IMF and IDB was strong but largely outside formal government-led platforms. The evaluation suggested that future strategies should embed CDB's participation in these mechanisms to improve alignment and facilitate joint programming in areas such as governance and climate resilience.
- The Trinidad and Tobago CSPE emphasized that while government-led platforms for donor coordination exist, CDB's involvement was minimal. Other IFIs, particularly IDB and World Bank,

were more visible and influential in these forums. The evaluation recommended that CDB actively engage in these platforms to promote shared priorities and leverage partnerships for institutional strengthening and resilience-building.

Overall, 62% of respondents to MOPAN's Partner Survey agreed or strongly agreed that "CDB works closely with other development partners to promote coherence." Of 43 respondents who provided open text feedback, 44% spoke to CDB's coordination with other development partners. Several stakeholders noted that CDB works well with governments and regional partners such as CARICOM. However, many noted that coordination can be inconsistent, with a lack of visibility and a need for greater strategic coherence with partners, including alignment of TA support to partner operations. Finally, stakeholders noted that coordination is hindered by internal bottlenecks.



MI 6.3 Demonstrated commitment to furthering development partnerships for countries (e.g. support for South-South collaboration, triangular arrangements, and use of country systems)

- Element 6.3.1: The MO has policies, resources and expertise in place to support country-led development, including through strengthened public financial management, domestic resource mobilisation, statistical capacity development and other areas.
- Element 6.3.2: The MO has policies, structures, instruments and expertise in place to support regional integration, work with regional organisations and address transboundary issues.
- Element 6.3.3: The MO's policies, processes and support promote the use of country systems where possible.
- Element 6.3.4: The MO supports south-south peer learning, collaboration and partnerships.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.3	Satisfactory	2.80	
Element 6.3.1	Satisfactory	3	Medium
Element 6.3.2	Satisfactory	3	Medium
Element 6.3.3	Satisfactory	3	Medium
Element 6.3.4	Unsatisfactory	2	Medium

MI 6.3 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"
<https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2021) "Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"
https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) "Country Strategy and Programme Evaluation – Belize: Final Report with Management Response,"
https://www.caribank.org/sites/default/files/publication-resources/Belize%20CSPE%20Report%20OIE%20Final%20with%20Management%20Response_redacted.pdf
- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response,"
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- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022,"
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- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response,"
https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
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<https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)
- Caribbean Development Bank (2025) "Draft Environmental and Social Review Framework – for National Consultation," (internal document)
- Caribbean Development Bank (no date) "OP365 Work Instructions," (internal document)

MI 6.3 Analysis

Element 6.3.1: The MO has policies, resources and expertise in place to support country-led development, including through strengthened public financial management, domestic resource mobilisation, statistical capacity development and other areas.

CDB has policies, processes and resources in place to support country-led development and an established track record of providing support. However, support and results have been uneven in practice, with recommendations to structure support around more programmatic, longer-term approaches.

CDB is rated **satisfactory** based on alignment to good practice. However, there are opportunities to adopt more programmatic, longer-term approaches to support country-led development in line with best practice.

The DERs highlight CDB's efforts to strengthen country systems and institutional capacity. For instance, the 2023 Review reports progress in enhancing public financial management (PFM) and public investment programs, with 17 ministries and agencies improving financial systems and 22 institutions gaining technical capacity to plan, implement, and monitor development projects. It also notes advancements in procurement reform, including the adoption of e-procurement systems in nine ministries and improved statistical and data analytics capacity in ten agencies. Similarly, the 2024 Review emphasizes partnerships with CARICOM and OECS to bolster regional statistical capacity, funding initiatives in trade, climate, and gender statistics to support evidence-based policymaking. PBOs are another mechanism cited in the 2023 DER, where a revised framework introduced disaster-response options to incentivize DRM reforms, aligning financing with country-led priorities.

Despite these efforts, the DERs acknowledge persistent challenges that constrain country-led development. The 2024 Review points to systemic implementation delays—such as procurement bottlenecks and weak risk management—that undermine the ability to translate resources into results. For example, the average time from appraisal to first disbursement was 18 months against a six-month target, and 77% of projects required extensions, signalling capacity gaps at both CDB and country levels. The 2023 Review highlights significant data gaps, particularly the absence of up-to-date poverty statistics across many BMCs, which hampers policy design and resource allocation. While initiatives like the Enhanced Country Poverty Assessment Programme aim to address this, progress remains slow. Additionally, the 2022 Review warns of widening SDG financing gaps and calls for increased concessional resources and private sector engagement to avoid trade-offs in capital investments, underscoring limitations in domestic resource mobilization and fiscal space.

Recent CSPEs confirm that while CDB supports country-led development through policy dialogue and TA, gaps

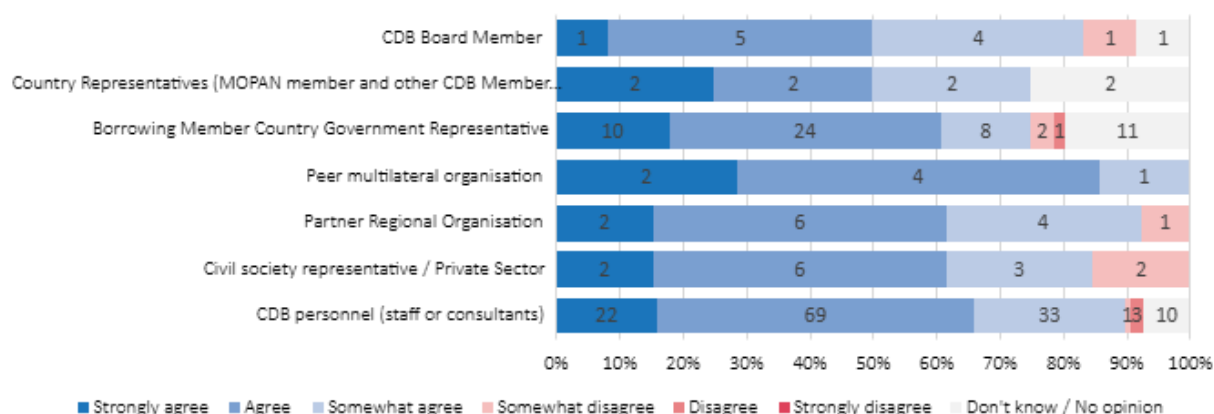
- The Barbados CSPE emphasized CDB's contribution to fiscal reform and PFM through programmatic PBLs aligned with the Barbados Economic Recovery and Transformation Plan (BERT). These interventions supported expenditure management, revenue collection, and debt restructuring. Technical assistance complemented these reforms, including training on procurement and public sector modernization. However, the evaluation noted gaps in institutional capacity and recommended a more strategic approach to public sector reform, including targeted TA for systems-level improvements and statistical capacity building.
- The Jamaica CSPE highlighted that CDB provided support for institutional strengthening through TA projects and the 2014–16 PBL, which focused on fiscal consolidation and governance. While these efforts contributed to improved PFM and macroeconomic stability, the evaluation found limited progress in building sustainable capacity for project management and statistical systems. Domestic resource mobilization was addressed indirectly through fiscal reforms, but broader systemic improvements—such as integrated monitoring frameworks and data systems—were constrained by weak institutional capacity and lack of dedicated resources.
- The Bahamas CSPE noted that CDB's engagement focused on resilience and recovery financing, with some attention to strengthening fiscal frameworks and disaster risk management systems. While policies for PFM and DRM were recognized as priorities, the evaluation found limited evidence of structured programs for statistical capacity development or long-term institutional strengthening. Recommendations included embedding TA for fiscal resilience and data systems into future strategies to support country-led planning and resource mobilization.
- Suriname's CSPE identified significant needs in PFM and governance, particularly following the 2015–16 fiscal crisis. CDB provided TA for procurement reform and supported dialogue on fiscal sustainability, but systemic improvements were hampered by weak institutional capacity and political volatility. Statistical capacity development was flagged as a critical gap, with

recommendations for CDB to leverage its expertise and partnerships to strengthen national data systems and improve evidence-based policymaking.

- The Trinidad and Tobago CSPE underscored CDB's comparative advantage in technical assistance for institutional strengthening, including PFM and governance reforms. However, the evaluation found that while policies were in place, resources and expertise for implementation were insufficient. Statistical capacity development and DRM were identified as priority areas, but progress was slow due to limited coordination and lack of structured support. Recommendations included formalizing TA programs and aligning them with government-led platforms to ensure sustainability.

Overall, 63% of respondents to MOPAN's Partner Survey either agreed or strongly agreed that "CDB engages in policy dialogue to create an enabling environment." Of 43 respondents who provided open text responses, 16% spoke to CDB's contribution to policy reform, PFM reform, noting that support for policy reform could receive more focus in operations and that support to PFM reform is hindered by long processes and institutional bottlenecks.

CDB engages in policy dialogue to create an enabling environment.



Element 6.3.2: The MO has policies, structures, instruments and expertise in place to support regional integration, work with regional organisations and address transboundary issues.

CDB has a policy framework, partnerships and a track record of support for regional cooperation and integration. However, evidence indicates that support to RCI has been uneven in practice despite CDB's potential comparative advantage in this area.

CDB is rated **satisfactory** based on the presence of a policy and demonstrated track record supporting RCI. However, CDB should adopt a more strategic approach to leverage its comparative advantage.

The OPPM provides a framework to support regional integration, collaboration with regional organizations, and the management of transboundary issues. At the policy level, the manual includes a dedicated Regional Cooperation and Integration (RCI) Policy, which reflects CDB's mandate to promote economic cooperation and integration among Borrowing Member Countries (BMCs). This policy recognizes that regional integration is essential for addressing shared development challenges such as trade facilitation, financial stability, and climate resilience. It prioritizes support for Regional Public Goods (RPGs)—including knowledge systems, regulatory frameworks, and institutions that address cross-border problems and generate benefits shared among countries.

To operationalize this policy, the OPPM outlines instruments such as Regional Public Goods Policy-Based Operations (RPGPOs). These operations provide financing to advance policy and institutional reforms that strengthen regional integration frameworks like the Caribbean Single Market and Economy (CSME)

and the OECS Economic Union. RPGPBOs are designed to deepen economic integration, reduce common risks, and improve development prospects across multiple countries. This instrument has not been implemented since 2014.

Institutional structures and expertise are also embedded in the OPPM to support regional integration. The Technical Cooperation Division (TCD) coordinates RCI-related technical assistance, while interventions can originate from the Economics Department or any Projects Division. This arrangement ensures that regional initiatives benefit from specialized expertise in policy analysis, institutional strengthening, and capacity development. Furthermore, the manual emphasizes collaboration with regional bodies such as CARICOM and OECS, reinforcing CDB's role as a key partner in regional development.

The OPPM identifies priority areas for regional cooperation, including enhancing statistical data collection for evidence-based policy-making, strengthening financial sector regulation and supervision to promote economic stability, and improving intra-regional transportation to facilitate the movement of goods and people.

The OP365 work instructions identify Regional Cooperation and Integration as one of the Bank's cross-cutting themes under its Strategic Plan. During project preparation—particularly in Task 201.4.6 – Determine how Cross-Cutting Themes could be included in the Design of the Project—project teams are required to assess opportunities to incorporate regional integration objectives. The instructions allow Project Coordinators to consult subject matter experts beyond the core team when addressing cross-cutting themes such as regional integration.

According to the 2024 DER, CDB is close to achieving its five-year targets for both RCI indicators. By the end of 2024, 16 out of 20 planned regional public goods (such as quality infrastructure systems, standards frameworks, and certification bodies) have been delivered, and 26 out of 30 trade facilitation measures (such as harmonized customs procedures, SPS protocols, and regional standards) have been implemented. Despite this progress, the DERs acknowledge significant gaps. The 2022 DER points to limited human resources and monitoring systems for regional energy programming under the ESPS, which constrained CDB's ability to meet targets and delayed reporting to development partners. It calls for more consolidated progress reporting and deeper engagement with regional organizations to improve coherence and efficiency. The report also notes that while synergies exist between ESPS and national policies, the absence of a robust performance measurement system at the strategy level limits assessment of outcomes. Similarly, the 2023 DER implies that while RCI projects are numerous, implementation delays and capacity constraints in member states hinder timely delivery of benefits. The 2024 DER suggests that although instruments like the EPA and CSME Facility are in place, uneven progress across thematic areas—such as SPS compliance and logistics—continues to challenge full integration.

The five reviewed CSPEs—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—acknowledge the strategic importance of regional integration and collaboration with regional organizations to address shared challenges such as climate resilience, disaster risk management, and trade facilitation. However, the evaluations reveal that while CDB has policies and instruments that enable regional cooperation (e.g., regional technical assistance programs, concessional financing for OECS countries), the operationalization of these mechanisms within country strategies has been uneven.

- The Barbados CSPE noted that while the CSP recognized regional integration as a cross-cutting priority, actual engagement was limited. CDB's regional instruments—such as the Caribbean Regional PPP Facility and climate resilience programs—were available but not fully leveraged in Barbados. The evaluation highlighted opportunities for collaboration with regional bodies on disaster risk management and renewable energy, but these were not systematically pursued. Recommendations included embedding regional initiatives into the country pipeline and using CDB's convening power to promote cross-border solutions.
- The Jamaica CSPE found that regional integration was referenced in the 2017–21 CSP, but practical implementation was weak. While some interventions, such as the regional disability

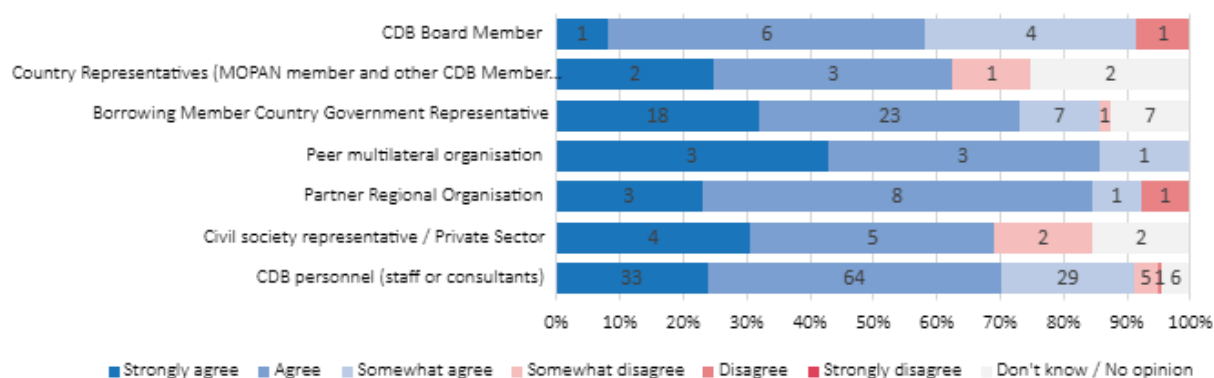
assessment and climate adaptation programs, demonstrated cross-country collaboration, most projects were nationally focused. The evaluation stressed that CDB should use its comparative advantage and regional instruments to promote shared priorities like climate resilience and gender equality, and to facilitate knowledge exchange across Caribbean states.

- The Bahamas CSPE emphasized the need for regional approaches to disaster risk management and climate resilience, given the country's vulnerability to hurricanes. While CDB provided targeted support for resilience-building, the evaluation found limited evidence of structured collaboration with regional organizations or integration of regional instruments into the CSP. Recommendations included leveraging regional climate finance facilities and partnerships with CARICOM and OECS institutions to address transboundary risks.
- Suriname's CSPE highlighted opportunities for regional integration in areas such as trade facilitation, climate resilience, and governance. While CDB supported some regional knowledge initiatives, these were not embedded in the CSP pipeline. The evaluation recommended that CDB strengthen its role in regional policy dialogue and promote cross-border solutions, particularly in energy and environmental sustainability.
- The Trinidad and Tobago CSPE noted that while regional integration was identified as a strategic priority, implementation was limited. CDB's regional instruments were underutilized, and collaboration with CARICOM and other regional bodies was minimal. The evaluation advised embedding regional initiatives into future strategies and using CDB's technical expertise to address transboundary issues such as energy security and climate adaptation.

Feedback from stakeholders indicated that, despite its track record of supporting RCI initiatives, it faces several challenges in enhancing its support. First, staff numbers supporting RCI engagement are limited. There are also limited mechanisms to overcome BMC's reluctance to borrow to support RCI, relying predominantly on special funds. The process of designing RCI operations is lengthy, with work ongoing to develop a simplified and streamlined approval process. Furthermore, CDB does not have a systematic means of identifying and measuring spillover effects, which often go unmeasured and unrecognised. CDB will need to address these issues to credibly scale up support in this area.

Overall, 72% of MOPAN Partner Survey respondents either agreed or strongly agreed that "CDB supports regional cooperation and integration through its operations and strategies." Of 45 respondents who provided open text survey responses to this question, approximately 30% noted challenges for CDB's support to RCI. These include the perception that CDB's support for RCI has weakened over time, that there is a need for a clear RCI strategy and stronger institutional leadership and the need for greater consistency in RCI support and coordination with regional organisations.

CDB supports regional cooperation and integration through its operations and strategies.



Element 6.3.3: The MO's policies, processes, support, and promote the use of country systems where possible.

CDB's policies and operational processes support the use of country systems in different contexts.

CDB is rated **satisfactory** based on the presence of required policies and track record of using technical assistance to build capacity. However, support and use of country systems have been uneven in practice with opportunities to implement a more structured and programmatic approach to capacity building in BMCs.

The OPPM supports the principle of using country systems wherever feasible, particularly in PBOs and other modalities that emphasize country ownership and alignment with national processes. It states that PBOs are “highly dependent on the use of country systems,” with resources transferred directly to the national treasury. This approach is intended to strengthen government-led implementation and reduce reliance on parallel structures. However, the manual requires rigorous fiduciary risk assessments before adopting country systems, ensuring that funds are used efficiently and deliver value for money. Where gaps exist, CDB commits to providing technical assistance to improve financial management, procurement, and reporting systems.

According to the Environmental and Social Review Procedures (ESRP), CDB's policies and processes support and promote the use of country systems where possible, but with important conditions:

- **Minimum Standard:** All projects financed by CDB must comply with the BMCs national environmental and social legislation. However, CDB's requirements may exceed national requirements when necessary
- **Capacity Building:** CDB aims to assist BMCs to strengthen their institutions and governance systems for managing environmental and social risks
- **Alignment and Harmonisation:** The ESRP reflects efforts to harmonise policies and procedural requirements with the wider development community to improve development effectiveness. It also commits to cooperate with development partners and BMCs to implement international environmental and social standards
- **Strategic Integration:** Country strategies are used as a mechanism to mainstream environmental and social considerations into national planning, drawing on national policies and strategies such as National Environmental Action Plans and Poverty Reduction Strategies

CDB encourages the use of country systems as long as they meet or can be strengthened to meet CDB's Performance Requirements (PR) and international best practices. Where gaps exist, CDB provides technical assistance or collaborates with partners to build capacity.

According to the recent ESRP evaluation, CDB emphasizes that all projects financed by the Bank must comply with national environmental and social legislation at a minimum, while aiming for international best practices. Although the current ESRP does not explicitly provide for full reliance on country systems, it supports their use when those systems adequately address project risks and impacts and are materially consistent with ESRP objectives. This approach reflects CDB's commitment to harmonization with global standards and its role in strengthening Borrowing Member Countries' (BMCs) institutional capacity.

The recent ESRP evaluation recommends clarifying and expanding this stance. It suggests adopting a progressive approach that prioritizes enhancing BMC safeguards systems over project-by-project assessments, starting with low-risk projects and capacity diagnostics. CDB is encouraged to define acceptable practices for using national frameworks, map country legislation, and collaborate with other multilateral development banks on common approaches. Management has agreed to elaborate on these provisions in the updated ESRP, signalling a shift toward greater flexibility and alignment with country systems while maintaining CDB's due diligence obligations.

In line with the recommendations of the evaluation, CDB has strengthened its commitment to support country systems in the proposed ESRF, currently in consultation. The new ESRF notes that when the borrower's capacity is constrained to meet CDB's requirements, CDB will provide project assistance, including Technical Assistance, in partnership with other development agencies, Technical Institutions and Partners.

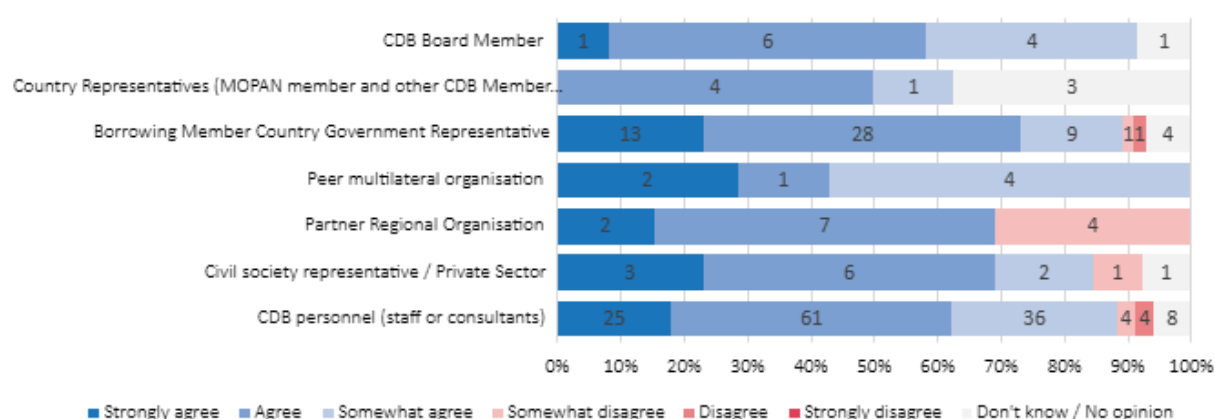
The DERs indicate that CDB promotes the use of country systems primarily through efforts to strengthen national institutions and align operations with government-led frameworks, though they also acknowledge persistent gaps. For example, the 2024 DER highlights initiatives to embed RBM and MfDR principles across BMCs, including training programs to improve risk management and contract oversight by implementing agencies—steps that enable greater reliance on country systems for planning and monitoring. Similarly, the 2023 DER reports progress in upgrading public financial management (PFM) and procurement systems, noting that several ministries adopted e-procurement platforms and improved financial oversight, while others enhanced statistical and data analytics capacity to support evidence-based decision-making. These reforms are complemented by PBOs, which incentivize disaster risk management and fiscal resilience measures, aligning financing with national priorities. However, the DERs also acknowledge shortcomings: the 2024 Review points to systemic delays in procurement and disbursement—averaging 18 months versus a six-month target—and high rates of project extensions, signalling that country systems remain uneven in capacity and efficiency. The 2023 Review underscores data gaps, particularly in poverty measurement, which limit the ability of governments to design and monitor policies effectively.

Recent CSPEs confirm that while CDB supports the use of country systems, practical constraints—such as capacity gaps and risk concerns—limit implementation.

- The Barbados CSPE noted that CDB sought to align its interventions with government priorities under the Barbados Economic Recovery and Transformation Plan (BERT) and national procurement systems. Training was provided to improve understanding of CDB procurement rules, but full reliance on country systems was constrained by concerns over efficiency and fiduciary risk. The evaluation recommended deeper engagement on public sector reform and capacity building to enable greater use of national systems in future operations.
- The Jamaica CSPE found that while CSPs were aligned with Vision 2030 Jamaica and sector plans, implementation often bypassed country systems due to perceived weaknesses in project management and procurement. Project Implementation Units (PIUs) were frequently established as a “quick fix,” limiting opportunities to strengthen national systems. The evaluation stressed the need for CDB to invest in institutional capacity and adopt phased approaches to using country systems, particularly in PFM and procurement.
- The Bahamas CSPE highlighted that while CDB aligned its support with national disaster recovery and resilience frameworks, reliance on country systems was limited. Concerns over capacity and fiduciary risk led to the use of CDB-managed processes for procurement and financial management. The evaluation recommended embedding technical assistance for system strengthening into future strategies to enable greater use of national frameworks.
- Suriname's CSPE indicated that while CDB worked closely with government counterparts, weak institutional capacity and governance challenges constrained the use of country systems. Procurement and financial management were key bottlenecks, leading to reliance on CDB procedures. The evaluation recommended targeted technical assistance and partnerships to strengthen national systems and reduce dependence on parallel structures.
- The Trinidad and Tobago CSPE emphasized that while CSPs were aligned with national development priorities, implementation relied heavily on CDB systems due to slow government processes and capacity gaps. The evaluation called for structured programs to build institutional capacity in procurement, PFM, and monitoring, enabling gradual transition to country systems.

Overall, 64% of respondents to MOPAN's partner survey either agreed or strongly agreed that “CDB works to build the institutional capacity of its partners.” Of 43 open-text responses, 30% referred to CDB's capacity development support to BMCs. Common themes included that CDB provides meaningful, but fragmented capacity building support with an overreliance on training versus deeper institutional strengthening. Furthermore, partners report that the effectiveness of CDB's technical assistance is uneven, which need for more a more responsive, proactive and adaptive approach.

CDB works to build the institutional capacity of its partners.



Element 6.3.4: The MO supports south-south peer learning, collaboration and partnerships.

CDB has supported south-south collaboration by supporting regional dialogues and partnering with regional economic communities but lacks a clear policy and approach to do so.

CDB is rated **unsatisfactory** based on the absence of a specific operational approach to support south-south collaboration more systematically.

The DERs do not present progress formally on south-south cooperation or dedicated indicators for peer learning. Instead, these efforts are embedded within broader regional integration and capacity-building programs, such as trade facilitation, quality infrastructure development, and harmonization of standards.

For example, the 2024 DER highlights the CARICOM-endorsed Education Symposium, which brought together governments, regional bodies, and academic institutions to share best practices on education reform, resilience, and digital transformation. Similarly, the Regional Regulatory ASERT Dialogue under the ASERT 2030 framework convened energy regulators and policymakers to co-create solutions for accelerating renewable energy investments, demonstrating peer-to-peer knowledge exchange. The 2023 DER cites the Enhanced Capacity Project of Jamaica's National Certification Body, which strengthened food safety certification systems and provided a model for replication across the region, while also referencing the UK Caribbean Infrastructure Conference, which facilitated learning among governments and project teams on infrastructure resilience and procurement.

None of the recent CSPEs provide strong evidence of structured South-South peer learning or partnerships. While regional integration and knowledge sharing are acknowledged, they are not systematically embedded in CES design.

MI 6.4: The MO engages with the private sector and financial institutions to mobilise financial resources or promote investment in underserved sectors and expand access to finance.

- Element 6.4.1: The MO has policies, strategies and/or guidelines in place to promote engagement with the private sector, crowd-in finance and expand investment.
- Element 6.4.2: The MO has processes in place to develop new and innovative financing structures and promote mobilisation.
- Element 6.4.3: The MO uses co-financing arrangements and lines of credit to promote high standards and access to finance in retail/SME contexts among underserved markets and populations.
- Element 6.4.4: The MO deploys a range of financial and non-financial interventions to support engagement and enhance markets in challenging contexts in line with the 2030 Agenda.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.4	Satisfactory	2.75	
Element 6.4.1	Satisfactory	3	Medium
Element 6.4.2	Unsatisfactory	2	High
Element 6.4.3	Satisfactory	3	Medium
Element 6.4.4	Satisfactory	3	Medium

MI 6.4 Evidence documents

- Caribbean Development Bank (2017) *"Private Sector Development Policy and Strategy,"* <https://www.caribank.org/about-us/policies-and-strategies/private-sector-development-policy-and-strategy.pdf>
- Caribbean Development Bank (2020) *"Country Strategy and Programme Evaluation – Barbados: Final Report with Management Response,"* <https://www.caribank.org/sites/default/files/publication-resources/BarbadosCSPEredacted%282%29.pdf>
- Caribbean Development Bank (2020) *"Evaluation of Technical Assistance by the Caribbean Development Bank (2010–2018): Volume 1 – Core Technical Assistance (Public Sector),"* https://www.caribank.org/sites/default/files/publication-resources/Volume1_TAEvaluation%20Report%20_PublicSector%28redacted%29.pdf
- Caribbean Development Bank (2021) *"Country Strategy and Programme Evaluation – Suriname: Final Report with Management Response,"* https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) *"Country Strategy and Programme Evaluation – Belize: Final Report with Management Response,"* https://www.caribank.org/sites/default/files/publication-resources/Belize%20CSPE%20Report%20OIE%20Final%20with%20Management%20Response_redacted.pdf
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- Caribbean Development Bank (2023) "*Private Sector Strategy 2023–2028*," <https://www.caribank.org/publications-and-resources/resource-library/strategies/private-sector-strategy-2023-2028.pdf>
- Caribbean Development Bank (2024) "*Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response*," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2024) "*Development Effectiveness Review – 2023*," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) "*Development Effectiveness Review – 2024*," (internal document)

MI 6.4 Analysis

Element 6.4.1: The MO has policies, strategies and/or guidelines in place to promote engagement with the private sector, crowd-in finance and expand investment.

Whereas CDB's operational policies and strategies support engagement with the private sector, private sector development and engagement can be integrated more systematically into CES and BMC engagement.

CDB is rated **satisfactory** for this element based on basic policies and strategies in place to support private sector engagement. However, there is a need to further embed private sector engagement in CES and country engagement processes to realise CDB's ambitions.

Operational guidance

The OPPM provides a framework to promote private sector engagement, mobilize additional finance, and expand investment opportunities in the Caribbean. At the policy level, the manual emphasizes that the private sector is essential for long-term economic growth and poverty reduction. It recognizes that private enterprises are the main source of employment BMCs and highlights the need to improve the investment climate and create opportunities for private sector participation in development.

To achieve this, the OPPM sets out guiding principles for private sector operations, including additionality, catalytic role, and partnerships. Additionality ensures that CDB's interventions bring new resources to the market rather than displacing existing private capital. The catalytic role focuses on leveraging CDB's involvement to attract other financial institutions and investors, while partnerships with multilaterals and regional financial intermediaries are encouraged to share risks and expand financing options. These principles are designed to crowd-in private finance and strengthen regional capital markets.

The manual also outlines instruments to support private sector development. These include long-term loans, equity and quasi-equity investments, guarantees, and technical assistance. Guarantees and co-financing arrangements are particularly important for reducing risk and encouraging private investment in sectors such as infrastructure, utilities, and telecommunications. In addition, CDB provides technical assistance to build institutional capacity, improve governance, and support regulatory reforms that create an enabling environment for private sector growth.

Special attention is given to micro, small, and medium enterprises (MSMEs) and financial intermediaries. The OPPM promotes direct and indirect financing for MSMEs through credit lines, guarantees, and advisory services. It also encourages collaboration with supervising institutions to develop appropriate

regulatory frameworks for microfinance and strengthen the capacity of development finance institutions (DFIs).

The OP365 work instructions do not explicitly include private sector operations.

Private Sector Strategies

CDB has reshaped its approach to private sector development in response to evolving regional challenges and global economic trends. The 2017 Private Sector Development Policy and Strategy (PSDPS) represented a new approach for the Bank, following limited success with its earlier 2003/04 framework. At that time, the Caribbean faced structural constraints such as high public debt, limited fiscal space, and the need to reposition economies in the wake of globalization. The PSDPS sought to transform the private sector into a major driver of economic and social wellbeing, recognizing its critical role in job creation, income generation, and poverty reduction. Micro, small, and medium-sized enterprises (MSMEs) were identified as the backbone of regional economies, accounting for up to 85% of enterprises and contributing significantly to GDP and employment.

The PSDPS was anchored on three strategic pillars: improving the investment and business climate, expanding infrastructure for inclusive economic and human capital development, and promoting equitable enterprise development with a strong focus on MSMEs. It emphasized inclusive growth, gender equality, and climate resilience as cross-cutting priorities.

Operationally, the strategy relied heavily on intermediary lending through DFIs to channel resources to MSMEs, complemented by technical assistance and policy dialogue. Risk management frameworks were introduced to guide non-sovereign operations, including credit ratings, exposure limits, and risk-based pricing. While the PSDPS achieved some successes—such as implementing 25 projects in collaboration with Compete Caribbean and launching the Cultural and Creative Industries Innovation Fund (CIIF)—its scope remained constrained by limited resources and a narrow range of financial instruments.

By 2023, the regional context had shifted. The COVID-19 pandemic exposed deep structural vulnerabilities, leading to widespread business closures and severe revenue losses among MSMEs. These shocks were compounded by rising global inflation, high commodity prices, and the escalating impacts of climate change. CDB introduced the Private Sector Strategy (PSS) 2023–2028, which builds on the foundations of the PSDPS. The new strategy aligns with CDB's Strategic Plan Update (SPU) 2022–24, which frames development around the concept of internal resilience—social, financial, and institutional—and the achievement of the SDGs.

The PSS emphasizes that the private sector needs to be active development partner and co-investor. It introduces a Theory of Change (TOC) framework that emphasizes outcomes and impact rather than outputs. The strategy focuses on three priorities: strengthening the enabling environment through legal and regulatory reforms and digitalization; promoting access to finance by expanding the suite of financial instruments, including equity, guarantees, and trade finance; and fostering enterprise development through capacity-building for MSMEs, business support organizations, and financial intermediaries. Cross-cutting themes—knowledge management, innovation, digitalization, gender equality, climate change, and regional integration—are embedded throughout the strategy.

Implementation of the PSS requires a significant scale-up in resources and capabilities. According to the PSS, CDB plans to adopt a multi-source, multi-instrument approach to resource mobilization, leveraging partnerships with multilateral institutions, bilateral donors, and private capital. This includes crowding in private investment through co-financing, loan syndication, and blended finance arrangements. The Bank will also expand its internal capacity for private sector lending, business development, and monitoring and evaluation. A robust M&E framework under the TOC will track progress from inputs to outcomes and impact, incorporating gender-sensitive indicators and fostering evidence-based decision-making.

Private Sector Development Monitoring

According to the 2024 DER, during the 2020–2024 strategic period, CDB made progress in some areas of private sector development.

By the end of 2024, the Bank had facilitated USD39.6 million in credit to the private sector, not yet reaching its goal of USD55 million for 2020–2025. CDB benefitted 1,660 MSMEs—surpassing the target of 1,500. Additionally, 4,636 beneficiaries received technical assistance aimed at improving business operations, exceeding the target of 4,500. Gender-responsive programming was evident, with initiatives such as the SheTrades Caribbean Hub registering 1,500 women entrepreneurs and training nearly 700 women-led businesses in trade logistics and export readiness.

Despite some successes, challenges persist. Mortgage programmes continue to underperform, with only 149 beneficiaries against a target of 174, largely due to competition from commercial lenders offering more attractive rates. Similarly, while 28 business climate and competitiveness enhancement projects were implemented, the target of 30 remains unmet. The most significant gap lies in public–private partnerships (PPPs): no measurable progress was reported on building BMC capacity to undertake PPP arrangements, despite their strategic importance for infrastructure development.

According to the 2024 DER, opportunities exist to deepen private sector engagement through innovative financing models, digitalization, and climate-smart investments. The energy transition under the ASERT 2030 framework offers a promising avenue for private investment in renewable energy and energy efficiency, provided that enabling regulatory environments are strengthened.

A systematic review of 7 CES noted that while all CES speak to private sector development, only four provide a detailed analysis of potential opportunities. Furthermore, the identification of private sector-related indicators in the RMF was uneven. An important challenge lies in the fact that CES are not updated regularly to reflect upon market changes or new opportunities to engage the private sector. CES are fundamentally sovereign-oriented. Although private sector interventions are fundamentally opportunistic, IFIs are increasingly incorporating private sector analysis into their CES equivalents that are updated on a more regular basis.

Recent CSPEs—Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago—acknowledge the importance of private sector engagement and mobilizing additional finance to support growth and resilience. However, evaluations reveal that while policies and strategies often reference these objectives, practical mechanisms and structured guidelines for crowding-in private investment were limited. Most efforts were concentrated in policy dialogue or isolated initiatives rather than embedded in CSP design. Below are country-specific insights.

- The Barbados CSPE noted that private sector development was identified as a strategic priority in both CSPs, but implementation was weak. While the CSPs referenced competitiveness and enabling business environments, few projects directly targeted private sector engagement. The evaluation highlighted missed opportunities to leverage instruments such as Public-Private Partnerships (PPPs) and blended finance. Recommendations included prioritizing growth and private sector development in future strategies and exploring partnerships with IFC, EU, and other IFIs to crowd-in investment.
- The Jamaica CSPE found that CSPs emphasized inclusive growth and competitiveness reforms, including private sector development. However, most interventions focused on public sector governance and social protection, with limited direct engagement of private actors. Planned initiatives in citizen security and business environment reform did not materialize. The evaluation recommended embedding private sector engagement in future strategies and using instruments such as lines of credit and PPP frameworks to attract investment.
- The Bahamas CSPE highlighted the need for private sector participation in resilience and recovery efforts, particularly in renewable energy and infrastructure. While the CSP recognized this priority,

there was little evidence of structured mechanisms to operationalize it. Larger IFIs dominated financing, and CDB's role remained limited. The evaluation advised formalizing PPP guidelines and leveraging regional and global climate finance facilities to crowd-in private investment.

- Suriname's CSPE identified opportunities for private sector engagement in agriculture, energy, and climate resilience but noted that these were not systematically pursued. While CDB provided technical assistance for institutional strengthening, there were no clear frameworks for mobilizing private finance. The evaluation recommended developing PPP models and blended finance instruments to complement public investment and reduce fiscal pressure.
- The Trinidad and Tobago CSPE emphasized the importance of private sector participation in economic diversification and infrastructure development. However, the evaluation found limited evidence of structured policies or instruments to promote this. Recommendations included embedding PPP frameworks in future CSPs and leveraging CDB's technical expertise to design bankable projects that attract private capita.

Element 6.4.2: The MO has processes in place to develop new and innovative financing structures and promote mobilisation.

CDB's OPPM emphasises CDB's catalytic role in resource mobilisation as part of its private sector operations. Application of the instruments identified has been limited to date, however. The new Private Sector Strategy identifies renewed ambition, yet CDB does not have a clear means of measuring its contribution to mobilising private capital mobilisation.

CDB is rated **unsatisfactory** for this indicator based on a demonstrated gap to good practice.

The OPPM promotes resource mobilization as part of its private sector and policy-based operations strategies. It states that CDB's interventions must bring additionality, meaning they should mobilize new resources rather than displace existing private capital. To achieve this, the Bank adopts a catalytic role, leveraging its participation to attract other financial institutions through mechanisms such as loan syndication, credit enhancement, guarantees, and co-financing arrangements.

The manual also highlights the use of equity and quasi-equity instruments and policy-based guarantees to support debt service on borrowings or bond issues, enabling governments and private entities to access capital markets under more favourable conditions. These instruments, combined with longer loan maturities and technical advisory support, are designed to reduce risk, crowd in private investment, and expand financing options for development projects across the region. To date, however, the use of these instruments has been somewhat limited within CDB's portfolio.

The 2023–2028 PSS includes processes to develop new and innovative financing structures and to promote resource mobilisation:

- The PSS commits to expanding beyond traditional lines of credit by introducing instruments such as partial credit guarantees, trade finance facilities, and mechanisms to collateralize intellectual property assets. It also plans to broaden access to equity and quasi-equity financing and explore loan syndication and co-financing arrangements with regional and international partners. These steps aim to diversify financing options for MSMEs and larger firms, addressing liquidity and working capital constraints that were exacerbated by COVID-19.
- Unlike the previous strategy, which relied heavily on intermediary lending, the PSS seeks to expand direct lending to private firms, including infrastructure providers, while maintaining prudent risk management. This will involve revising CDB's financing and governance policies to accommodate new modalities without compromising its credit rating.
- The strategy outlines a multi-source, multi-instrument approach to mobilise resources. This includes crowding in private capital through market-based debt financing, equity and guarantee instruments, and leveraging partnerships with multilateral and bilateral agencies. It also

emphasizes blended finance schemes and replenishment of dedicated funds like the Private Sector Fund and CTCS to scale up interventions.

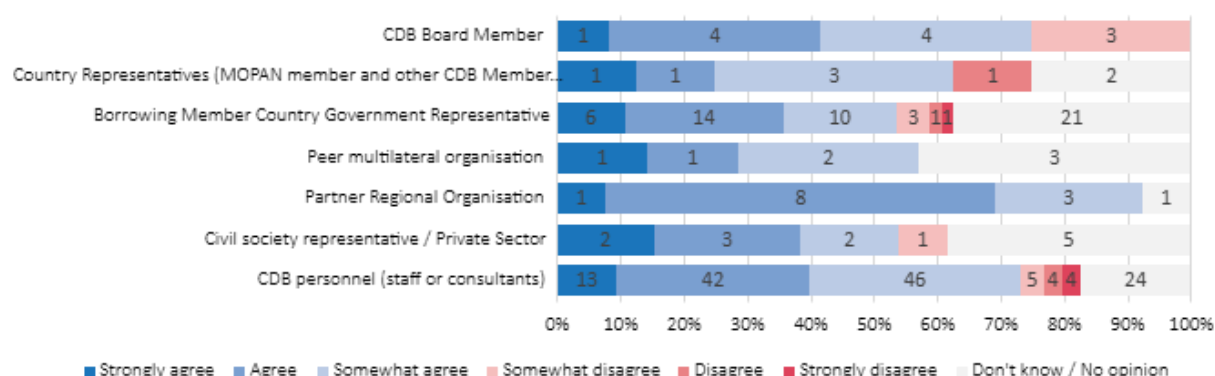
- To support these innovations, the PSS includes capacity-building for DFIs, commercial intermediaries, and CDB staff to manage new products effectively and integrate technology for operational efficiency.

CDB is currently working on a developing a comprehensive resource mobilisation strategy.

However, an important gap is the fact that CDB lacks a separate operational process to support the appraisal and management and results measurement for private sector operations. Although a process is ongoing to develop these processes, the existing sovereign-facing processes are currently applied which do not reflect the timelines and essential factors in identifying and preparing these operations. As noted in KPI 4, CDB also lacks means of justifying and measuring CDB's additionality through its private sector operations. Finally, CDB lacks a corporate means of measuring CDB's contribution to mobilising private capital, which is also not reflected as part of CDB's RMF.

Overall, only 49% of respondents to MOPAN's Partner Survey either agreed or strongly agreed that "CDB promotes private sector development in borrowing member countries and seeks to crowd in investment." Of 43 respondents who provided open text feedback, approximately 30% spoke to CDB's private sector engagement, framing it as traditionally weak with limited improvement in mobilisation of private capital despite recent improvements. Respondents noted that rigid and slow operational processes that are not tailored to private sector investment hinder private sector engagement.

CDB promotes private sector development in borrowing member countries and seeks to crowd in investment.



Element 6.4.3: The MO uses co-financing arrangements and lines of credit to promote high standards and access to finance in retail/SME contexts among underserved markets and populations.

CDB has a demonstrated track record of implementing lines of credit to promote high standards and access to finance among underserved markets and populations.

CDB is rated **satisfactory** based on a demonstrated track record of promoting high standards and access to finance in underserved markets. However, evidence of systematic co-financing arrangements with other development partners to scale these efforts is limited.

The OPMM states that CDB's private sector operations aim to mobilize additional resources and act as a catalyst for financial intermediation and capital market development. It emphasizes partnerships with other financial institutions and multilaterals to share risks and expand financing options. Co-financing

arrangements are encouraged through joint financing, parallel financing, and loan participation structures, which allow CDB to leverage its resources and attract other investors.

For SMEs and underserved markets, the OPPM highlights lines of credit through Development Finance Institutions (DFIs) and other intermediaries. These FILs are designed to channel funds to micro, small, and medium enterprises (MSMEs), home mortgage programs for low-income households, and student loan schemes. The manual specifies that CDB sets eligibility criteria for intermediaries, including sound governance and risk management systems, and provides technical assistance to strengthen institutional capacity. It also allows targeted financing for vulnerable groups, women entrepreneurs, and micro-enterprises, often with flexible terms and tailored guidelines.

The 2023–2028 PSS co-financing arrangements and lines of credit as part of its approach:

- The PSS emphasizes a multi-source, multi-instrument approach to resource mobilisation, which includes co-financing arrangements with bilateral, multilateral, and private sector partners. This is intended to leverage CDB's limited resources and expand the scale of interventions. The Bank plans to "crowd in" private capital through mechanisms such as loan syndication, equity and quasi-equity investments, and guarantee instruments, alongside concessional resources.
- The strategy continues and expands the use of lines of credit through DFIs. These lines of credit are designed to provide adequate and affordable financing (AAAF) to MSMEs, addressing liquidity and working capital constraints that were worsened by COVID-19.
- Beyond traditional credit lines, the PSS introduces innovative instruments such as partial credit guarantees and trade finance facilities broaden financing options for underserved firms.
- By promoting legal and regulatory reforms and capacity-building for financial institutions, the PSS seeks to ensure that expanded access to finance is accompanied by high standards of governance, risk management, and operational efficiency. This includes training DFIs and other intermediaries to competently manage new products and adopt digital solutions for transparency and efficiency.

According to the 2024 DER, in 2024, CDB approved USD10.6 million in credit financing, benefiting 860 MSMEs across Belize, Dominica, Saint Lucia, and Trinidad & Tobago. 61% of these MSMEs were female-owned, reinforcing the Bank's gender-responsive approach. Over the strategic period (2020–2024), cumulative credit made available to the private sector reached USD39.6 million, against a target of USD55 million. The DER does report progress in co-financing for private sector operations, most co-financing efforts are concentrated in climate and infrastructure sectors, where partnerships with other MDBs and donors (e.g., Green Climate Fund, Adaptation Fund) were leveraged to mobilize resources for renewable energy and resilience projects.

Across Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago, the CSPEs acknowledge the importance of expanding access to finance for SMEs and underserved populations. While CDB has instruments such as lines of credit and PBLs, evidence of systematic co-financing arrangements with other development partners to scale these efforts is limited. Only Jamaica demonstrated a concrete example of a line of credit for SMEs, and none of the CSPEs provided strong evidence of co-financing arrangements.

Element 6.4.4: The MO deploys a range of financial and non-financial interventions to support engagement and enhance markets in challenging contexts in line with the 2030 Agenda.

CDB identifies a range of financial and non-financial mechanisms to support private sector development and enhance markets.

CDB is rated **satisfactory** for this indicator based on a demonstrated track record of engagement to support private sector development. There is an opportunity, however, to use technical assistance more strategically to address policy and regulatory gaps constraining private sector development as part of CDB's engagement with countries.

The OPPM confirms that CDB uses both financial and non-financial interventions to strengthen markets and support engagement in challenging contexts. Financial tools include loans, equity and quasi-equity investments, guarantees, and co-financing arrangements, all aimed at mobilizing additional resources and reducing risk for private investors. These instruments are complemented by non-financial measures such as technical assistance, which builds institutional capacity, improves governance, and supports policy reforms in areas like economic management, poverty reduction, disaster risk management, gender equality, and regional integration.

Private Sector Window

The 2023 PSS introduces a multi-instrument financing framework designed to expand access to adequate and affordable financing for underserved markets and vulnerable populations. This includes traditional lines of credit through DFIs, complemented by new instruments such as partial credit guarantees, trade finance facilities, and mechanisms for collateralizing intellectual property assets. The Bank also plans to scale up direct lending, equity participation, and co-financing arrangements with multilateral, bilateral, and private sector partners.

In terms of the non-financial interventions embedded in the strategy, it prioritizes legal and regulatory reforms to improve the business enabling environment, reduce transaction costs, and foster competitiveness. It also invests in capacity-building programs for MSMEs, Business Support Organizations (BSOs), and Financial Institutions (FIs) to strengthen operational efficiency, digitalization, and climate resilience. Through initiatives such as the:

- Caribbean Technological Consultancy Services (CTCS), the Bank aims to deliver technical assistance and training to enhance entrepreneurial ecosystems and support firms in adopting innovative solutions.
- Cultural and Creative Industries Innovation Fund (CIIF), CDB provides a regional financing mechanism for development, competitiveness, and job creation in the creative industries sector.
- SHETRADES, implemented in partnership with the International Trade Centre (ITC), aims to empower women entrepreneurs by increasing their participation in international trade. It does this by connecting women-owned MSMEs to markets, finance, training, networks, and policy support through a system of regional and national “Hubs.”
- CSME Standby Facility, a donor-funded (EU/EDF) capacity-building mechanism, implemented by CDB, designed to support CARICOM countries in implementing the Caribbean Single Market and Economy (CSME) at the national level. It finances short-term projects, studies, and institutional support, strengthens policy, regulatory, and institutional capacity, and supports implementation of CSME-related reforms

CDB’s progress in achieving private sector development objectives as reported in the 2024 DER can be seen in [Table 16](#).

Table 16. CDB’s contribution to development outcomes in private sector development

Indicator	Cumulative Result 2020-2025	Target 2020-2025	Status
Value of credit made available to the private sector (USD mn)	USD39.6 mn	USD55 mn	On Watch
MSMEs benefitting from credit (number)	1,660	1,500	Achieved
Beneficiaries of mortgage programmes (number)	149	174	On Watch
Beneficiaries of TA interventions targeted at MSMEs (number)	4,636	4,500	Achieved
Business climate and competitiveness enhancement projects implemented (number)	28	30	On Watch
BMCs with increased capacity to undertake PPP arrangements (number)	0	Target exists	Off Track

Source: CDB 2024 DER

Technical Assistance

The 2020 TA evaluation found that CDB's TA did not effectively support engagement and market development in challenging contexts. TA was often fragmented and lacked strategic coherence, with many one-off projects rather than sustained, programmatic interventions. This limited its ability to build systemic capacity or foster inclusive markets aligned with the 2030 Agenda. Country Engagement Strategies were frequently outdated and did not integrate TA in a meaningful way, leaving interventions disconnected from broader development priorities.

Additionally, visibility and competitiveness were weak. Few calls for proposals were publicly advertised, and procurement of professional services often bypassed competitive processes, reducing innovation and stakeholder engagement. A significant operational issue was the high incidence of incomplete or stalled projects, which remained on the books for years without delivering results. Cross-cutting themes such as climate resilience and regional integration were inconsistently addressed, undermining TA's potential to strengthen resilience and inclusivity in markets. These shortcomings collectively constrained CDB's ability to leverage TA as a transformative tool for sustainable development.

MI 6.5 Key business practices (planning, design, implementation, monitoring and reporting) co-ordinated with relevant partners

- Element 6.5.1: The MO actively engages in joint exercises/mechanisms to support alignment and best practice in operational principles, including for blended concessional finance.
- Element 6.5.2: Participating in joint monitoring and reporting processes with key development partners.
- Element 6.5.3: The MO participates actively in initiatives among peer organisations to harmonise key indicators and processes for measuring development impact for investments and other operations and at the corporate level aligned with the 2030 agenda.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.5	Satisfactory	3.00	
Element 6.5.1	Satisfactory	3	High
Element 6.5.2	Satisfactory	3	High
Element 6.5.3	Satisfactory	3	High

MI 6.5 Evidence documents

- CAF – Development Bank of Latin America and the Caribbean (2025) "CAF and CDB Sign Landmark MoU to Accelerate Caribbean Development,"
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- Caribbean Development Bank (2023) "Annual Report 2022," <https://www.caribank.org/cdb-annual-report-2022>
- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/jamaica-cspe-2014-2-2016-and-2017-2021
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- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)
- Caribbean Development Bank (2025) "Joint Statement: IDB, CAF, and CDB Launch Caribbean Debt-for-Resilience Joint Initiative," <https://www.caribank.org/newsroom/news-and-events/joint-statement-idb-caf-and-cdb-launch-caribbean-debt-resilience-joint-initiative>
- PublicNow (2025) "Joint Statement on Procurement Professionalisation for Latin America and the Caribbean," <https://www.publicnow.com/view/C1DA6267C91ED9BDF46C462C5B4D11E367C59826>
- St Vincent Times (2024) "Caribbean Indigenous Peoples' Declaration to the CDB Board of Governors," <https://www.stvincenttimes.com/caribbean-indigenous-peoples-declaration-to-the-cdb-board-of-governors/>

MI 6.5 Analysis

Element 6.5.1: The MO actively engages in joint exercises/mechanisms to support alignment and best practice in operational principles, including for blended concessional finance.

CDB actively participates in a range of joint mechanisms with partners to support best practice and alignment for operational principles despite more uneven partner coordination in implementing CES and projects.

CDB is rated **satisfactory** based on alignment with good practice and a strong track record of participation in joint mechanisms.

Across CDBs recent annual reports, the Bank highlights a range of initiatives aimed at strengthening governance, enhancing resilience, and mobilising resources for sustainable development. These efforts span knowledge-sharing platforms, technical partnerships, and co-financing arrangements:

- MDB Chief Risk Officers Forum (2024): Convened senior risk experts to exchange insights on strengthening risk management frameworks and adopting best practices for financial sustainability.
- Chairmanship of MDB Working Group on Gender (2024 & 2023): Led the launch of the Gender Equality Knowledge Exchange Innovative Marketplace and facilitated peer learning among MDBs.
- Gender Equality Forum at SIDS4 (2024): Promoted knowledge sharing and innovative practices for gender mainstreaming in development operations.
- Procurement Harmonisation (2024 & 2022): Signed mutual reliance agreements with IFAD and collaborated with IDB and World Bank to reduce transaction costs on co-financed projects.
- Accelerated Sustainable Energy and Resilience Transition (ASERT-2030) Framework (2023): Introduced regional dialogues and regulatory initiatives to align energy sector reforms with global best practices.
- Global Infrastructure Facility Partnership (2023): Accredited as a technical partner to attract private investment for sustainable infrastructure projects.
- Green Climate Fund (GCF) Engagement (2022–2024): Expanded accreditation scope and developed regional programmes to mobilise concessional climate finance.
- Disaster Risk Financing Programme for Haiti (2022): Collaborated with IDB and World Bank to design structured financial mechanisms for resilience.
- Canada-CARICOM Climate Adaptation Fund (2022–2024): Supported parametric insurance and disaster risk financing instruments aligned with global standards.
- Regional Credit Enhancement Facility Study (2024): Explored guarantee schemes to strengthen credit markets and improve access to blended finance.

Recent initiatives include:

- Caribbean Debt-for-Resilience Joint Initiative - Launched at COP30 in November 2025 by CDB, IDB, and CAF, this initiative promotes debt-for-resilience swaps to create fiscal space for Caribbean countries. It sets common principles for guarantees and KPIs to mobilize private capital for climate resilience.
- Joint Statement on Procurement Professionalisation - In March 2025, CDB joined IDB, CABEL, and the World Bank to advance professionalization of public procurement in Latin America and the Caribbean. The statement emphasizes capacity building and efficiency in delivering public goods and services.
- Indigenous Peoples' Declaration - During CDB's 54th Annual Meeting in June 2024, Indigenous leaders issued a declaration calling for recognition of rights, climate action, and cultural preservation. It urges CDB to integrate Indigenous priorities into resilience and poverty reduction strategies.
- CDB signed a MoU with CAF in June 2025 to accelerate climate action and infrastructure development
- CDB signed a MOU with OPEC Fund for International Development in October 2025 establishing a strategic framework for collaboration across critical sectors such as climate resilience, renewable energy, resilient infrastructure and food security.

The DERs provide examples of CDB participating in joint exercises with MDBs and regional partners to harmonize operational principles—such as procurement standards, results reporting, and risk

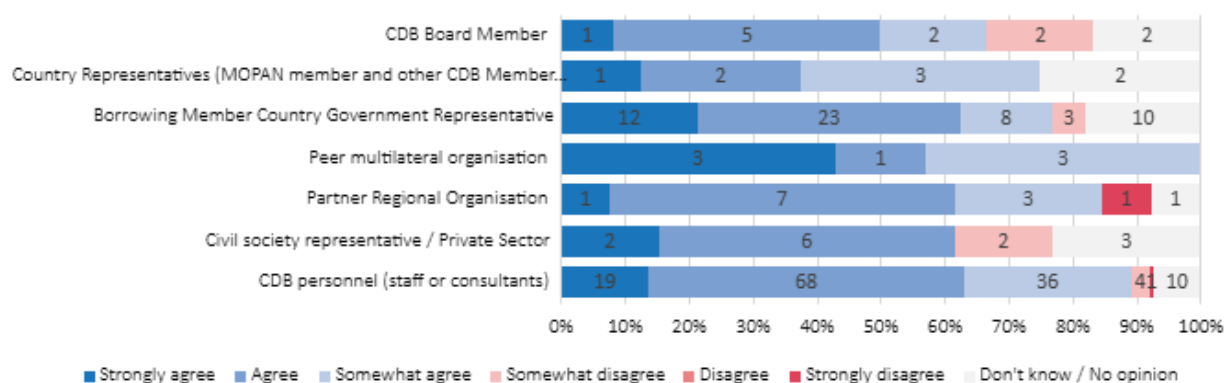
management—and uses blended concessional finance through partnerships with climate funds and bilateral donors to support transformative investments:

- The 2024 DER highlights CDB's collaboration with other MDBs to develop an electronic government procurement (e-GP) assessment tool, which sets minimum standards for e-procurement systems across partner countries. Similarly, the report notes CDB's commitment to harmonizing results reporting with other MDBs through joint exercises, including shared dashboards and methodologies for tracking development outcomes.
- The 2023 DER references partnerships with global climate finance instruments like the GCF and the Adaptation Fund, which provide grants and concessional loans that complement CDB's lending for renewable energy and climate resilience projects. These arrangements are structured through joint frameworks and agreements that align operational principles across institutions.
- The 2022 DER called for deeper engagement with regional energy organizations and donor coordination during the design of the Energy Sector Policy and Strategy (ESPS), recommending consolidated progress reporting and harmonized monitoring systems to ensure coherence and efficiency. This reflects an effort to align operational principles and share best practices through structured mechanisms.

Recent CSPEs confirm that while CDB collaborates with other IFIs during crises and policy-based lending, systematic engagement in joint mechanisms to promote best practices—especially for blended concessional finance—is lacking.

Overall, 62% of Partner Survey respondents either agreed or strongly agreed that “CDB works closely with other development partners to promote coherence. Harmonisation with partners was not a prominent feature of open text responses. However, available responses emphasised CDB's role in regional knowledge sharing and the need for greater mutual reliance and harmonised processes with partners as well as more structural capacity development versus individual interventions.

CDB works closely with other development partners to promote coherence.



Element 6.5.2: Participating in joint monitoring and reporting processes with key development partners.

CDB actively participates in joint reporting processes with development partners.

CDB is rated **satisfactory** based on alignment with good practice and a strong track record of participation in joint reporting.

Recent CDB Annual Reports highlight collaborative mechanisms designed to harmonize standards, track progress, and ensure effective delivery of development outcomes:

- Regional Climate Finance Monitoring, Reporting, and Verification (MRV) System (2023): Developed in collaboration with Belize, Haiti, Jamaica, and St. Kitts and Nevis, and supported by the Green Climate Fund, to track climate finance flows and improve accountability.
- EU-funded Caribbean Action for Resilience Enhancement Programme (2023): Embedded joint monitoring of climate and disaster resilience projects across participating countries.
- Basic Needs Trust Fund Online Data Collection Platform (2022): Enabled shared monitoring and evaluation across implementing agencies in nine participating countries, improving data quality and reporting consistency.
- Mutual Reliance Arrangements for Procurement (2024): Signed agreements with IFAD and collaborated with IDB and World Bank to streamline procurement and reduce transaction costs on co-financed projects, ensuring harmonized oversight.
- Caribbean Water Utility Insurance Collective Segregated Portfolio (2022): Established with CCRIF SPC and IDB, incorporating mechanisms for monitoring resilience and recovery activities in the water sector.
- Oversight and Assurance Committee (2024): Strengthened governance by monitoring compliance and reporting processes for financial and operational performance.

The 2024 DER states that CDB is collaborating with other MDBs on joint results reporting, as part of its commitment to transparency and harmonization of operational principles.

Across Barbados, Jamaica, The Bahamas, Suriname, and Trinidad & Tobago, the CSPEs consistently highlight that while donor coordination was recognized as important, formal joint monitoring and reporting mechanisms were largely absent. Collaboration with other development partners tended to focus on policy dialogue and crisis response rather than structured, ongoing monitoring frameworks.

Element 6.5.3: The MO participates actively in initiatives among peer organisations to harmonise key indicators and processes for measuring development impact for investments and other operations and at the corporate level aligned with the 2030 agenda.

CDB actively participates in regional forums in collaboration with peer organisations to promote harmonised approaches to measure impact in line with the Sustainable Development Agenda and participates actively in MDB working groups.

CDB is rated **satisfactory** based on alignment with good practice and a strong track record of participation in initiatives to harmonise reporting.

Recent CDB Annual Report note efforts made by CDB to align its operations with global standards and the 2030 Agenda for Sustainable Development:

- Regional Climate Finance Monitoring, Reporting, and Verification (MRV) System (2023): Developed with the Green Climate Fund and regional governments to standardise tracking of climate finance flows and impact metrics, supporting SDG and Paris Agreement commitments.
- Accelerated Sustainable Energy and Resilience Transition (ASERT-2030) Framework (2023): Introduced regional dialogues and regulatory initiatives to harmonise approaches for measuring progress toward SDG 7 and resilience objectives.
- Vulnerability and Resilience Framework (2022): Advocated for adoption by international financial institutions as a mechanism for allocating finance and measuring resilience consistently across countries, aligned with global development goals.
- Gender Equality Knowledge Exchange Marketplace (2024): Launched under MDB Working Group on Gender to share best practices and harmonise gender indicators for inclusive development in line with SDG 5.

- Integration of Global ESG Standards (2024): Embedded sustainability risk management frameworks aligned with international disclosure standards, reinforcing corporate-level alignment with global norms.
- GCF Readiness and Project Preparation Initiatives (2022–2024): Supported harmonised methodologies for climate impact measurement and reporting across multiple countries and sectors.

Recent DERs mention specific initiatives where CDB collaborates with peer organizations to harmonize indicators and processes for measuring development impact, aligned with the 2030 Agenda. These include:

- Joint Results Reporting with MDBs (2024 DER): CDB is working with other MDBs to develop harmonized reporting frameworks and dashboards for development effectiveness. This initiative aims to standardize indicators and methodologies across institutions, improving comparability and transparency.
- Electronic Government Procurement (e-GP) Assessment Tool (2024 DER): Developed jointly with MDBs, this tool sets minimum standards for e-procurement systems, promoting alignment in operational principles and governance practices.
- Climate Finance Alignment (2023 DER): Through partnerships with the GCF and Adaptation Fund, CDB adheres to global monitoring and reporting standards for climate-related investments, ensuring consistency with SDG and Paris Agreement targets.
- Energy Sector Policy and ASERT 2030 Framework (2022 & 2023 DERs): These initiatives involve regional dialogues and shared methodologies for tracking progress on renewable energy and resilience, aligning indicators with international best practices.
- MDB Common Principles for Tracking Nature Finance (2023): CDB was one of the MDBs involved in developing and applying Common Principles for Tracking Nature Finance and actively contributed to the Joint Report on MDBs' Climate Finance.
- Global Emerging Markets Risk Database (GEMs) Consortium: CDB is involved in expanding the data released through the GEMs Database, which helps investors assess investment risks and opportunities in emerging markets.

MI 6.6 Key information (analysis, budgeting, management, results etc.) shared with strategic/implementation partners on an ongoing basis

- Element 6.6.1: Clear corporate statement on transparency of information, aligned to the International Aid Transparency Initiative
- Element 6.6.2: Information is available on analysis, budgeting, management in line with the guidance provided by the International Aid Transparency Initiative
- Element 6.6.3: The MO responds to partner/public queries on analysis, budgeting, management and results are consistent with the organization's Access to Information Policy and addressed in a timely fashion.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.6	Unsatisfactory	2.00	
Element 6.6.1	Unsatisfactory	2.00	Medium
Element 6.6.2	Unsatisfactory	2.00	Medium
Element 6.6.3	Unsatisfactory	2.00	Medium

MI 6.6 Evidence documents

- Caribbean Development Bank (2011) *"Information Disclosure Policy,"*
https://www.caribank.org/sites/default/files/2018-07/BD54_11-Rev1_InfoDisclosurePolicy_FINAL_OCTOBER2011.pdf
- International Aid Transparency Initiative (no date) *"Members' Assembly,"*
<https://iatistandard.org/en/governance/members-assembly/>
- Publish What You Fund (2025) *"2025 DFI Transparency Index,"*
https://www.publishwhatyoufund.org/app/uploads/dlm_uploads/2025/06/2025-DFI-Transparency-Index.pdf

MI 6.6 Analysis

Element 6.6.1: Clear corporate statement on transparency of information, aligned to the International Aid Transparency Initiative.

CDB has an Information Disclosure Policy and reports under the IATI Initiative; however, its policy is out of date and has not been aligned to IATI requirements. Despite reporting under the IATI initiative, CDB's transparency is not scrutinised independently.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB's Information Disclosure Policy (IDP), adopted in October 2011, aims to enhance transparency and accountability by providing public access to information about CDB's operations. The policy is grounded in the principle of presumption of disclosure, meaning all information is accessible unless specifically restricted. It seeks to balance openness with confidentiality obligations to protect sensitive data, privacy, and institutional integrity.

The policy is built on five guiding principles:

- Maximize Access: Disclose all non-restricted information.
- Clear Exceptions: Define categories where harm outweighs benefits.
- Safeguard Deliberative Processes: Protect internal and Board discussions.
- Provide Clear Procedures: Ensure cost-effective and timely access.
- Appeal Rights: Allow stakeholders to challenge denial of access.

While most information is public, certain categories remain restricted:

- Personal Data: Staff records, medical information, HR processes.
- Legal and Investigative Matters: Attorney-client privilege, disciplinary cases.
- Confidential Third-Party Information: Proprietary data, country-sensitive info.
- Deliberative and Financial Information: Drafts, internal analyses, market-sensitive data.
- Corporate Administration and Security: Internal operations, safety-related details.

CDB retains the prerogative to disclose restricted information early or withhold normally public information in exceptional circumstances.

The implementation of the IDP, according to the policy, relies on several proposed mechanisms designed to ensure transparency and systematic access:

- The Information Disclosure Committee (IDC) would play a central role by overseeing policy application, interpreting rules, and handling appeals. According to the policy, it "provides for the establishment of an IDC...The IDC will be created before the IDP becomes effective."

- Complementing this, the Information Disclosure Handbook (IDH) would provide detailed guidance on classification, declassification, and appeals processes, as well as best practices for timely and systematic disclosure. All departments and units are expected to actively participate in implementing the IDP, disclosure of information will be integrated into regular work programmes

According to the policy, access to information is facilitated primarily through CDB's corporate website, where public documents are to be posted proactively. For information not available online, written requests can be submitted electronically, by mail, or fax; these are acknowledged within five working days and answered within twenty. To manage sensitivity, CDB uses a classification system that categorizes information as Public, Official Use Only, Confidential, or Strictly Confidential. Restricted documents may be declassified and disclosed over time—typically after five, ten, or twenty years—except for highly sensitive material that remains confidential indefinitely.

The policy includes a two-stage appeals process: first to the IDC, then to an external Appeals Panel. It became effective six months after Board approval and is subject to periodic review to ensure relevance and effectiveness.

CDB is a reporting agency of the International Aid Transparency Initiative (IATI), however it is not listed as a member on IATI's website. CDB has been publishing quarterly data with IATI for several years. Currently, CDB is uploading the data manually, but is in the process of planning to develop an automated system.

CDB does not participate in Publish What You Fund's Aid Transparency Index and DFI Transparency Initiative.

Element 6.6.2: Information is available on analysis, budgeting, management in line with the guidance provided by the International Aid Transparency Initiative

Despite 100% reporting in line with IATI Requirements, there are important gaps in the extent to which CDB's programming, budgeting and management documents are made available publicly.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB consistently reports 100 percent of capital projects data to IATI and the OECD-DAC platforms. This indicator is tracked under the Results Monitoring Framework, in the DERs, as part of disclosure and transparency performance measures. However, stakeholders internally note that information disclosure is uneven despite this compliance due to uneven data quality within OP365.

As CDB is not a member of PublishWhatYouFund and its Aid Transparency Index, an external assessment of CDB's transparency reporting is not available.

CDB's Information Disclosure Policy identifies a range of documents that CDB will disclose in the public domain, including:

- Country-specific operational documents prepared by CDB that are routinely discussed with BMC/borrower (for example, Country Strategy Papers (CSPs), Project Appraisal Documents, Economic and Sector work), following reviews by the BMC.
- Simultaneous disclosure of certain Board documents at the time of distribution to the Board. Information sent by Management to the Board for information and classified as "Public" under CDB's new Information Security Classification System (see Section 4, Part D of this policy) will be disclosed at the time it is distributed to the Board.
- Country-specific documents prepared by CDB that are not routinely discussed with the BMC/borrower following consultations with BMCs about sensitive materials.
- Other documents prepared by BMCs/borrowers that are in CDB's possession following consultation with BMCs (for example, information on a country's macroeconomic context, governance issues or sector or institution-specific analyses).

- Documents prepared jointly with Partners. CDB is meant to make available to the public the final documents that it prepares jointly with partners after reaching agreement on such disclosure with the partner concerned.
- Documents prepared by CDB staff for a fee (“fee-based services”). CDB makes such documents available to the public only after the country (or other third-party) authority concerned has granted its written consent to disclose.

However, a review of CDB’s website demonstrates that CDB is not in compliance with these requirements as several key document categories are not made available. Furthermore, CDB does not currently publish all key documents on its website, including the Annual Reports on Portfolio Performance (ARPPs) and the Work Programme and Budget (WPB) reports, Appraisal Reports and Environmental and Social Management Plans. Despite 100% IATI compliance, CDB does not put key documents of concern to project stakeholders and other interlocutors in the public domain.

Element 6.6.3: The MO responds to partner/public queries on analysis, budgeting, management and results are consistent with the organization’s Access to Information Policy and addressed in a timely fashion.

CDB provides limited publicly available information about how to make a request for information, how requests have been treated and how to appeal decisions. This practice departs significantly from good practice.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

Although CDB’s 2011 Information Disclosure Policy identifies the right for individuals to request access to information, it identifies no channels for doing so and no information is provided about means of submitting such requests on the webpage.

CDB does not provide publicly available reporting on how it handles access to information requests aside from noting a five-day acknowledgement period and 20 days resolution period. It does not specify how requests are adjudicated and how the policy is applied to address these requests.

The Policy identifies a possible appeal through the Information Disclosure Committee (IDC), which considers and responds to legitimate concerns regarding failure to provide information eligible for disclosure. A second route of appeal is identified with CDB’s External Appeals Panel, which no longer appears to be active, which must be submitted within 60 days. The Policy commits to notifying requesters if the appeal is dismissed: (a) for failure to file within the required time; (b) for failure to provide sufficient information that would reasonably support the appeal; or (c) for appealing a matter that the IDC or Appeals Panel does not have authority to consider. If the decision to deny access is reversed, the requester is notified of the decision and of the process for making the information available.

CDB does not report publicly on the number of information requests it has received, nor the number of appeals or how requests have been addressed.

MI 6.7: Clear standards and procedures for accountability to beneficiaries implemented

- Element 6.7.1: Investments are subject to a systematic process for stakeholder engagement, including informed consultation and participation in line with host country obligations, international law and the Equator Principles or equivalent standards.
- Element 6.7.2: The MO has identified specific resources responsible for following up on consultation with stakeholders, including host governments, civil society and affected populations and providing advice to staff.
- Element 6.7.3: Training has been conducted on the implementation of procedures for accountability to beneficiaries.

- Element 6.7.4: Approval mechanisms explicitly include the requirement to assess the extent to which procedures for accountability to beneficiaries will be addressed within the intervention.
- Element 6.7.5: Relevant investments are subject to an independent monitoring, reporting and review mechanism, in compliance with the Equator Principles or equivalent standards.
- Element 6.7.6: An independent grievance and review channel has been implemented to promote accountability to Project Affected People.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.7	Unsatisfactory	2.16	
Element 6.7.1	Satisfactory	3.00	Medium
Element 6.7.2	Unsatisfactory	2.00	Medium
Element 6.7.3	Unsatisfactory	2.00	Medium
Element 6.7.4	Unsatisfactory	2.00	Medium
Element 6.7.5	Unsatisfactory	2.00	Medium
Element 6.7.6	Unsatisfactory	2.00	Medium

MI 6.7 Evidence documents

- Caribbean Development Bank (2014) "*Environmental and Social Review Procedures*," <https://www.caribank.org/about-us/policies-and-strategies/environmental-and-social-review-procedures>
- Caribbean Development Bank (2015) "*Projects Complaints Mechanism Policy*," <https://www.caribank.org/about-us/policies-and-strategies/projects-complaints-mechanism-policy>
- Caribbean Development Bank (2022) "*Office of Integrity, Compliance and Accountability Annual Report 2021*," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2021>
- Caribbean Development Bank (2022) "*Office of Integrity, Compliance and Accountability: Projects Complaints Mechanism Procedures*," (internal document)
- Caribbean Development Bank (2023) "*Office of Integrity, Compliance and Accountability Annual Report 2022*," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2022>
- Caribbean Development Bank (2024) "*Office of Integrity, Compliance and Accountability Annual Report 2023*," <https://www.caribank.org/publications-and-resources/resource-library/ica-reports/ica-annual-report-2023>
- Caribbean Development Bank (2025) "*Draft Environmental and Social Review Framework – for National Consultation*," (internal document)
- Office of Independent Evaluation (2024) "*Evaluation of the Caribbean Development Bank's Environmental and Social Review Procedures (2014–2022)*," https://www.caribank.org/publication_types/corporate-evaluations/evaluation-caribbean-development-banks-environmental-and-social-review-procedures-2014-22

MI 6.7 Analysis

Element 6.7.1: Investments are subject to a systematic process for stakeholder engagement, including informed consultation and participation in line with host country obligations, international law and the Equator Principles or equivalent standards.

CDB has clear requirements for stakeholder engagement throughout the design and implementation of operations, including the ESRP and Community Liaison Officers. Requirements for reporting on stakeholder engagement are also reflected in OP365.

CDB is rated **satisfactory** based on alignment with good practice.

Investments financed by the CDB are governed by Environmental and Social Review Procedures (ESRP). The ESRP require borrowers to initiate early and meaningful consultations with stakeholders likely to be affected by project activities. This engagement is not limited to a single stage; rather, it spans the entire project cycle—from identification and design to implementation and monitoring. The goal is to ensure that affected communities, vulnerable groups, and other stakeholders have a genuine opportunity to influence decisions that impact their lives and environment.

Informed consultation and participation are central principles of this process. Borrowers must provide timely disclosure of relevant information in formats and languages that are accessible and understandable to stakeholders. Consultations should respect cultural norms and knowledge systems, be gender-inclusive, and occur in an environment free from coercion or intimidation.

The ESRP also aligns CDB's operations with international standards and best practices. Projects must comply with host country laws and regulations, but CDB's requirements often go beyond national standards to reflect global norms such as the IFC Performance Standards and World Bank Group Environmental, Health, and Safety Guidelines. Furthermore, CDB will not finance projects that contravene international environmental or social agreements ratified by borrowing member countries.

To operationalize these principles, the ESRP mandates the use of specific tools and mechanisms. For projects with significant environmental or social risks (Category "A"), a comprehensive Environmental and Social Impact Assessment (ESIA) is required, incorporating stakeholder analysis and public consultations. The findings of these assessments feed into an Environmental and Social Management Plan (ESMP), which details mitigation measures, monitoring arrangements, and institutional responsibilities. Additionally, grievance redress mechanisms must be established early in the project cycle to provide affected communities with accessible and transparent channels for resolving complaints.

Investments according to the OP365 work instructions follow a structured stakeholder engagement process that ensures compliance with host country laws and international standards. This process begins with stakeholder identification and analysis, assessing interests, influence, and potential impacts. It includes informed consultation and participation, documented through Stakeholder Engagement Plans (SEP) and Environmental and Social Screening Memoranda (ESSM), which verify adequacy of public disclosure and consultation reports. The approach emphasizes transparency and accountability by integrating statutory approvals, environmental and social safeguards, and climate risk assessments into project planning. Engagement with clients involves presenting the Engagement Model, confirming agreement in principle, and clarifying roles and responsibilities.

The 2024 ESRP evaluation found that stakeholder engagement under the ESRP is applied unevenly across projects and stages of the project cycle. While some projects prioritize early engagement during analysis and planning, others focus more on disclosure at later stages, which can limit opportunities for meaningful participation. For example, the Port Modernisation Project in Saint Vincent and the Grenadines (SVG) demonstrated high levels of stakeholder engagement, holding 18 consultations with project-affected people (PAPs), businesses, NGOs, and civil society organizations. Separate meetings were organized for women, men, and youth using tailored participatory techniques to ensure inclusivity. A Project Information

Booklet was distributed to stakeholders, and participatory methods were used in designing the Resettlement Action Plan and the Socio-economic and Livelihood Enhancement Study. Similarly, the Sea and River Defences Project in Guyana conducted public consultations in all project communities, and the concerns raised were reflected in the Environmental and Social Management Plan (ESMP). In Belize, the Northern Highway Project emphasized culturally appropriate messaging for vulnerable groups, including Indigenous Peoples, ensuring that communication was accessible and respectful of cultural norms.

Community Liaison Officers (CLOs) play a critical role in making consultations meaningful and ongoing, acting as a bridge between project teams and communities. However, their effectiveness varies depending on the resources and training provided. Grievance mechanisms were present in all reviewed projects but reporting back to PAPs on how grievances were addressed was often given less priority, reducing transparency and trust.

The evaluation identified several gaps. Stakeholder engagement is encouraged under the current ESRP but is not treated as a separate Performance Requirement, which limits its visibility and prioritization. Engagement tends to be strong during preparation and appraisal but weakens during implementation and monitoring, creating a disconnect between planning and execution. Contractors often lack incentives to maintain engagement post-appraisal, focusing instead on technical deliverables. Capacity constraints also pose challenges, particularly in smaller BMCs and among contractors, who sometimes lack the resources and understanding needed to implement robust engagement processes. Limited availability of social specialists further compounds these issues.

To address these gaps, the evaluation recommends elevating stakeholder engagement and information disclosure to a formal Performance Requirement in the updated ESRP. This would align CDB with best practices among other MDBs and ensure that engagement receives adequate attention throughout the project cycle. The report also calls for the development of user-friendly guidance and templates for stakeholder engagement, including digital tools and visual aids to simplify processes for BMCs and contractors. Lessons should be drawn from the Basic Needs Trust Fund (BNTF), which has strong community participation processes that could inform ESRP updates. Finally, training for contractors and BMCs on engagement requirements should be introduced early in the project cycle, ideally during pre-bid and project launch workshops, to ensure that engagement is adequately resourced and sustained during implementation.

In line with these recommendations, the new Environmental and Social Review Framework, currently under consultation, identifies a separate performance standard covering stakeholder engagement and information disclosure. This performance standards describes clear requirements, roles and responsibilities underlying timely disclosure of information and meaningful stakeholder engagement across the project cycle.

Element 6.7.2: The MO has identified specific resources responsible for following up on consultation with stakeholders, including host governments, civil society and affected populations and providing advice to staff.

Whereas follow-up on implementation of the ESRP lies with the Environmental Sustainability Unit, supported by the Social Sector Division, there is no clear responsibility to monitor the quality of stakeholder consultation throughout the implementation of operations.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice.

The ESRP identifies the Environmental Sustainability Unit (ESU) within the Projects Department as the primary resource responsible ensuring proper stakeholder engagement. ESU has general responsibility for:

- Updating and revising the ESRP and related operational policies and procedures.
- Providing guidance and training to staff on environmental and social issues.

- Direct involvement in project work as part of project teams, including technical inputs during appraisal and supervision.
- Supporting the wider Operations Area of the Bank on environmental and social matters.

Additionally, social analysts from the Social Sector Division (SSD) work alongside ESU staff to address social dimensions of projects. Together, ESU and SSD are tasked with ensuring that stakeholder engagement—including consultations with host governments, civil society, and affected populations—is properly integrated into project design and implementation. They also advise staff on compliance with CDB's performance requirements and international best practices.

The ESRP evaluation notes that responsibilities for applying ESRP elements, including stakeholder engagement, are generally identified during the appraisal process and documented in project designs. Internally, the ESS and SSD serve as the primary resources for screening, monitoring, and advising on environmental and social safeguards. These units participate in project teams, review ESIs and ESMPs, and issue letters of no objection. While they do not directly lead consultations, they play an important advisory role by guiding BMCs and contractors on consultation requirements and good practice approaches.

Beyond technical review, ESU and SSD staff provide ongoing advice and capacity-building support throughout the project cycle. They lead sensitization and training sessions for CDB staff and BMCs, helping to strengthen understanding of ESRP requirements. Their expertise is widely regarded as credible and valuable both internally and externally. However, the evaluation notes that these units are stretched thin, which limits their ability to consistently follow up on stakeholder engagement during implementation. This resource constraint often results in engagement being front-loaded during appraisal, with less systematic oversight during later stages.

The evaluation also underscores the role of Community Liaison Officers (CLOs) at the project level as critical for maintaining dialogue with affected populations. CLOs facilitate consultations, manage grievances, and ensure that local voices are heard throughout implementation. However, their effectiveness varies significantly across projects, and there is no dedicated ESRP standard requiring continuous engagement beyond the appraisal phase. As a result, monitoring of stakeholder engagement often relies on project management units and supervision consultants, with ESU and SSD providing oversight only when resources allow.

The current ESRP does not assign clear responsibility for systematic follow-up on stakeholder engagement during implementation. Without a formal requirement, feedback loops and ongoing dialogue can weaken after project approval, reducing transparency and limiting opportunities to address emerging issues. The evaluation recommends addressing this gap in the next ESRP update by formalizing stakeholder engagement as a Performance Requirement and clarifying roles for continuous monitoring. Although the updated draft ESRF established a new performance standard for stakeholder engagement, it does not identify a clear monitoring framework to assess the quality of stakeholder engagement throughout delivery.

Element 6.7.3: Training has been conducted on the implementation of procedures for accountability to beneficiaries

CDB's ESRPs identify a clear responsibility to provide training on their application. But delivery of training is uneven in practice.

CDB is rated **unsatisfactory** based on the inconsistent delivery of training.

According to the ESRP, the ESU is responsible for updating and revising the ESRP, developing related operational policies, and training staff on their application. Stakeholders report that training is often provided but may not be sufficient to address capacity gaps in BMCs project teams.

The 2024 ESRP evaluation found that while training opportunities exist for CDB staff and BMCs—including access to courses offered by other MDBs—these efforts are not sufficient to ensure full and consistent

application of the ESRP in development practice. The need for additional training arises from evolving international standards, staff turnover, and changes in government systems, all of which require continuous capacity building. Interviewees highlighted gaps in understanding environmental and social risk analysis, clarity on which ESRP elements are mandatory and under what circumstances, and sector-specific applications such as transport infrastructure and private sector projects. There is also a need for guidance on proportionate application of safeguards to ensure that requirements are scaled appropriately to project risks.

A critical gap identified relates to contractors, who often lack awareness of ESRP requirements and fail to budget adequately for implementation costs. The evaluation emphasizes the importance of training contractors from the pre-bidding stage onward to ensure they understand their responsibilities and the resource implications of compliance. Project launch workshops were identified as key opportunities to provide tailored instruction on ESRP safeguards, including environmental and social risk management, gender considerations, and grievance mechanisms. Such early engagement would help prevent misunderstandings and ensure that contractors allocate sufficient resources for monitoring and follow-up activities throughout the project cycle.

The ESU and SSD plan to implement structured training sessions following the update of the ESRP. These sessions will be supported by visually engaging and easy-to-follow guidance materials, including flow diagrams, templates, and digital tools designed to clarify processes and responsibilities. The evaluation recommends that these materials be complemented by practical examples and sector-specific case studies to enhance relevance.

Element 6.7.4: Approval mechanisms explicitly include the requirement to assess the extent to which procedures for accountability to beneficiaries will be addressed within the intervention.

CDB's ESRP embed requirements for stakeholder engagement, accountability and disclosure at each stage of the project cycle. However, in practice, these accountability measures are not embedded consistently.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The ESRP embeds requirements for stakeholder engagement and disclosure into every stage of the project cycle. While the term “accountability” is not used, the ESRP operationalizes this principle by requiring borrowers to demonstrate meaningful consultation and participation of affected communities, civil society, and other stakeholders. For projects with significant environmental or social impacts, evidence of these consultations must be documented and integrated into project design, ensuring that beneficiaries' concerns and priorities influence decision-making.

Approval mechanisms explicitly incorporate these requirements during screening and appraisal. The Environmental and Social Screening Memorandum (ESSM) identifies whether public consultation is necessary and specifies its scope. During appraisal, the Environmental and Social Performance Requirements Checklist (ESPRC) verifies compliance with performance standards related to directly affected communities, vulnerable groups, and grievance redress systems. For Category “A” projects, the appraisal report must include a summary of consultation outcomes and explain how stakeholder feedback has been addressed in project design. This information is presented to the Board as part of the decision-making process, reinforcing transparency and accountability.

The ESRP also mandates mechanisms for ongoing accountability during implementation. Loan agreements may include conditions requiring compliance with consultation and disclosure obligations, and projects must establish grievance redress mechanisms that are accessible, transparent, and culturally appropriate. These mechanisms allow affected populations to raise concerns and seek remedies throughout the project cycle. Additionally, monitoring and supervision reports must track the implementation of Environmental and Social Management Plans (ESMPs) and document any deviations, ensuring that commitments made during appraisal are honoured in practice.

The 2024 ESRP evaluation notes that while the ESRP currently requires evidence of meaningful consultation and participation for projects involving comprehensive environmental and social impact studies, the evaluation found that accountability measures are not consistently embedded throughout the project cycle. Engagement is often strong during preparation and appraisal but weakens during implementation, with limited feedback loops to inform project-affected people about decisions and grievance resolutions.

To strengthen accountability, the evaluation recommends elevating stakeholder engagement and information disclosure to a formal Performance Requirement in the updated ESRP. This would ensure that approval processes verify the inclusion of mechanisms such as culturally appropriate consultations, transparent disclosure of project impacts, and accessible grievance redress systems. Lessons from the Basic Needs Trust Fund (BNTF)—which demonstrates strong community participation and feedback practices—should inform the design of these requirements.

An additional good practice that could be adopted is to assess and rate ongoing and completed projects for the extent to which requirements around civil society engagement and stakeholder consultation have been implemented in projects, including participation in design and implementation and dissemination of critical information to beneficiaries and other stakeholders potentially affected by CDB's activities. These reports, implemented by the Asian Development Bank, enhance transparency around the engagement of stakeholders across the project cycle.

Element 6.7.5: Relevant investments are subject to an independent monitoring, reporting and review mechanism, in compliance with the Equator Principles or equivalent standards.

CDB implements credible ESS requirements across its operations. However, there are opportunities to strengthen independence and post-appraisal monitoring.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

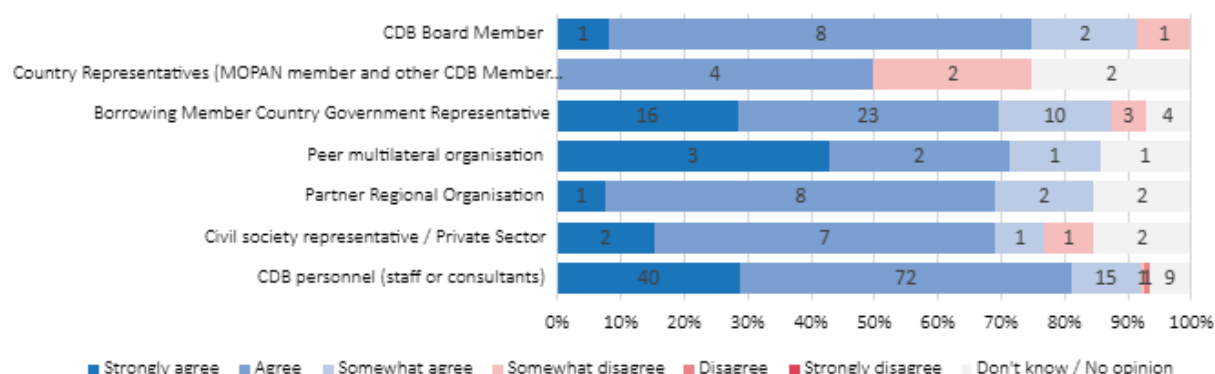
The ESRP requires independent review and monitoring for high-risk projects. While the Equator Principles are not explicitly named, the ESRP mandates that ESIA for projects with major or complex issues be conducted by independent third-party specialists who are not affiliated with the main feasibility work measures. In addition to independent assessment, the ESRP provides for independent monitoring and compliance audits during implementation. Borrowers are required to report regularly on environmental and social performance, and CDB conducts its own supervision through site visits and desk reviews. Where serious non-compliance is identified, the Bank reserves the right to establish an independent monitoring team or commission a compliance audit. These mechanisms, combined with mandatory disclosure of ESIA findings and grievance redress systems, promote accountability and transparency principles.

The 2024 ESRP evaluation noted that while the ESRP requires borrowers and CDB to monitor environmental and social performance throughout the project cycle, this monitoring is primarily conducted through internal supervision missions, borrower reporting, and, in some cases, external consultants engaged by the project. The evaluation noted that while CDB's procedures are broadly aligned with international best practice in terms of risk assessment and mitigation, post-appraisal monitoring and enforcement remain weak, with limited evidence of systematic reporting ESMP implementation. This gap increases the risk that commitments made during appraisal may not be fully executed during implementation.

A notable structural challenge involves the fact that ESS Specialists sit within the Projects Department with other operational staff. This is not consistent with the practice of other IFIs where ESS Staff are positioned independently from other operational teams, have separate accountabilities and decision-making roles in project design and supervision and report through matrix reporting to a separate, centralised corporate services functioning. This structure has been demonstrated to be effective in promoting reducing conflicts of interest and promoting independence and consistency of practices for the management of ESS risks.

Overall, 75% of respondents to MOPAN's Partner Survey either agreed or strongly agreed that "CDB identifies and manages environmental and social risks in operations," suggesting relatively strong performance for this function. Management of ESS risks did not feature prominently in open text responses with very limited suggestions that staff workloads around the management of ESS risks can create bottlenecks or prevent appropriate follow-up during implementation.

CDB identifies and manages environmental and social risks in operations.



Element 6.7.6: An independent grievance and review channel has been implemented to promote accountability to Project Affected People.

CDB supports accountability to Project Affected People through Project-level GRMs and an Independent Project Complaints Mechanism (PCM). Project-level GRMs have been implemented systematically, but oversight of their functioning during implementation is uneven. Whereas procedures for the PCM are in line with best practice, there is a need for greater transparency around complaints received and ongoing cases.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

Project-level GRMs:

The ESRP requires that all projects establish a grievance redress mechanism (GRM) to promote accountability to Project Affected People. The ESRP emphasizes that the mechanism must be accessible, transparent, fair, and effective. It should allow individuals and communities affected by a project to raise concerns about environmental or social impacts and seek timely resolution. Importantly, the GRM must be scaled to the level of potential risks and adverse impacts, adequately resourced, and designed to be culturally appropriate and easily understood by stakeholders.

The ESRP also stresses that grievance mechanisms should be implemented early in the project cycle and integrated into the overall project management system. This approach ensures that affected people have a voice from the outset and that issues can be addressed before they escalate. The design of the mechanism should involve participation from affected communities to build trust and ownership. Furthermore, the ESRP encourages alignment with existing judicial or administrative remedies while providing a project-specific channel for complaints, ensuring that stakeholders have multiple avenues for recourse. CDB has a particular value addition in helping to ensure GRMs are culturally appropriate.

To reinforce accountability, the ESRP provides an additional layer of oversight by allowing complaints to be submitted directly to the Bank. It includes a dedicated email address for grievances, enabling Project Affected People to escalate concerns beyond the borrower if necessary. This dual-level system—project-level grievance mechanisms combined with direct access to CDB—reflects international best practice.

According to the 2024 ESRP evaluation, all reviewed projects included GRMs. However, the evaluation found that while GRMs exist, reporting back to PAPs on how grievances were resolved was often given less priority, reducing transparency and accountability. CDB provided examples of reporting on project GRMs from Community Liaison Officers that demonstrate some good practices, including monitoring of reports to the project GRM, follow-up actions taken and timeliness of resolution. There is no indication, however, that this practice is extended to all projects across the portfolio or even all high-risk projects. There is likewise no overall reporting on the functionality of project GRMs across the portfolio.

. Stakeholders at CDB provided mixed feedback on the handling of Project GRMs. Some pointed to instances of enhanced supervision and support in high-risk cases and cases of low capacity, including standing meetings and bi-weekly reporting requirements. However, others noted that support to the implementation and functioning of Project GRMs is impacted by workload, staffing constraints and capacity – similar to other functions across the Bank.

Projects Complaints Mechanism:

The Projects Complaints Mechanism (PCM) is part of ICA's accountability function. It is designed to handle citizen-driven complaints about environmental and social harm allegedly caused by projects financed by CDB.

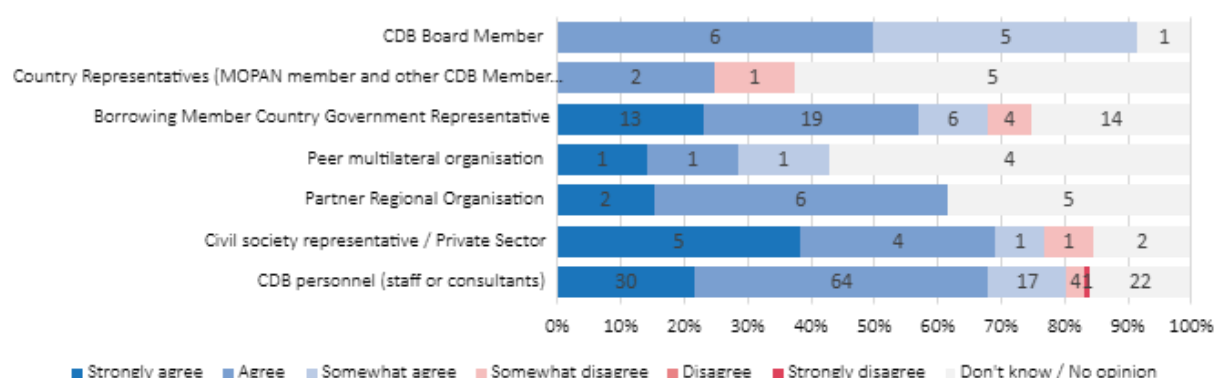
The PCM is managed by the Office of Integrity, Compliance and Accountability (ICA) and provides a citizen-driven process for addressing allegations of environmental and social harm caused by CDB-financed projects. ICA publishes an Annual Report summarizing procedural updates, case statistics, timelines for resolution, and lessons learned. ICA manages six reporting channels (hotline, webform, email, phone, mail, office visits). In 2023, ICA recorded 303 matters in its Case Management System (CMS) since inception, including 143 investigations across integrity, ethics, and accountability functions.

In 2022, ICA completed a comprehensive revision of PCM Procedures, aligning them with international best practices and benchmarking against other Independent Accountability Mechanisms. The updated procedures were developed by an ICA Accountability Consultant under the guidance of ICA's Head and in collaboration with CDB's Legal Department.

Overall, PCM procedures are in line with good practice, with multiple channels and formats to submit complaints, broad eligibility requirements and the capacity to receive and assess anonymous complaints. CDB's PCM offers two flexible channels for resolution: (i) harm caused by non-compliance with CDB's policies and ESS procedures; and (ii) amicable and/or facilitated dispute resolution. CDB may also self-initiate a complaint proactively where there is reason to believe there has been a lack of compliance with policies and procedures or where CDB-funded activities have caused harm to beneficiaries – which reflects best practice. However, a challenge remains in the lack publicly available reporting on the number of cases received and reviewed by CDB's PCM.

Overall, 63% of stakeholders responding to MOPAN's Partner Survey either agreed or strongly agreed that "CDB engages project-affected people and addresses grievances transparently," demonstrating generally positive responses, but also room for improvement. CDB's handling of grievances did not feature prominently in open-text responses.

CDB engages project-affected people and addresses grievances transparently.



MI 6.8: Participation with national and other partners in mutual assessments of progress in implementing agreed commitments

- Element 6.8.1: Participation in joint performance reviews of interventions
- Element 6.8.2: Participation in multi-stakeholder dialogue around joint sectoral or normative commitments
- Element 6.8.3: The MO implements client feedback surveys and uses feedback to inform decision-making.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.8	Unsatisfactory	2.33	
Element 6.8.1	Unsatisfactory	2.00	Medium
Element 6.8.2	Satisfactory	3.00	Medium
Element 6.8.3	Unsatisfactory	2.00	Medium

MI 6.8 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2020) "Country Strategy and Programme Evaluation – Barbados (2010–2018)," https://www.caribank.org/publication_types/corporate-evaluations/barbados-cspe-2010-18
- Caribbean Development Bank (2021) "Country Strategy and Programme Evaluation – Suriname (2014–2018)," https://www.caribank.org/publication_types/corporate-evaluations/suriname-cspe-2014-18
- Caribbean Development Bank (2022) "Country Strategy and Programme Evaluation – Belize (2011–2015 and 2016–2020)," https://www.caribank.org/publication_types/corporate-evaluations/belize-cspe-2011-15-and-2016-20
- Caribbean Development Bank (2023) "Annual Report 2022," <https://www.caribank.org/cdb-annual-report-2022>

- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica (2014–2016 and 2017–2021)," https://www.caribank.org/sites/default/files/publication-resources/Jamaica%20CSPE%20Report%20FINAL_June%202023_final_redacted.pdf
- Caribbean Development Bank (2024) "Annual Report 2023," <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2023>
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas (2018–2022)," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2024) "Perception Survey and Recommendations Report," (internal document)
- Caribbean Development Bank (2025) "Annual Report 2024," <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2024>
- Caribbean Development Bank (2025) "Country Strategy and Programme Evaluation – Trinidad and Tobago (2017–2021)," https://www.caribank.org/publication_types/corporate-evaluations/trinidad-and-tobago-cspe-2017-21
- World Resources Institute, United Kingdom Foreign, Commonwealth & Development Office, German Federal Ministry for Economic Cooperation and Development, French Ministry for Europe and Foreign Affairs, & Green Growth Knowledge Partnership (2022) "Summary of the Meeting to Support Progress on the Multilateral Development Bank Joint Statement on Nature, People, and Planet (October 18, 2022)," (internal document)

Element 6.8.1: Participation in joint performance reviews of interventions.

CDB's operational policy framework encourages the use of joint performance reviews with BMCs and with active participation of beneficiaries. However, actual practice in implementing joint performance reviews has been uneven.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The Operations Policies and Procedures Manual (OPPM) promotes joint performance reviews across all major types of operations—investment lending, PBOs, financial intermediary lending, and technical assistance.

- For investment lending, joint reviews occur during supervision missions and project launch workshops. These sessions bring together CDB staff, Borrowers, and Executing Agencies to assess progress on implementation, procurement, financial management, and compliance with social and gender safeguards. At project completion, exit workshops and Project Completion Reports incorporate borrower feedback and ratings of both project outcomes and CDB's performance, ensuring a shared evaluation process.
- In policy-based operations, joint reviews are central to monitoring compliance with agreed policy reforms and institutional changes. CDB and government officials conduct collaborative assessments of progress against indicators and tranche conditions. Completion reporting also involves joint evaluation of relevance, effectiveness, sustainability, and institutional impact, with borrower ratings annexed to the final report.
- For financial intermediary lending, joint monitoring focuses on the performance of intermediaries and their sub-loan portfolios. Desk and field supervision missions review compliance with eligibility criteria, governance standards, and environmental and social safeguards. Closing stages include consultations to validate intermediary performance and CDB's contribution.

- Finally, technical assistance operations encourage active participation of beneficiaries during supervision and completion stages. Beneficiaries provide feedback during missions and contribute to the Technical Assistance Completion Report, which evaluates the roles of CDB, consultants, and recipients.

Recent CSPEs note that participation in joint reviews has been uneven and varied in scope and effectiveness, reflecting differences in country context, institutional capacity, and the maturity of CDB's engagement model.

- The Jamaica CSPE notes that monitoring and evaluation were weak and fragmented, with RMFs poorly designed and rarely used for adaptive management. It recommends participatory RMF development, clear assignment of monitoring responsibilities, and mid-term reviews as a Board requirement. These measures aim to institutionalize joint performance reviews, which were largely absent during the CSP periods.
- The Barbados CSPE does not identify any formal joint performance reviews during the CSP periods. Monitoring was largely internal and ad hoc, with no structured mechanism for collaborative review involving government or partners. The evaluation highlights the need for a more realistic approach to project design and improved monitoring frameworks but does not indicate that joint reviews were part of the process.
- The Belize CSPE emphasizes the need for participatory development of RMFs and recommends that all stakeholders be involved in setting realistic targets and agreeing on check-in points for monitoring. While joint reviews were not reported as an existing practice, the evaluation strongly advocates for collaborative review mechanisms to enable timely course correction and adaptation.
- The Suriname CSPE highlights that joint performance reviews were limited and largely informal. While high-level dialogue occurred—such as the President's missions in 2015 and 2016 to reaffirm CDB's commitment and discuss implementation challenges—structured, periodic reviews of the country programme were absent. The CSP's Results Management Framework was not actively used, and the planned mid-term review never took place. Coordination with partners like IDB and UNDP was envisaged but underutilised. The evaluation notes that greater investment in joint monitoring and partnership-based reviews could have mitigated delays and strengthened learning, particularly given Suriname's institutional capacity constraints and evolving risk profile.
- In Trinidad and Tobago, participation in joint performance reviews was more deliberate but still fell short of being institutionalised. The evaluation process itself incorporated participatory elements—such as a Theory of Change validation workshop and a co-creation session for recommendations with government stakeholders—which served as proxy mechanisms for joint review. However, during CSP implementation, formal portfolio reviews and mid-term assessments were not consistently conducted. Limited coordination with other development partners and weak integration of monitoring frameworks with national systems further constrained adaptive management. The report recommends embedding structured joint reviews, including “pause-and-reflect” sessions and mid-term strategy reviews, into the next Country Engagement Strategy to enhance responsiveness and ownership.
- The Bahamas evaluation highlights the need for more structured and collaborative monitoring of interventions. While formal joint performance reviews were not consistently undertaken during the CSP period, the report recommends strengthening engagement through Annual Portfolio Reviews and regular CES missions at strategic intervals (e.g., after changes in government or ministry leadership). It also encourages CDB to join UN-led development partner coordination meetings and broaden stakeholder involvement beyond the Ministry of Finance.

Element 6.8.2: Participation in multi-stakeholder dialogue around joint sectoral or normative commitments.

CDB actively engages in multi-stakeholder dialogues at global, regional, and national levels.

CDB is rated **satisfactory** based on alignment to good practice.

These engagements have focused on influencing policy, strengthening technical cooperation, and fostering inclusive partnerships across critical sectors such as climate resilience, gender equality, energy transition, and social inclusion.

Global Level:

- COP27 (2022):
 - CDB hosted a panel on *Gender Lens Investing for Caribbean Resilience*, engaging MDBs, UN Women, and private sector leaders.
 - Focus: Integrating gender-smart approaches into climate finance and resilience strategies.
- COP28 (2023):
 - Led a session on Monitoring, Reporting, and Verification (MRV) systems for climate finance.
 - Advocated for Caribbean priorities in global negotiations, including loss and damage funding and adaptation finance.
- SIDS4 Conference (2024):
 - Convened the first Gender Equality Forum with UN Women Caribbean and Pacific offices.
 - Delivered a Gender Equality Entrepreneurial Village showcasing SheTrades beneficiaries.
- Kunming–Montreal Global Biodiversity Framework (2024):
 - Participated in MDB Pavilion events and biodiversity finance dialogues.
- MDB Working Group on Gender (2024–2025):
 - CDB assumed chairmanship, spearheading the Gender Equality Knowledge Exchange Marketplace for peer learning among MDBs and hosted the Global Gender Summit in Barbados.
- Multilateral Development Bank Joint Statement on Nature, People, and Planet (2022)
 - CDB signed the Joint Statement on Nature, People, and Planet and committed to report on joint and individual progress on mainstreaming nature into their policies and projects.

Sector-Level and Technical:

- Energy Transition:
 - ASERT-2030 Framework (2022–2024):
 - Multi-stakeholder dialogues to accelerate renewable energy adoption and regulatory reforms.
 - Published *Minimum Regulatory Function* framework (2023), voted most impactful strategy at CREF Island Resilience Action Challenge.
- Water and Sanitation:
 - High-Level Fora for Caribbean Ministers (2023) on water, wastewater, and solid waste management.
 - Established Caribbean Water Utility Insurance Collective (2023) for disaster preparedness and recovery.
- Agriculture and Food Security:

- Regional Sweet Potato Value Chain Enhancement Project (2023) and Adaptation Fund proposal for climate-resilient agriculture in SIDS.
- Disability Inclusion:
 - Inaugural Caribbean Disability Conference (2024) convened nearly 300 stakeholders from governments, civil society, and private sector.
- Gender and Social Inclusion:
 - Gender Equality Knowledge Exchange Marketplace (2024) and GBV Practice Network launched, engaging 80 professionals.
- Education
 - Convened the Transforming Education Symposium and Policy Dialogue (TESPD I & II) in 2024 and 2025. The Policy Dialogue component involved the Ministers of Education across the Region, with participation of the OECS Commission and the CARICOM Secretariat.
- Convenes the Regional Education Partners Group for Education, as the Coordinating Agency.

Country Level:

- Haiti Disaster Risk Financing Conference (2022):
 - Co-hosted with IDB and World Bank to coordinate donor strategies for reconstruction and recovery.
- Education Policy Dialogues:
 - Regional Symposium on Transforming Education (2024) with 150 stakeholders; Agenda for Action endorsed by CARICOM COHSOD.
 - Country-level training for gender and social inclusion in UKCIF-funded infrastructure projects (2024).
- Youth Empowerment:
 - Launch of Future Leaders Network (2023) as an institutional mechanism for youth engagement.
 - Supported youth participation in SIDS Global Children and Youth Action Summit and other fora (2024).
- Procurement Reform:
 - Joint drafting of procurement laws and regulations in Antigua and Barbuda, Belize, The Bahamas, and others (2023–2024).

Additional examples of CDB's participation in multi-stakeholder dialogue around joint sectoral or normative commitments in MI 6.5.

Element 6.8.3: The MO implements client feedback surveys and uses feedback to inform decision-making.

CDB implemented client feedback survey in 2024. Even though CDB's RMF includes an indicator on client satisfaction, client surveys have not been conducted systematically over the assessment period.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB commissioned Korn Ferry to conduct a Market Perception Survey in late 2023 as part of its preparatory work for the Ten-Year Strategic Plan. The survey aimed to assess how stakeholders perceive the Bank's relevance, effectiveness, and value proposition. This initiative was driven by the need to anticipate market trends, strengthen partnerships, and position CDB as a responsive and innovative

development institution. The study also introduced a Perception Score, establishing a baseline for future tracking and accountability.

The survey engaged 143 stakeholders across 25 countries, including BMCs, Non-Borrowing Members, CDB staff and leadership, Board members, regional institutions, civil society, private sector actors, and IFIs. Data collection combined digital surveys, interviews, and focus groups, enabling both quantitative and qualitative insights. The process revealed strong participation from BMCs (95%) and moderate engagement from internal staff (25%). The resulting Perception Score of 70/100 reflects a generally positive outlook but signals areas for improvement in agility, innovation, and communication.

Several major themes emerged from the analysis. First, CDB enjoys a strong brand foundation, with high trust and cultural awareness cited as its comparative advantage. Second, capacity building—for both CDB and BMCs—was identified as a top priority, alongside modernizing processes and improving implementation. Third, stakeholders urged the Bank to streamline its focus, concentrating on fewer, high-impact priorities such as climate action, disaster preparedness, education, and renewable energy. Fourth, respondents emphasized the need for greater local presence to enhance responsiveness and execution. Additional findings included gaps in performance measurement, calls for financial innovation to expand access to capital, and the need for stronger communication strategies to showcase impact and maintain trust.

The report recommends that CDB invest in talent development and partnerships, adopt a results-driven approach, and strengthen its country engagement model through selective on-the-ground presence. It also calls for the creation of a robust performance measurement framework and proactive communication to share success stories and impact metrics. Financial innovation—such as blended finance and risk-sharing mechanisms—should be pursued to meet evolving market needs. Finally, the report underscores the importance of Board support for resource allocation and strategic alignment, noting that visible leadership commitment will be critical for successful implementation of the next 10-year strategy.

Despite CDB identifying a client satisfaction index as an indicator in the 2020-25 RMF, CDB has not conducted client surveys systematically. The previous survey was conducted in 2020. Lack of comparability of the methodology was noted in the 2024 ARPP to be an important challenge in measuring CDB's progress in reinforcing client satisfaction across key areas.

MI 6.9: Deployment of knowledge base to support policy dialogue and/or advocacy

- Element 6.9-1. Statement in corporate documentation explicitly recognises the organisation's role in knowledge production and identifies operational frameworks and resources to support the production of knowledge work.
- Element 6.9-2. Knowledge products produced and utilised by partners to inform action
- Element 6.9-3. Knowledge products are produced in collaboration with relevant partners applied to inform advocacy, where relevant, at country, regional or global level.
- Element 6.9-4. Knowledge products generated are timely and perceived to be timely by partners.
- Element 6.9-5. Knowledge products are subject to a quality review process and are perceived as high quality by partners.
- Element 6.9-6. Knowledge products are produced in a format that supports their utility to partners

Ratings

MI / Element	Rating	Score	Confidence Level
MI 6.9	Unsatisfactory	2.16	
Element 6.9.1	Unsatisfactory	2	Medium
Element 6.9.2	Unsatisfactory	2	Medium
Element 6.9.3	Satisfactory	3	Medium
Element 6.9.4	Unsatisfactory	2	Medium
Element 6.9.5	Unsatisfactory	2	Medium
Element 6.9.6	Unsatisfactory	2	Medium

MI 6.9 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) "Strategic Plan Update 2022–2024: Repositioning for Resilience," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2022) "Country Engagement Strategy 2022–2026: Belize," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-belize>
- Caribbean Development Bank (2022) "Country Engagement Strategy 2022–2026: Saint Vincent and the Grenadines," <https://www.caribank.org/publications-and-resources/resource-library/country-strategies/country-engagement-strategy-2022-26-saint-vincent-and-grenadines>
- Caribbean Development Bank (2022) "Country Strategy and Programme Evaluation – Belize (2011–2015 and 2016–2020)," https://www.caribank.org/publication_types/corporate-evaluations/belize-cspe-2011-15-and-2016-20
- Caribbean Development Bank (2022) "Energy Sector Policy and Strategy (ESPS) Evaluation: Final Report," https://www.caribank.org/sites/default/files/publication-resources/ESPS%20Evaluation%20Final%20Report_redacted.pdf
- Caribbean Development Bank (2023) "Annual Report 2022," <https://www.caribank.org/cdb-annual-report-2022>
- Caribbean Development Bank (2023) "Country Strategy and Programme Evaluation – Jamaica (2014–2016 and 2017–2021)," https://www.caribank.org/sites/default/files/publication-resources/Jamaica%20CSPE%20Report%20FINAL_June%202023_final_redacted.pdf
- Caribbean Development Bank (2024) "Annual Report 2023," <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2023>
- Caribbean Development Bank (2024) "Country Strategy and Programme Evaluation – The Bahamas (2018–2022)," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22
- Caribbean Development Bank (2024) "Evaluation of the Community Disaster Risk Reduction Fund (2012–2020)," <https://www.caribank.org/evaluations-resources/evaluation-community-disaster-risk-reduction-fund-2012-2020>
- Caribbean Development Bank (2024) "Perceptions Survey and Recommendations Report," (internal document)

- Caribbean Development Bank (2025) "Annual Report 2024," <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2024>
- Caribbean Development Bank (2025) "Country Strategy and Programme Evaluation – Trinidad and Tobago (2017–2021)," https://www.caribank.org/publication_types/corporate-evaluations/trinidad-and-tobago-cspe-2017-21
- Caribbean Development Bank (2025) "Evaluation of the Caribbean Development Bank's Work in the Water Sector (2017–2023)," <https://www.caribank.org/evaluations-resources/evaluation-caribbean-development-banks-work-water-sector-2017-23>

MI 6.9 Analysis

Element 6.9.1: Statement in corporate documentation explicitly recognises the organisation's role in knowledge production and identifies operational frameworks and resources to support the production of knowledge work.

Despite the fact that knowledge production is increasingly prominent in corporate strategy documents, CDB still lacks a knowledge strategy and means of measuring its contribution to knowledge production in corporate indicators.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB does not have a standalone strategy for its knowledge management, research and policy advisory activities. However, CDB's Strategic Plan Update (2022-24) positions knowledge creation and innovation as central enablers of development impact and a key pathway for supporting the Region to achieve sustainable, resilient growth. The strategy emphasises that development decisions must be underpinned by a solid evidence base and calls for support to close data gaps to inform national and regional decision-making. It emphasises CDB's role as a trusted partner with deep "country and local knowledge," which is cited as a core comparative advantage in its policy dialogue and advisory functions.

In 2022, CDB introduced Knowledge-Oriented Industrial Policy and the KIDS approach – Knowledge accumulation, innovation, diagnostics and strategies - as key mechanisms to generate and accumulate knowledge, enhance coordination among stakeholders and convert knowledge to policy-relevant and actionable insights. Key aspects of these approaches includes: (i) providing knowledge products to support decision-making among public and private sector stakeholders; (ii) offer advocacy, awareness building and thought leadership to stimulate innovative policy approaches; (iii) conduct research for evidence-based decision making internally and externally. Finally, CDB identifies information partnerships, including with regional partners like CARICOM and OECS, as key means of improve the production and dissemination of regional information, acknowledging that regional data gaps hinder effective policy-making.

The 2022-24 SPU identifies digital transformation, climate action and resilience and gender as three key entry-points for a stronger focus on knowledge.

However, despite the fact that corporate documentation explicitly speaks to CDB's role in knowledge production, neither knowledge production nor the quality and use of knowledge products are reflected in CDB's 2020-24 RMF. Furthermore, there is no requirement for knowledge products to be assessed via a completion report. CDB's OPPM does not identify a specific procedure for producing knowledge work, nor directives on how such work should be implemented in coordination with other units to take advantage of operational knowledge.

Element 6.9.2: Knowledge products produced and utilised by partners to inform action

There is limited systematic collection of evidence to demonstrate that CDB's knowledge is used by partners to inform action.

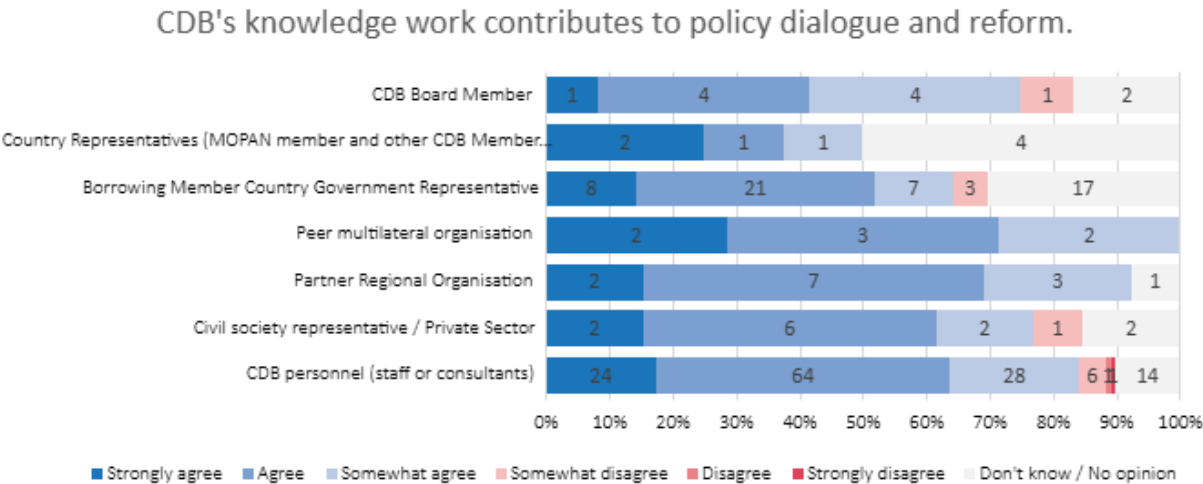
CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB does not undertake a regular client survey exercise to understand partners' perceptions and use of CDB's knowledge and research activities in BMCs. Nor are any regular indicators around the use of CDB's knowledge work tracked as part of the RMF. There is no formal requirement that TA under USD 1 million be subject to a project completion report, resulting in a potential missed opportunity to reflect on the outcomes of knowledge. Indicators for use of knowledge and analytical work and contribution of knowledge work to CES outcomes are absent from CES results frameworks. However, the 2024 Korn Ferry perception survey identified more strategic planning and dissemination of knowledge as a key opportunity for CDB to operationalise its comparative advantage as a regional partner.

A systematic review of four CSPEs (Jamaica, Bahamas, Belize and Trinidad and Tobago) and three sector evaluations (Water, Energy and CDRFF) produced over the assessment period revealed that, although knowledge activities are undertaken through analytical work and project-level studies and capacity building, CSPEs rarely track knowledge and analytical work nor their contribution to outcomes in a systematic way. There is little evidence demonstrating how this work influenced project design and policy reform within BMCs aside from analysis linked directly to PBLs. Knowledge sharing activities are generally described in these reports as "ad hoc," and that policy engagement and sharing of lessons from operational learning was relatively modest.

There are, however, individual cases where CDB's knowledge work supported broader action by partners. A key example is collaboration between CDB's United Kingdom Caribbean Infrastructure Partnership Fund (UKCIF) Programme and the United Kingdom Foreign, Commonwealth and development Office (FCDO) to strengthen disability inclusion in the design of infrastructure projects. A CDB-supported Disability Inclusion Study across the Caribbean led to the development of an assessment tool to assess infrastructure projects against key criteria of safety, access, and comfort. This tool was presented at the Caribbean Disabilities Conference, which was held in Grenada in October 2024.

Overall, 57% of respondents to MOPAN's Partner Survey agreed that CDB knowledge and analytical work contributed to policy dialogue and reform. Among the 43 respondents who provided additional open text responses, 25% identified the limited strategic focus of knowledge products and inconsistent linkage to country needs and operational decision-making.



Element 6.9.3: Knowledge products are produced in collaboration with relevant partners applied to inform advocacy, where relevant, at country, regional or global level.

CDB delivers knowledge products with partners to inform regional policy and advocacy and regional public goods.

CDB is rated **satisfactory** based on a demonstrated track record of delivering knowledge products.

CDB has an established track record of delivering knowledge products, analysis and capacity development in partnership with peers and regional organisations to support the development of regional frameworks, technical guidance, policy tools and regional public goods (e.g. harmonised standards, trade protocols and digital or sector toolkits).

There recent examples of CDB knowledge work and knowledge partnerships positioned to inform advocacy within countries and across the region, including:

- A partnership between the United Kingdom Caribbean Infrastructure Partnership Fund (UKCIF) and the Foreign Commonwealth and Development Office (FCDO) to develop a new tool to ensure integration of disability considerations in infrastructure projects. The new tool was presented at the Caribbean Disabilities Conference in Grenada in October 2024.
- Development of the Caribbean Agriculture Knowledge Portal in 2024 to facilitate intra-regional trade in plant and animal products and planned development of a Climate-Smart Agriculture Knowledge and Information Platform.
- In 2024, CDB also initiated a flagship study on Access to Finance for women-led micro, small and medium-sized enterprises (MSMEs) through the SheTrades Caribbean Regional Hub;
- Signing a Memorandum of Understanding with the Ministry of Economy and Finance of the Republic of Korea, in 2023 to collaborate on public sector investments, and on the implementation and advocacy for vulnerability and resilience measures and the development of knowledge products.
- Development in 2024 of the Regional Special Education Needs/Inclusive Education Policy and Strategy - which sets out the strategic and operational framework to mainstream special Education Needs/Inclusive education in countries.

CDB also maintains ongoing strategic partnerships with CARICOM Secretariat and the Organisation of Eastern Caribbean States Commission (OECS) to enhance regional statistical capacity and deliver policy-oriented knowledge work, including:

- In 2021, CDB partnered with UNDP and the OECS Commission through the Future Tourism programme, delivering digital transformation training, innovation tools, and business model redesign support to over 300 tourism MSMEs in Barbados and OECS states. This was delivered under the Caribbean Technological Consultancy Services (CTCS) Network.
- In 2022, CDB delivered the Let's REAP for Caribbean Schools—A Roadmap for Principals. This major knowledge product delivered in collaboration with the CARICOM Secretariat and the OECS Commission provides an integrated, evidence-based framework for addressing pandemic-related learning loss and longer-standing pedagogical weaknesses. It outlines systemic reforms, resilience building, and practical guidance for ministries, principals, teachers, and communities.
- In 2022, CDB partnered with the CARICOM Heads of Government commitment to reduce the regional food import bill by 25% by 2025, including through knowledge work on intra-regional trade protocols and standards. As a result, CDB-financed guidelines and protocols for trade in 19 plant and animal products were adopted by the Council for Trade and Economic Development (COTD).
- In 2022, CDB collaborated with CARICOM and PAHO to deliver the Caribbean Adolescent and Youth Health Congress (CCAYH II), supporting knowledge exchange on pandemic impacts, youth

wellbeing, and policy responses. Outputs included a regional progress report and future-oriented roadmap.

- In 2022, in collaboration with the CARICOM Secretariat developed the Regional Basic Education Quality Management Framework (BEQMF) which sets out regional standards for delivering quality basic education across the region; and the Caribbean New School Model (CNSM) -which outlines the standards (infrastructure, governance pedagogy, student centeredness etc - for the 21st Century school.
- Analytical work supporting CARICOM states on trade logistics, including a study exploring options for regional maritime cargo services to improve agri-food trade among Barbados, Grenada, Guyana, and Trinidad and Tobago—intended to strengthen the enabling environment for CARICOM’s food security strategy.
- In 2024, CDB partnered with the OECS Commission—alongside the World Bank and IDB—to deliver regional procurement training, including targeted support for under-represented groups. This included procurement fairs, harmonised approaches, and capacity building for regional public sector agencies.

Element 6.9.4: Knowledge products generated are timely and perceived to be timely by partners.

There is limited evidence collected about user perceptions of the timeliness of CDB’s knowledge products. Timeliness is likely constrained by limited proactive planning of knowledge products in CES and known constraints around workload, staffing constraints and weak communication of knowledge products.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

As noted above, an overriding challenge is the lack of client and partner feedback about CDB’s knowledge work. Furthermore, CDB does not have a systematic, mandatory means of reporting on the results of knowledge and analytical work that could reflect on their timeliness. However, there are known constraints to CDB’s ability to produce timely knowledge work.

One means of ensuring knowledge and analytical work is timely is by including these in CES analysis and pipelines to help anticipate and address BMC needs. However, identification of potential knowledge support in CES and MTRs is uneven. Of 7 CES reviewed among the country sample, only four identified specific knowledge and research activities to be undertaken to support delivery of the pipeline and national reform. The Belize CES (2022-26) is the strongest case of how knowledge work has been embedded into support to a BMC, including planned parathion of knowledge notes to support the MTR, diagnostic work on private sector competitiveness, ongoing research on gender gaps and an analytical review of labour market data. By comparison, the CES for Saint Vincent and the Grenadines (2022-26) and Saint Lucia (2020-23) note the need for better evidence but don’t identify any specific initiatives.

In open text responses to the MOPAN Partner Survey, staff capacity was identified as a key issue limiting the scope of CDB’s knowledge and analytical activities. Workload, staffing gaps, and operational pressures were identified as constraining the ability of CDB staff to produce responsive and strategic knowledge products. Another critical challenge, raised by both survey open text respondents and CDB stakeholders is the need to strengthen dissemination, communication and awareness of knowledge products to support timeliness and use.

Stakeholders reported that CDB is in the process of making structural and programme changes to help ensure knowledge and analytical work is timelier and more systematic. A separate team is being convened within the Economics Department to organise and deploy research in collaboration with CDB’s operational staff. This will help to reduce reliance on external experts and ensure that knowledge both draws upon operational learning and is taken up in operations design.

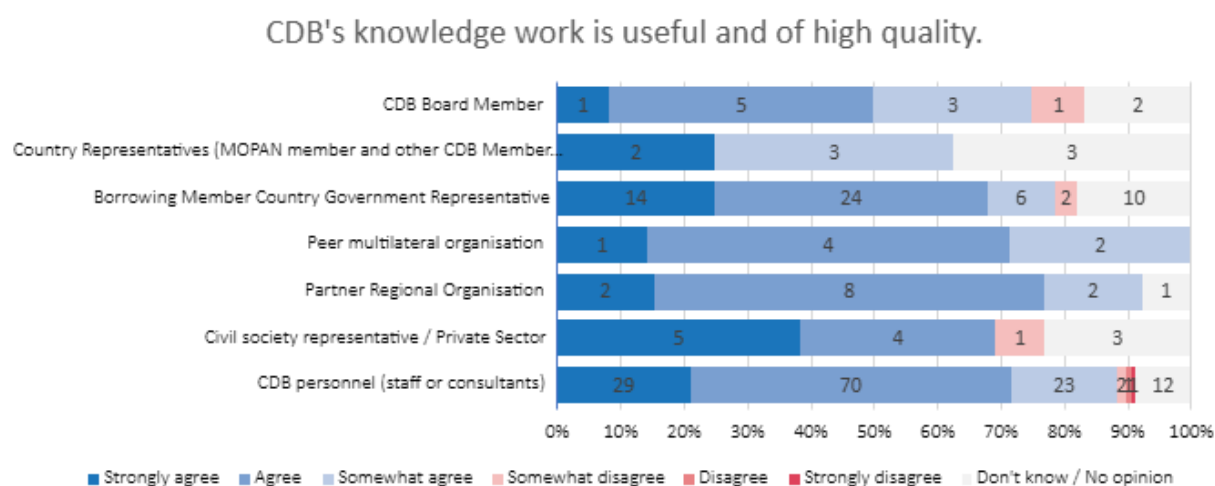
Element 6.9.5: Knowledge products are subject to a quality review process and are perceived as high quality by partners.

There is no documented quality review process for CDB knowledge products. Most partners agree that CDB's knowledge is of high quality but identify opportunities to enhance quality and build more systematically on operational learning.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

There is currently no documented quality review process for CDB's knowledge work within the OPPI. Furthermore, CDB does not have a systematic, mandatory means of reporting on the results of knowledge and analytical work that could reflect on the quality of disseminated products.

Overall, 68% of respondents to MOPAN's Partner Survey identified either agreed or strongly agreed that CDB's knowledge work is useful and of high quality. However, some external respondents noted in open text feedback that CDB's knowledge products are of uneven quality, which can vary significantly across different teams and departments with respect to level of detail, rigour and application of clear methodological standards. An important challenge was raised with respect to the extent to which research and knowledge capture and build upon operational learning from CDB's projects. Stakeholders internally confirm that CDB has previously relied heavily on external expertise to generate research, which has contributed to this challenge.



Element 6.9.6: Knowledge products are produced in a format that supports their utility to partners.

CDB shares its knowledge and analytical work with users through a variety of formats, often in collaboration with key partners.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

As noted above, an overriding challenge is the lack of client and partner feedback about CDB's knowledge work that could inform about how the format of knowledge products contribute to their utility. Furthermore, CDB does not have a systematic, mandatory means of reporting on the results of knowledge and analytical work that could reflect on the utility of its format.

It is clear however, that CDB shares knowledge with partners using a variety of approaches, including:

- Formal publications and policy briefs, including the Caribbean Economic Review and Outlook, biennial country economic reviews and national disability assessments and policy briefs (Grenada, Jamaica, Saint Lucia and Trinidad and Tobago);

- Toolkits, guidelines and Technical Frameworks, including the Let's REAP Roadmap, the UKCIF Disabilities Inclusion Checklist and the Gender-based Violence Practice Network's Caribbean GBV Innovation Practices knowledge product;
- Digital platforms and knowledge portals, such as the Caribbean Agriculture Knowledge Portal;
- Online Training and E-learning courses, including the CIIF e-learning programs and 45-hour Let's REAP professional certification;
- Conferences and Regional Forums, including the 2024 Caribbean Disability Conference, 2024 Anti-corruption & Cybercrime Youth Forum;
- Policy Dialogues, Symposium & Policy Dialogue on Transforming Education and the Creative Talk Forum for creative industries; and
- Capacity-building Workshops, Networks and Communities of Practice, such as training for 150 policymakers in gender mainstreaming via the Gender Equality Exchange Lab and procurement fairs held with OECS and the World Bank and the MDB Gender Equality Knowledge Exchange Marketplace.

A known challenge raised by both CDB stakeholders and open text respondents to the survey is the visibility, accessibility and communication of CDB's knowledge work, research and working papers. Furthermore, research, guidance and technical assistance delivered as part of existing operations is typically not disseminated more broadly for use.

PERFORMANCE MANAGEMENT

Systems geared to managing and accounting for development and humanitarian results and the use of performance information, including evaluation and lesson-learning.

KPI 7: The focus on results is strong, transparent and explicitly geared towards function

Ratings

KPI / MI	Rating	Score
KPI 7	Satisfactory	2.51
MI 7.1	Satisfactory	2.83
MI 7.2	Satisfactory	2.80
MI 7.3	Unsatisfactory	2.20
MI 7.4	Unsatisfactory	2.25
MI 7.5	Unsatisfactory	2.50

MI 7.1: Leadership ensures application of an organisation-wide RBM approach

- Element 7.1.1: Corporate commitment to a result culture is made clear in strategic planning documents.
- Element 7.1.2: Clear requirements/incentives in place for the use of an RBM approach in planning and programming.
- Element 7.1.3: Guidance for setting results targets and developing indicators is clear and accessible to all staff.
- Element 7.1.4: Tools and methods for measuring and managing results are available.
- Element 7.1.5: Adequate resources are allocated to the RBM system.
- Element 7.1.6: All relevant staff are trained in RBM approaches and method.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 7.1	Satisfactory	2.83	
Element 7.1.1	Satisfactory	3	Medium
Element 7.1.2	Satisfactory	3	Medium
Element 7.1.3	Satisfactory	3	Medium
Element 7.1.4	Unsatisfactory	2	Medium
Element 7.1.5	Satisfactory	3	Medium
Element 7.1.6	Satisfactory	3	Medium

MI 7.1 Evidence documents

- Caribbean Development Bank (2011) "Evaluation Policy," (internal document)
- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2017) "CDB Guidelines for Preparing and Using the Results Framework (RF)," (internal document)
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
- Caribbean Development Bank (2021) "Strategic Plan Update 2022–2024: Repositioning for Resilience," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-update-2022-2024>
- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) "Development Effectiveness Review – 2023," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2023>
- Caribbean Development Bank (2025) "Development Effectiveness Review – 2024," (internal document)
- Caribbean Development Bank (2025) "Evaluation Policy – Draft," (internal document)
- Caribbean Development Bank (2025) "Self-Evaluation Manual – Draft," (internal document)
- Caribbean Development Bank (2026) "Transforming the Caribbean for Resilience: The 10-Year Strategy 2026–2035," <https://www.caribank.org/publications-and-resources/resource-library/strategy-and-plans/transforming-caribbean-resilience-10-year-strategy-2026-2035>
- Office of Independent Evaluation (2021) "Corporate Process Review of Managing for Development Results in the Caribbean Development Bank: Final Report," https://www.caribank.org/sites/default/files/publication-resources/CDB%20fDR%20Review%20Final%20and%20Management%20Response_redacted_1.pdf

MI 7.1 Analysis

Element 7.1.1: Corporate commitment to a result culture is made clear in strategic planning documents.

CDB's corporate commitment to results is reflected in its corporate results monitoring framework, which is cascaded throughout its operations.

CDB is rated **satisfactory** based on demonstrated alignment to good practice.

CDB has, since 2011, used a corporate-level Results Monitoring Framework (RMF) for measuring and monitoring progress of key results in its Strategic Plan. The current RMF is closely aligned with its corporate strategic direction, particularly the Strategic Plan 2020–24 and the Strategic Plan Update 2022–24.

The RMF is designed to monitor progress against the Bank's strategic objectives and priorities, while fostering learning and continuous improvement. Key indicators from the RMF are cascaded from the corporate level down to Country Engagement Strategies (CESs) and project-level Results Frameworks, helping to ensure coherence between institutional goals and operational delivery. This structure enables CDB to track results, identify implementation challenges, and adapt its approaches to strengthen development impact.

Reporting against the RMF is presented annually through the Development Effectiveness Review (DER), which serves as CDB's flagship accountability and learning tool. The DER is complemented by the Annual Review of Portfolio Performance (ARPP) and independent evaluations conducted by the Office of Independent Evaluation (OIE). Together, these instruments provide a comprehensive picture of how well CDB is delivering on its mandate and where improvements are needed.

The RMF covers the entire range Bank-assisted interventions which are funded through three main sources of funds: OCR, SDF Unified, and Other Special Funds. The current RMF includes 75 indicators (Table 17).

Table 17.CDB RMF Indicator Summary

Indicator Category	Current RMF (2020–24)	Subtract	Add	Updated RMF (2022–24)
No. of Indicators	71	1	5	75
Level 1: Progress towards SDGs and regional development outcomes	13	1	1	13
Level 2: CDB's contribution to SDGs, country and regional development outcomes	30	–	4	34
Level 3: How well CDB manages its operations	20	–	–	20
Level 4: How efficient CDB is as an organisation	8	–	–	8

The RMF comprises four levels, similar to other IFI frameworks:

- Level 1: Tracks regional progress toward the Sustainable Development Goals (SDGs) and long-term development outcomes across Borrowing Member Countries (BMCs). These indicators provide context but are not attributed to CDB.
- Level 2: Measures CDB's contribution to development outcomes through its completed and ongoing operations. This level of the framework reflects aggregated “reach” outputs from CDB's activities. Indicators are organized under CDB's five strategic objectives and cross-cutting issues:
 - Social Resilience
 - Environmental Resilience
 - Production Resilience
 - Financial Resilience
 - Institutional Resilience

- Cross-cutting themes include gender equality, good governance, innovation/digitalization, and regional cooperation and integration.
- Level 3: Assesses operational effectiveness—how well CDB manages its portfolio and processes. This includes quality at entry, implementation timeliness, resource allocation, and strategic alignment.
- Level 4: Evaluates organizational efficiency and capacity, including human resources, financial sustainability, and institutional systems.

This approach allows CDB to link regional trends (Level 1) with its own contributions (Level 2), and to examine how internal performance (Levels 3 and 4) influences development results.

Of note, CDB's reach indicators at Level 2 are currently ex-ante projections based on approved operations. Stakeholders note, however, that CDB is moving toward reporting on outcomes through an "expected-achieved" approach aligned with best practice across MDBs.

Future Trajectory under the TYS:

The RMF will be refined under the TYS to align with good practice across MDBs. In line with good practice, the C-RMF is based on an institution-level Theory of Change for the TYS, providing a strong theoretical basis for the approach. The proposed C-RMF maintains the four-level structure of the previous RMF but implements a streamlined set of indicators – reduced from 75 to 30, with emphasis on adopting harmonised scorecard indicators across MDBs. Furthermore, there has been a shift in the proposed indicators from outputs to outcomes. Other initiatives planned to enhance the implementation of the C-RMF include: (i) an enhanced focus on systematic monitoring and reporting of interventions; (ii) enhanced processes to support quality at entry; and (iii) identification of clear methodologies supporting each indicator. Results captured in the C-RMF will be complemented by narrative impact summaries and an online platform enabling exploration and analysis of results data.

Element 7.1.2: Clear requirements/incentives in place for the use of an RBM approach in planning and programming.

CDB's Operational Policy Framework requires that management collects reliable data to support evaluation, including through identifying results frameworks for all Country Engagement Strategies and Operations. There is a high level of compliance with this requirement.

CDB is rated **satisfactory** based on demonstrated alignment to good practice.

Operational Policies

CDB does not have a dedicated operational policy on results-based management. However, the 2011 Evaluation Policy notes that CDB's management is responsible for ensuring that credible and reliable performance data are being collected to support evaluation at all stages of the project, program, and policy cycles, including through quality at entry standards involving decisions as to the design of monitoring indicators and evaluation frameworks through to supervision, monitoring, and project/program completion processes.

Furthermore, in its Operational Policy on the Portfolio Performance Management System (PPMS), CDB recognises that it can only increase its contribution to country and regional outcomes and overall development effectiveness by continuing to improve its operational and organisational efficiency and effectiveness. In order to achieve this, the Bank monitors performance on operational quality and portfolio performance, resource allocation and utilisation, strategic focus, capacity utilisation and gender equality, use of administrative budget resources and business processes and practices.

These responsibilities have been maintained in CDB's new Evaluation Policy (2025) and Self-Evaluation Manual.

Country Engagement Strategies:

The 2014 CDB Operations Policy and Procedure Manual requires that country strategies include a results framework. The manual lists six quality dimensions/standards for assessing Country Engagement Strategies and their results frameworks:

- Relevance: Objectives must be clear, measurable, and aligned with corporate, country, and sector priorities.
- Rationale and Design: Comprehensive analysis of problems and constraints, and adequacy of design.
- Monitoring and Evaluation: Emphasis on outcomes and a well-designed results framework.
- Other dimensions include ownership, implementation arrangements, and sustainability.

The framework serves as a roadmap for monitoring and evaluating progress and ensures that CDB's interventions are aligned with national priorities and the Bank's strategic objectives. Guidance states that the results framework should include development objectives that are measurable and time-bound, outputs linked to specific actions, and indicators with baselines and targets. Furthermore, these indicators should capture both quantitative and qualitative dimensions of progress, and the framework must specify how results will be verified.

The manual also emphasizes quality standards for these frameworks: they must be relevant to country priorities, logically structured, and supported by robust monitoring and evaluation systems. Ownership by the borrowing country is critical, and objectives should be realistic given the timeframe and external risks.

A systematic review of CES covering MOPAN's sample countries over the assessment period revealed that all of them identified results frameworks as well as defined mechanisms for measurement. Half of the results matrices clearly demonstrating SMART principles - need for stronger baselines and verification methods were the most common challenges. Two of the seven CES examined explicitly linked monitoring to national M&E Systems. Portfolio performance reviews were the most common monitoring method identified with formal mid-term reviews (MTRs) identified for fewer than half of the CES.

Stakeholders report that although results frameworks are now incorporated into CES more systematically, applying RBM and adaptive management principles during implementation has been more uneven. In particular, not all economists engaging with CES understood that MTRs should be used to adjust and adapt CES as needed. The three CSPEs completed during the assessment period indicate that none of the CES covered were adjusted during the CES period, despite important shifts in context.

Interventions

The Operations Policy and Procures Manual, including templates for appraisal reports, requires all projects and operations to include a results framework or an equivalent results matrix. For investment projects, the appraisal document must clearly identify development objectives (outcomes) and project components (outputs) along with measurable indicators, baselines, and targets. If a project is reformulated, the revised objectives and indicators must be documented. For older projects that lack a well-constructed results matrix, the manual instructs staff to retrofit one to clarify anticipated outcomes and outputs.

Similarly, for Policy-Based Operations (PBOs), the appraisal report must include a Programme Results Matrix (PRM) that captures objectives, expected results, and policy actions linked to disbursement conditions. This matrix should specify baselines, targets, and indicators for monitoring and evaluation. The manual also requires that completion reports compare planned versus achieved outcomes using the original results framework, reinforcing its role throughout the project cycle.

Technical Assistance operations under USD 50,000 do not require a full results framework. Instead, these interventions require: (i) a definition of objectives; (ii) indicators of expected outcomes/outputs in the form of a preliminary results framework; (iii) description of envisaged activities or terms of reference; (iv) a description of the expertise required. Overall, TA proposals should identify data gathering systems, provide a clear identification of the TA's outputs and outcomes, and identify a means to evaluate the value added of the TA upon completion.

Supervision and Monitoring

Although results frameworks, targets, indicators and baselines are required as part of operations design, there have been important challenges in ensuring that these frameworks are used to collect results information throughout the implementation of operations.

Stakeholders note an emerging challenge regarding the extent to which results frameworks are being applied in OP365, CDB's integrated operations management system. Stakeholders note that the quality of data entered into the system varies considerably, especially for results information. These gaps limit CDB's ability to identify and address performance issues proactively and contribute to challenges in assessing the effectiveness of operations at closure. CDB is addressing this issue by enhancing training for staff to create a results management culture and identifying required fields in the system.

Element 7.1.3: Guidance for setting results targets and developing indicators is clear and accessible to all staff.

CDB has clear guidance in place to guide the design and use of RMFs for operations that is accessible to all staff. Additionally, CDB has a dedicated advisor supporting results-based management.

CDB is rated **satisfactory** based on demonstrated alignment to good practice.

RMF Guidelines

The CDB Guidelines for Preparing and Using the Results Framework, developed in 2017, state that every project or programme financed by CDB must include a well-defined results framework (RF) as part of its design, implementation, and evaluation process. The RF is described as a core instrument for managing for development results (MfDR), ensuring that interventions are planned and monitored with a focus on outcomes rather than activities. It provides a structured approach to articulate expected results, measure progress, and adjust strategies during implementation to maximize development impact.

The guidelines emphasize that a quality RF should include a clear results chain—outputs, outcomes, and impacts—supported by SMART indicators, baselines, and targets. It also requires specifying assumptions, risks, and data sources for monitoring. At least one outcome statement and associated indicator must be included, as project success is assessed against these outcomes in the Project Completion Report (PCR). Outputs should represent tangible deliverables, while outcomes capture the direct benefits or changes resulting from those outputs. Impacts, drawn from national or sector strategies, demonstrate alignment with broader development goals.

When defining project objectives and outcomes, the guidelines state that these should align with sector outcomes in the Country Strategy's RF. This ensures that each project contributes to the country-level priorities agreed between CDB and the Borrowing Member Country (BMC). For regional or stand-alone technical assistance projects, the link may be indirect, but alignment is still expected. Additionally, projects must include all applicable Corporate RMF indicators in their RF, using the predefined units of measure. This allows aggregation of results across projects for corporate reporting and accountability.

The RF is not static; it must be actively used during project launch, supervision, and completion. At launch, teams review and update the RF to reflect any changes in context. During implementation, the RF guides monitoring and supervision, helping identify variances and corrective actions. At completion, the PCR compares planned versus actual results using the RF as the benchmark. Special applications exist for Policy-Based Operations (using a Policy and Results Matrix), Technical Assistance, and other lending products, but all follow the same principles of results-focused design and monitoring.

For PBOs, the standard RF is replaced by a Policy and Results Matrix (PRM). This matrix specifies the objectives of policy reforms, expected outcomes, and SMART indicators with baselines and targets. It also includes prior actions linked to disbursement conditions and means of verification. The results chain for PBOs is structured around policy actions: outputs are completed actions (e.g., "VAT implemented"),

outcomes are changes resulting from those actions (e.g., “increased revenue collection”), and impacts are broader development effects such as macroeconomic stability. Because PBOs often involve complex reforms, the guidelines recommend using a Theory of Change diagram to clarify linkages.

For Technical Assistance (TA), the RF adapts to the nature of the intervention. Capacity-building TA focuses on training and knowledge transfer, with outputs measured by the number of participants and outcomes assessed through application of skills or improved performance. Technical advisory TA measures adoption of advice or implementation of new policies, while research and knowledge dissemination TA tracks awareness and commitment to use knowledge. Indicators often include leading indicators, such as willingness to apply knowledge, because long-term impacts may occur after project completion.

Other lending products also have tailored approaches. Financial Intermediary Lending (FIL) uses the standard RF but focuses on sub-loans as outputs and changes in beneficiary performance—such as competitiveness or education completion—as outcomes. Emergency Rehabilitation Loans (RRLs) require a standard RF, though impact statements are usually project-specific. In contrast, Immediate Response Loans (IRLs) and Emergency Relief Grants (ERGs) do not require a full RF due to their urgency, but abbreviated reporting is expected. For Programmatic Lending, each programme must have a results framework, which may follow CDB’s template or a partner-approved format, but must include a results chain, indicators, and monitoring responsibilities.

SAO Advisor:

CDB now has a dedicated resource in its Strategy and Accountability Office who provides support and advice to project teams to implement well-designed results systems for projects, including RMFs. This advice is provided as part of the project design and appraisal process leading up to project approval. Previously, issues with the result frameworks were often being missed despite quality at entry reviews. Stakeholders note a high level of uptake for this advice.

Support provided by this resource is making an important contribution to strengthening the results culture at CDB, with project teams paying greater attention to using Theories of Change and designing robust results framework. This resource is also responsible for designing and implementing RBM training throughout the organisation (See 7.1.4, below).

Element 7.1.4: Tools and methods for measuring and managing results are available.

CDB has tools and guidelines in place to enhance the application of RBM and the quality of results frameworks as well as a dedicated staff member to provide advice on RBM uptake to project teams.

CDB is rated **satisfactory** based on demonstrated alignment to good practice. However, challenges remain with respect to the uneven quality of project and CES RMFs.

OPPM and RMF Guidance:

According to the CDB Operations Manual and the Guidelines for Preparing and Using the Results Framework Indicators must meet the SMART criteria:

- **Specific:** Clearly state what the project seeks to achieve, specifying dimensions such as who, where, when, quality, quantity, and cost.
- **Measurable:** Expressed in quantifiable terms (e.g., percentage of households, number of teachers trained) and feasible to collect within the project timeline for inclusion in progress reports and the Project Completion Report (PCR).
- **Achievable:** Targets should be ambitious yet realistic, determined through consultation with stakeholders and based on available resources and implementation timeframes.
- **Relevant:** Directly linked to the results statement and useful for management decision-making.
- **Time-bound:** Include both baseline and target values with clear dates.

The guidelines also emphasize that indicators should capture multiple dimensions of performance, including quantity, quality, timeliness, location, and cost. Each indicator must specify:

- The title of the report or document that will contain the data.
- The name of the issuing organization.
- The frequency of data availability (e.g., monthly, annually).

Stakeholder participation is critical. The guidance states that BMCs and other stakeholders should be involved early in the process of selecting indicators and setting targets to ensure that project objectives reflect beneficiary needs and are achievable. This participatory approach is intended to enhance ownership and accountability.

RBM Advice and Training:

The Operations Policy and Procedures Manual requires that results frameworks undergo a structured review process to ensure logical results chains, realistic targets, and compliance with SMART criteria. As noted in 7.1.3, above, this review is now implemented by a key resource in the Strategy and Accountability Office (SAO) engaged to provide feedback, advice and targeted training to project teams on the design of results frameworks, indicators, baselines and targets.

CDB is in the process of strengthening its RBM training for operations staff with 35 staff trained this year under a new programme. The Bank is launching a new MfDR training programme positioned to enhance staff capacity to design, monitor, evaluate projects and communicate development outcomes effectively. The programme will be provided at three levels that will: (i) introduce results-based thinking and explain the importance of results frameworks; (ii) teach staff how to develop, define and track key performance indicators; and (iii) help staff move from quantitative metrics to qualitative impact narratives, enhancing reporting and stakeholder engagement.

This training is currently being piloted. Although not yet mandatory, CDB plans to track the proportion of staff who take the training. An additional step that CDB could take is to embed this training into performance measurement for staff to enhance uptake and accountability for results.

Evidence of RBM Application:

The 2021 OIE Corporate Process Review of Managing for Development Results in the Caribbean Development Bank found that while the CDB has improved the quality of results frameworks over time—particularly in clarifying results statements and including indicators—significant gaps remain. At the project level, frameworks often fail to define results at the correct level, with weak vertical logic between outputs, outcomes, and impacts. Indicators are frequently not SMART, lacking specificity, baselines, and targets, and sometimes setting unrealistic goals. These shortcomings affect evaluability and the ability to demonstrate development results.

The review observed similar issues at country and sector levels. Country strategies have clearer outcomes and some baselines, but results are often overambitious and extend beyond the strategy timeframe. Sector frameworks vary widely in quality, with many indicators not meeting SMART criteria. At the corporate level, the Results Monitoring Framework has been streamlined, but Level 2 indicators remain largely output-oriented, limiting outcome orientation. Alignment across levels—project, sector, country, and corporate—is weak, and quality assurance mechanisms are not fully institutionalized. The evaluation recommends updating MfDR guidance, reinforcing quality checks, ensuring indicators are SMART, and improving alignment and reporting systems to strengthen CDB's results culture and accountability.

Recent DERs, PCRVs, and evaluations continue to demonstrate that there is room for improvement in the quality of results indicators and implementation on RBM approach. The DER reports reiterate that indicators should be aligned, coherent, and SMART—with appropriate baselines and targets. The 2022 DER specifically recommends improving reporting on outputs and outcomes and ensuring that indicators meet SMART criteria. It notes that indicators should be properly coded and linked to project components,

even when only some parts of a project relate to specific thematic areas. The quality of results frameworks and the capacity of BMCs to monitor results remains an important challenge for demonstrating the impact of CDB's operations. Notably, among the PCRs reviewed most operations were not able to provide critical data at close regarding contribution to outcomes and the economic efficiency of projects.

Element 7.1.5: Adequate resources are allocated to the RBM system.

Overall investment in the RBM system has been uneven. Although a results advisor is now in place and new systems have been implemented to support an RBM approach, there remain important gaps in investment to embed an RBM culture through training and engagement.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The 2021 OIE Corporate Process Review of Managing for Development Results in the Caribbean Development Bank makes it clear that resources for the RBM (MfDR) system had not been adequate. While CDB has introduced important tools and processes—such as MfDR Action Plans, guidelines, and training programs—the allocation of human and financial resources has been uneven and insufficient to fully institutionalize these practices.

The review highlights in particular that the Bank lacks a sustained and systematic approach to staff capacity building. Training initiatives, including the PPAM/PCM (Public Policy Analysis and Management and Project Cycle Management Training) program and MfDR guidelines, were implemented but not maintained over time. Furthermore, the dedicated results specialist role was discontinued, and responsibilities were merged with other functions, reducing advisory capacity. This has left gaps in technical support for results-based management. The evaluation recommends increasing the level of effort for results advisory functions, developing systematic training programs, and ensuring sufficient financial and human resources to embed a results culture across the Bank. Without these investments, the MfDR system cannot effectively support decision-making, accountability, and learning.

Actions taken following the MfDR Review

The MfDR report drew clear attention to the need to increase investment. CDB has addressed some of the shortcoming highlighted in the review, for example, the hiring of a Results Specialist. A results specialist in the Strategy and Accountability Office reviews project designs upstream and provides advice to teams in the design of results frameworks. Previously, these gaps were not being identified in the project approval process.

The DER 2023 explicitly notes that the Bank has started implementing changes in response to the MfDR review recommendations. These include reinforcing the MfDR agenda, investing more consistently in internal capacity, and strengthening results architecture and measurement systems. For example, the Bank committed to embedding RBM principles into operations, setting clear targets, monitoring progress, and increasing staff awareness and capacity through training and technical support. It also plans to refine measurement frameworks and develop a Development Effectiveness Micro-Site to improve transparency and communication of results.

However, other gaps regarding investment in systems and tools have persisted. Efforts to upgrade systems such as PPMS and PRISM were prolonged and incomplete, limiting their usefulness for real-time supervision and results reporting. The transition to OP365 is expected to improve data capture and reporting, but during the review period, these systems were not fully operational, creating inefficiencies and reducing incentives for staff to use them. Beyond this, OP365 continues to demonstrate important data coverage and quality issues.

The situation for quality at entry tools remains somewhat similar for quality at entry systems: Tools for results frameworks exist but have not been fully institutionalised, partly due to resource constraints. CDB's efforts to promote RBM lie in the efforts of the results advisor.

Despite the ongoing design of new results programmes, a gap in training was confirmed by stakeholders, noting that training in RBM is not mandatory among project teams and receipt of training has been uneven. A key challenge has been the understanding and awareness of staff for how results data can be used for adaptive management, with stakeholders reporting that, when mid-term reviews of CES and projects were done, there was not always an understanding that this should support an update in design or approach.

Element 7.1.6: All relevant staff are trained in RBM approaches and methods.

CDB coordinates training for interested staff in RBM approaches and methods, but training does not cover all staff across the organisation.

CDB is rated **satisfactory** based on the inclusion of RBM training in onboarding.

According to stakeholders, interest in training is high, and a consultant has been engaged to deliver sessions, though scheduling challenges have limited reach (35 staff trained so far this year). RBM training is now being implemented as part of onboarding, ensuring relevant staff are trained.

This year CDB has already completed training for operations who joined the Bank in the last 12 months. As noted above, a key resource is engaged within SAO to deliver and coordinate training and provide guidance and support to teams in implementing RBM approaches in projects. This resource collaborates closely with country engagement teams, project teams, and the Office of Independent Evaluation (OIE) in an advisory capacity. Their role focuses on building capacity and delivering training rather than being formally embedded in these teams, although the team often makes direct adjustments to frameworks, which provides valuable insight into existing gaps.

Training began with country engagement teams and will extend to project teams by year-end, as these groups frequently overlap. To support this effort, the Results team developed a program called “Designing for Results,” which will also become part of staff onboarding. The program is structured in three levels:

- Level 0 – Change Orientation: Introduces the concept of development results, emphasizes the “why,” and keeps the theory of change front and centre to improve the quality of tracked results.
- Level 1 – Technical Foundations: Covers theory of change, indicators, and related tools.
- Level 2 – Holistic Perspective: Focuses on crafting a comprehensive narrative of results, including the stories that reflect impact at completion.

In recent years, CDB has also convened a Community of Practice for results management within the Bank to convene training and share lessons and experiences.

CDB does not implement a systematic quality at entry review tool to assess different aspects of project design at approval. This gap prevents monitoring that could identify whether the provision of new training is contributing to more consistent RBM practices and better quality RMFs and supervision practices.

MI 7.2: Corporate strategies, including country strategies, based on a sound RBM focus and logic

- Element 7.2.1: Organisation-wide plans and strategies include results frameworks.
- Element 7.2.2: Clear linkages exist between the different layers of the results framework, from project to country and corporate level.
- Element 7.2.3: An annual report on performance is discussed with the governing bodies.
- Element 7.2.4: Corporate strategies are updated regularly.
- Element 7.2.5: The annual corporate reports show progress over time and notes areas of strong performance as well as deviations between planned and actual results.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 7.2	Satisfactory	2.80	
Element 7.2.1	Satisfactory	3	Medium
Element 7.2.2	Satisfactory	3	Medium
Element 7.2.3	Satisfactory	3	Medium
Element 7.2.4	Unsatisfactory	2	Medium
Element 7.2.5	Satisfactory	3	Medium

MI 7.2 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2017) "CDB Guidelines for Preparing and Using the Results Framework (RF)," (internal document)
- Caribbean Development Bank (2017) "Private Sector Development Policy and Strategy," <https://www.caribank.org/about-us/policies-and-strategies/private-sector-development-policy-and-strategy>
- Caribbean Development Bank (2018) "Climate Resilience Strategy 2019–2024," <https://www.caribank.org/about-us/policies-and-strategies/climate-resilience-strategy-2019-2024>
- Caribbean Development Bank (2019) "Gender Equality Policy and Operational Strategy," <https://www.caribank.org/about-us/policies-and-strategies/2019-gender-equality-policy-and-operational-strategy>
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
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MI 7.2 Analysis

Element 7.2.1: Organisation-wide plans and strategies include results frameworks.

Beyond the corporate-wide RMF, CDB's sector and thematic strategies also include results frameworks. However, results frameworks at the strategy level vary in the level of detail (e.g. specific baselines and targets) and grounding in Theories of Change. CDB's planned update of its RMF will help further align to good practice.

CDB is rated **satisfactory** based on the inclusion of RMFs in key strategies; however there is room for further strengthening.

As noted above in 7.1, CDB tracks development effectiveness through a Results Monitoring Framework (RMF) aligned with SDGs and regional priorities identified in its 2020-24 Strategic Plan and 2022-24 SPU. CDB's RMF translates strategic objectives into measurable indicators across four levels:

- Level 1: Regional progress toward SDGs and development outcomes.
- Level 2: CDB's contribution to development outcomes under five resilience pillars.
- Level 3: Strategic focus and portfolio alignment.
- Level 4: Organisational efficiency and capacity.

The RMF currently spans 2022–2025, with 75 indicators.

CDB's Strategic Plans call for the development of additional plans and strategies to help operationalise ongoing and emerging strategic priorities. However, it does not explicitly require that these include results frameworks. The Strategic Plan 2020-24 mentions:

- A revised Transport Sector Policy and Strategy (with operational guidelines) and integration of climate resilience in infrastructure design.
- The forthcoming Youth Policy and Operational Strategy (YPOS) and the Gender Equality Policy and Operational Strategy (GEPOS).

- Expansion into thematic areas like Blue Economy and digitalisation, which will require strategic approaches and policy guidance.

The Strategic Plan Update (SPU) 2022–24 explicitly calls for the development or revision of sectoral and thematic strategies in several areas. For example:

- Under Environmental Resilience, the Bank commits to integrating Disaster Risk Management (DRM) and Climate Change (CC) into development plans, sectoral strategies, and Public Sector Investment Programmes (PSIPs).
- It also mentions the refreshed Energy Sector Policy and Strategy, targeted for completion in 2022, to advance renewable energy and energy efficiency.
- In education, the Bank is collaborating on a Regional Model Learning Recovery and Enhancement Programme and preparing a gender-responsive and socially-inclusive model regional Inclusive Education Policy and Strategy.
- For private sector development, the SPU refers to the timely formulation of a Private Sector Development Framework aligned with CDB's strategy.
- Additionally, the Bank will advance Knowledge-oriented Industrial Policy (KOIP) and Innovation Diagnostics and Strategies (KIDS) approaches to guide policy formulation.

Across CDB's major sectoral and thematic strategies, most include results frameworks, though the level of detail varies. The Agriculture Sector Policy and Strategy (2020–2025), Climate Resilience Strategy (2019–2024), Disaster Management Strategy (2021), Energy Sector Policy and Strategy (2022), and the Private Sector Development Policy and Strategy (2017) all provide structured frameworks with clear outcomes, indicators, and, in most cases, baselines and targets. These frameworks typically link strategic pillars to measurable results such as improved infrastructure, resilience, and access to finance. For example, the Energy Sector Strategy includes a comprehensive Results Management Framework with baselines and targets for 2024 and 2030, while the Agriculture Strategy sets 2019 baselines and 2025 targets for indicators like irrigated land and post-harvest facilities.

The Gender Equality Policy (2019) and Youth Policy (2020) also contain results frameworks, but these lack specific targets at the outcome and strategy level, leaving specifics to project-level plans. The Private Sector Strategy (2023–2028) differs in that it uses a Theory of Change and commits to aligning with CDB's corporate Results Monitoring Framework but does not yet include a fully operationalized matrix with baselines and targets.

Future Trajectory under the TYS:

The RMF will be refined under the TYS to align with good practice across MDBs. In line with good practice, the C-RMF is based on an institution-level Theory of Change for the TYS, providing a strong theoretical basis for the approach. The proposed C-RMF maintains the four-level structure of the previous RMF but implements a streamlined set of indicators – reduced from 75 to 30, with emphasis on adopting harmonised scorecard indicators across MDBs. Furthermore, there has been a shift in the proposed indicators from outputs to outcomes. Other initiatives planned to enhance the implementation of the C-RMF include: (i) an enhanced focus on systematic monitoring and reporting of interventions; (ii) enhanced processes to support quality at entry; and (iii) identification of clear methodologies supporting each indicator. Results captured in the C-RMF will be complemented by narrative impact summaries and an online platform enabling exploration and analysis of results data.

Element 7.2.2: Clear linkages exist between the different layers of the results framework, from project to country and corporate level.

Indicators in Level 2 of CDB's RMF are cascaded to individual operations as relevant, helping link project results to corporate results. Connections between the levels of the RMF link organisational

efficiency and effectiveness to CDB's contribution to addressing development challenges across the region.

CDB is rated **satisfactory** based on demonstrated alignment to good practice.

Linkages do exist between the different layers of the CDB's results framework (e.g. SPU 2022-2024), spanning project, country, and corporate levels. The framework is structured around four interconnected tiers that ensure alignment from operational activities to strategic objectives.

As noted above, Level 1 tracks regional and national development outcomes aligned with the Sustainable Development Goals (SDGs), providing the overarching context for CDB's work. These indicators capture progress on issues such as poverty reduction, education, climate resilience, and governance, which inform both country priorities and corporate strategy. Level 2 focuses on CDB's direct contributions to these outcomes through its interventions in areas like social, environmental, production, financial, and institutional resilience. Here, project-level outputs—such as classrooms built, renewable energy installed, or MSMEs financed—aggregate into country-level results and feed into broader regional objectives. This linkage is reinforced by the inclusion of cross-cutting themes such as gender equality, governance, and digitalisation, which are embedded across all operations.

The DERs confirm this link, by emphasizing that strong performance at Level 3 (operations) is essential for achieving Level 2 results, which in turn influence regional progress at Level 1. This creates a reinforcing loop between operational efficiency and development impact. The DERs also note that while the conceptual linkages are clear, implementation challenges weaken them. For example, in 2024, only 45% of Level 3 indicators were on track. Delays in project start-up and execution—such as an average of 18 months from appraisal to first disbursement and 77% of projects requiring extensions—directly constrained progress at Level 2. The reports describe this as a cycle where operational bottlenecks slow delivery of development outcomes, which then limits the Bank's contribution to regional progress. Conversely, strong performance on Level 4 efficiency indicators (e.g., improved vacancy rates and gender diversity) is seen as a potential lever to improve Level 3 results and break this cycle.

Indicators from the RMF are cascaded to the results frameworks of operations to help ensure the alignment of operations and that operations monitoring contributes to corporate results monitoring. However, there does not appear to be a formal classification system to tag operations to specific corporate priorities to identify the extent of operations contributing to different goals. For CES approved within the assessment period, most include at least one RMF indicator in the results framework for each CES pillar and objective.

Levels 3 and 4 then assess the Bank's internal performance and efficiency. Level 3 examines how well CDB manages its operations, including portfolio performance and strategic focus, while Level 4 evaluates organisational efficiency, resource use, and capacity. Together, these levels create feedback loops through annual Development Effectiveness Reviews, enabling course corrections and continuous improvement.

Element 7.2.3: An annual report on performance is discussed with the governing bodies.

CDB produces complementary reports that present the evolution of its portfolio and contribution to results that are shared with its Board of Directors. Some are also shared publicly.

CDB is rated **satisfactory** based on alignment to good practice. However, CDB should consider releasing its ARPP publicly.

CDB produces several annual reports that assess its performance and are presented to the Board of Directors for review and discussion: the Development Effectiveness Review (DER) and the Annual Review of Portfolio Performance (ARPP). These are complemented by CDB's Annual Report, which provides an overview of CDB's activities and contribution to development results across the region. Each of these reports is shared with the Board of Directors. Whereas the DER and Annual report are publicly available, the ARPP is not.

The DER is CDB's flagship performance report. It tracks the Bank's progress against its Corporate Results Monitoring Framework (RMF) and the Strategic Plan (currently the SPU 2022–2024), assessing development effectiveness and identifying areas for improvement. The DER provides an analysis of achievements and progress against targets for the four levels of the RMF.

For example, the 2024 DER highlighted that 59% of projects under implementation were rated Satisfactory or Highly Satisfactory. However, the report also noted persistent implementation delays, with 77% of projects requiring extensions of terminal disbursement dates and an average implementation period of 7–8 years, compared to the planned 5–6 years. Gender mainstreaming improved, with 66% of the ILGPBL portfolio rated gender-mainstreamed, and all new approvals in 2024 included gender and environmental considerations.

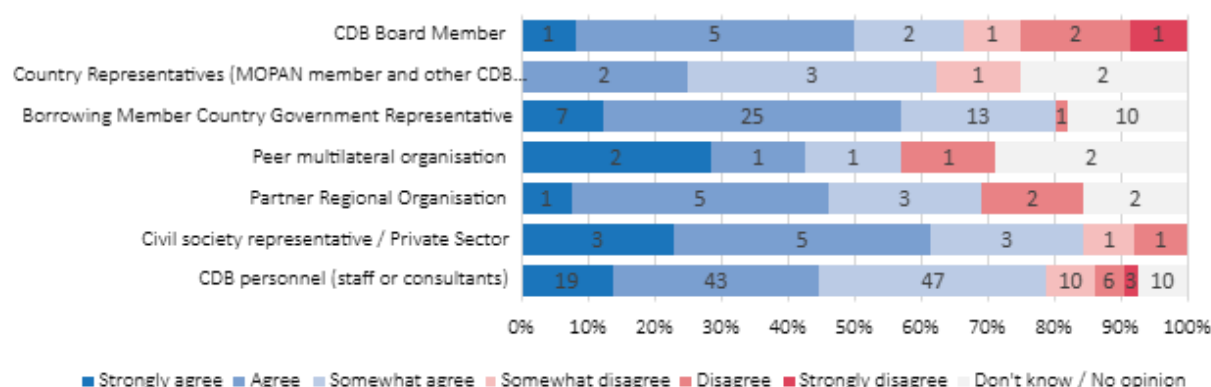
The ARPP complements the DER by providing a strategic overview of the size, composition, and quality of CDB's active portfolio. It focuses on implementation performance, disbursement trends, and operational bottlenecks. The 2024 ARPP reported:

- Active portfolio of 132 operations valued at USD2.0 billion, including 92 investment loans/grants and 29 technical assistance projects.
- Disbursements declined by 17% to USD300.7 million, reflecting procurement delays and capacity constraints in BMCs.
- 11 projects (12%) were flagged “at risk”, up from six in 2023, due to issues such as poor contractor performance and delayed land acquisition.
- Despite these challenges, 100% of Project Completion Reports (PCRs) were finalized for projects exiting the portfolio, signalling improved accountability.

These reports help enable CDB to monitor progress, identify systemic issues, and implement corrective actions.

Overall, 47% of respondents to CDB's Partner Survey agreed or strongly agreed that “CDB reports on the results of its operations in a timely and transparent way.” Of the 65 respondents who provided open-text feedback to this question, 31% spoke to the quality of RBM and results reporting. Major issues identified included: (i) a sense that transparency remains insufficient; (ii) that reporting is not sufficiently timely and lags behind implementation; (iii) that the quality of M&E practices are inconsistent; (iv) that staffing constraints and a failure-adverse culture limits effective reporting; and (v) that annual reports are not strategic in their presentation of key trends and issues.

CDB reports on the results of its operations in a timely and transparent way.



Element 7.2.4: Corporate strategies are updated regularly.

Whereas CDB has systematically updated its corporate strategy and SDF priorities and allocations policy documents, other key strategy and policy documents throughout the institution are not updated at a regular cadence, limiting the potential for these instruments to contribute to institutional priorities and results.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB systematically updates its corporate strategy and key documents related to the SDF in line with an established replenishment schedule, ensuring alignment between the SDF and CDB's broader corporate priorities. The 2022-24 SPU provides evidence that mid-course correction is implemented when needed. CDB has undertaken a structured review of operations implemented during the previous strategy period as well as external consultation and analysis of its member countries' perceptions and needs. These analyses have been used to identify the priority sectors and targeted scale of operations over the next strategy period.

However, a major challenge in promoting RMB through CDB's strategies and policies is that several other key documents have not always been refreshed on a timely basis and are not consistently subject to an internal review or independent evaluation. The Operations Policies and Procedures Manual has not been formally updated since 2014. Several operational policies and strategies are over a decade old, including: (i) the Framework for Policy-Based Lending (2005); (ii) The Lending Policy (2016); (iii) The Education and Training Policy (2004); (iv) The Disaster Risk Management Strategy and Operational Guidelines (2013); (v) The BNTF Operations Manual (2013); and (vi) the Operational Strategy for RCI (2013). Lack of a process for assessing and renewing these strategies and policies on a regular basis is a missed opportunity to align CDB's results and operations to changing BMC needs and priorities.

Element 7.2.5: The annual corporate reports show progress over time and note areas of strong performance as well as deviations between planned and actual results.

CDB's annual Development Effectiveness Review (DER) tracks progress against key targets for corporate priority areas in the RMF. This is complemented by analysis of operational challenges and bottlenecks in the DER as well as the ARPP. Both reports identify planned corporate actions to address these challenges.

CDB is rated **satisfactory** based on alignment to good practice.

The DERs collectively highlight a trajectory of recovery and resilience: regional indicators rebounded post-pandemic, CDB scaled up climate and social investments, and organisational efficiency improved. However, implementation delays and operational inefficiencies have persisted, creating a feedback loop that constrained timely delivery of development outcomes. The 2024 DER report explicitly acknowledges these gaps and outlines corrective actions, signalling a shift toward embedding results-based management and accelerating execution.

CDB's ability to demonstrate progress over time is linked to the identification of clear reach targets for the different indicators in its RMF. Each DER tracks the extent to which these indicators are on track based on expected (and where available, achieved) results for operations in the ongoing portfolio. There remain some limitations around the outcome orientation of these indicators but output-tracking provides a tangible perspective on the scale of CDB's operations and their positioning to contribute to development results across the region. A positive step would be to validate these beneficiary reach targets in terms of the extent to which they address the full scale of needs across the region.

The 2024 DER notes progress across sectors at Level 2 of the RMF; however overall progress against targets has been uneven in some sectors. In education, the 2022 DER highlighted significant training efforts but lagging infrastructure targets. By 2023, initiatives like Let's REAP scaled up, and by 2024,

cumulative results included 2,472 classrooms upgraded and 7,141 teachers trained, though teacher training remained at only 51% of the target. Water and sanitation consistently performed well, with installed water capacity reaching 21,567 m³/day (92% of target) and water supply lines extended to 116 km by 2024. Climate and energy indicators show mixed results: while renewable energy adoption remained slow (3 MW installed vs. 14 MW target), climate finance approvals surged from 13.6% of total lending in 2023 to 33.5% in 2024, surpassing the 2025 target early. Private sector development also advanced steadily, with 1,660 MSMEs financed cumulatively by 2024, exceeding the target of 1,500.

The 2024 DER recognises the important connection between Levels 2 and 3 of the RMF. It identifies a number of actions to be taken to strengthen performance through greater organisational efficiency and effectiveness, including:

- Initiatives to build RBM capacity across operations staff and CDB's BMCs;
- Strengthening strategic communications around results through an update of the website, strengthening of results narratives and development of dashboards;
- Collaboration with other MDBs on joint results frameworks and RBM;
- Stronger readiness checks, portfolio management approaches and strengthened results culture.

Operational bottlenecks have been highlighted in all DERs as an important barrier to delivering results. In 2022, delays in procurement and project readiness were flagged as major risks. By 2023, these issues remained unresolved, and in 2024, the average time from appraisal to first disbursement worsened to 18 months (target = 6 months), while 77% of projects required extensions, with an average extension of 36 months. Portfolio ratings improved slightly over time: projects rated "Highly Satisfactory" rose from 0% in 2020 to 36% in 2024, though overall satisfactory ratings stagnated around 57% (declining from 62% in 2020). On the efficiency side, organisational metrics strengthened: vacancy rates fell from 21% in 2023 to 12% in 2024, gender mainstreaming reached 84% of new approvals, and climate finance flows grew fivefold between 2021 and 2024.

Additional challenges are analysed and identified in CDB's ARPP. In particular, the 2024 ARPP notes challenges related to lack of proactive portfolio management across the Bank and the ongoing impact of old projects that continue to drag down overall portfolio indicators. The report raises specific plans to address these issues, including:

- An action plan to strengthen portfolio management and delivery based on the results of an ongoing implementation study;
- Cancelling undisbursed balances from old projects;
- Implementation of regular portfolio reviews for BMCs with poorly performing portfolios, with challenges escalated to senior management for discussion with BMC governments;
- Updated supervision procedures, accompanied by staff training; and
- Scaling up the use of AI to maximise process efficiencies.

MI 7.3: Results targets set on a foundation of sound evidence base and logic.

- Element 7.3.1: Targets and indicators are adequate to capture causal pathways between interventions and the outcomes that contribute to higher order objectives.
- Element 7.3.2: Indicators are relevant to expected results to enable the measurement of the degree of goal achievement.
- Element 7.3.3: Development of baselines are mandatory for new Interventions.
- Element 7.3.4: Results targets are regularly reviewed and adjusted when needed.
- Element 7.3.5: Results targets are set through a process that includes consultation with beneficiaries.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 7.3	Unsatisfactory	2.20	
Element 7.3.1	Unsatisfactory	2	Medium
Element 7.3.2	Unsatisfactory	2	Medium
Element 7.3.3	Unsatisfactory	2	Medium
Element 7.3.4	Unsatisfactory	2	Medium
Element 7.3.5	Satisfactory	3	Medium

MI 7.3 Evidence documents

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- Caribbean Development Bank (2017) "CDB Guidelines for Preparing and Using the Results Framework (RF)," (internal document)
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- Office of Independent Evaluation (2022) "Project Completion Validation Report: Community Investment Project, Jamaica," https://www.caribank.org/publication_types/project-completion-validation-reports/jamaica-community-investment-project-2022
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- Office of Independent Evaluation (2023) "Project Completion Validation Report: Education for All Project, Republic of Haiti," https://www.caribank.org/publication_types/project-completion-validation-reports/haiti-education-for-all
- Office of Independent Evaluation (2023) "Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana," https://www.caribank.org/publication_types/project-completion-validation-reports/guyana-technical-educational-training
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MI 7.3 Analysis

Element 7.3.1: Targets and indicators are adequate to capture causal pathways between interventions and the outcomes that contribute to higher order objectives.

Level 2 of CDB’s RMF capture “reach” evidence at the output level based on ex-ante projections from approved operations. Although intervention RMFs are meant to address outputs and outcomes, most completed projects lack necessary data at the outcome level.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB has made progress in embedding results-based management (RBM) principles into its operations, yet gaps remain in how targets and indicators capture the causal pathways between interventions and higher-order outcomes and objectives.

According to the CDB Guidelines for Preparing and Using the Results Framework, a well-constructed results chain should clearly articulate the logical progression from inputs and activities to outputs, outcomes, and impacts. Outputs represent tangible deliverables—such as infrastructure built or training delivered—while outcomes reflect behavioural or institutional changes resulting from the use of these outputs. Impacts, on the other hand, denote long-term development effects aligned with national priorities and global commitments, such as poverty reduction or climate resilience. However, impacts are not measured at the project level due to attribution challenges and extended timeframes.

Despite this conceptual clarity, the MfDR Review highlights that many project-level results frameworks fail to fully operationalize this logic. Indicators often cluster at the output level, focusing on physical deliverables rather than the behavioural or systemic changes that signify progress toward outcomes. For example, while a project may report the number of teachers trained, it rarely measures whether those teachers apply new pedagogical methods in classrooms—a critical intermediate outcome that links training to improved learning outcomes. Similarly, assumptions underpinning these causal links are not consistently documented, leaving gaps in understanding what conditions must hold true for outputs to translate into outcomes. This weakens the vertical logic of the results chain and limits the evaluability of projects.

The Development Effectiveness Review (DER 2024) reinforces these findings at the corporate level. While the Bank tracks 75 indicators across four tiers of its Results Monitoring Framework, Level 2—which measures CDB’s contribution to development outcomes—remains heavily weighted toward output indicators such as kms of roads built or number of classrooms upgraded. Furthermore, these indicators primarily reflect ex-ante projection from approved operations rather than actual results achieved. Few indicators capture institutional reforms, behavioural shifts, or policy adoption, which are essential for demonstrating progress toward strategic objectives like social resilience or environmental sustainability. Moreover, delays in project implementation and limited supervision exacerbate these shortcomings, as opportunities to validate causal assumptions and adjust targets are often missed.

A systematic review of six evaluations (3 sector and 3 CSPEs) and 20 Project Completion report validations found that data and evidence are frequently lacking to demonstrate contribution to outcomes. These challenges are linked to unrealistic project designs and results frameworks, limited monitoring capacity of BMC implementing teams and lack of available data. In practice, CDB’s results reporting largely centres upon delivery of outputs rather than contribution to outcomes.

CDB is currently in the process of working with partners such as the World Bank to streamline its RMF, harmonise its indicators (supported by shared, replicable methodologies) and enhance its outcome orientation. Data collection for outcomes will be reinforced by digital technologies in line with best practice. As part of this initiative, CDB will move from reporting ex-ante projections to “expected” and “achieved” results. This process is still ongoing within the institution.

Element 7.3.2: Indicators are relevant to expected results to enable the measurement of the degree of goal achievement.

Despite recent progress achieved in strengthening the application of RBM practices, there remain important challenges in the extent to which operations demonstrate a clear vertical logic and results chain from activities to outputs and outcomes.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB's guidelines for preparing results frameworks make clear that indicators are key for measuring whether expected results have been achieved. Indicators must be SMART—specific, measurable, achievable, relevant, and time-bound—and should directly correspond to the outputs and outcomes in the results chain. Each output and outcome requires at least one indicator, typically two to five, with baselines and targets specified. Indicators should capture not only quantity but also quality, for example by defining what “gender-sensitive” or “inclusive” means in the project context. Where feasible, indicators can be drawn from national monitoring systems or sector standards, but only if they accurately reflect the intended change. Disaggregation by gender, age, and location is also emphasized to ensure equity and alignment with CDB's cross-cutting themes.

Despite these standards, evidence from CDB's MfDR Review and the 2024 Development Effectiveness Review shows persistent gaps in indicator design and application. Many project results frameworks exhibit weak vertical logic, with indicators focused on physical deliverables—such as kilometres of roads built or numbers of teachers trained—while failing to measure outcomes such as behavioural or institutional changes that signal real progress toward outcomes. Baselines are often missing, and targets can be overly ambitious or vaguely defined, making achievement difficult to assess. Definitions of key terms are sometimes unclear, reducing the reliability of measurement. At the corporate level, the Results Monitoring Framework tracks 75 indicators across four tiers, but Level 2 indicators—the ones intended to capture CDB's contribution to development outcomes—remain largely output-oriented. This limits the ability to demonstrate how interventions contribute to systemic improvements or higher-order objectives.

The MfDR Review further notes that quality assurance processes for indicator selection have not been fully institutionalized, leading to inconsistencies across projects and sectors – feedback from stakeholders indicates that lack of a clear process for assessing quality at entry remains an important challenge. While CDB has made progress in improving the clarity of results statements and indicators over time, outcome-level measurement remains a challenge. Indicators rarely capture intermediate changes such as improved service quality, strengthened institutional capacity, or behavioural shifts among beneficiaries. As a result, reporting tends to emphasize outputs and disbursement figures rather than the degree of goal achievement.

Element 7.3.3: Development of baselines are mandatory for new Interventions.

Baseline data is sometimes missing across CDB's operations. Furthermore, baseline and reported data are frequently not gender-disaggregated.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

According to CDB's Guidelines for Preparing and Using the Results Framework, the development of baselines is mandatory for new interventions at the output and outcome levels. Each indicator in the Results Framework must have a specific baseline and target to define and measure performance. Baseline data should reflect the most recent status of performance available at the time of project design and should be reported for all relevant disaggregation (e.g., gender, rural/urban).

If baseline data is not available during appraisal, it should be marked as “TBC” (to be confirmed), and arrangements must be made to collect it early in implementation. The guidelines also note that baselines are not required for impact-level indicators unless the BMC has published a target in an official document

or the project includes activities to collect such data. Where baselines are marked as TBC, it is not clear how project teams follow up to ensure these data are eventually made available.

The MfDR Review states that project appraisals “do not consistently include baselines for outcome-level results,” identifying this as a persistent gap in quality at entry. It notes that establishing baselines is part of the effective design stage of the MfDR life cycle, alongside setting goals and agreeing on targets and strategies. This requirement is embedded in CDB’s results framework guidance and operational practice.

A systematic review of six evaluations (3 sector and 3 CSPEs) and 20 PCVRs found that baseline data availability remains an important challenge across projects. This is often linked to poor indicator design, baseline data that has not been collected or missing baselines, with challenges for baseline data found in approximately one in three PCVRs. Beyond this, only 20% of PCVRs reported gender disaggregated data. Lack of baseline data posed clear challenges among these projects for reporting on outcomes and results.

These challenges are linked to unrealistic project designs and results frameworks, limited monitoring capacity of BMC implementing teams and lack of available data. In practice, CDB’s results reporting largely centres upon delivery of outputs rather than contribution to outcomes.

An emerging challenge is the extent to which key results information, including baselines, are captured in CDB’s OP365 system. Stakeholders report important gaps in OP365 data, including the extent to which key project indicators and baselines are entered into the system. This challenge reflects a compliance-oriented approach to results rather than viewing results information as a means of promoting the impact of projects.

CDB is addressing this challenge by ensuring that a dedicated resource in SAO is available to review and provide advice on RMFs upstream prior to project approval. As noted in 7.2, above, this resource is also expanding the scope of results training provided to operations staff.

Element 7.3.4: Results targets are regularly reviewed and adjusted when needed.

Despite available flexibilities and guidance, the results frameworks for CDB’s operations and CES are rarely revised in a transparent way, even when there have been significant shifts in context.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The CDB 2014 Operations Policy and Procedures Manual emphasizes that during supervision and programmatic operations, flexibility is allowed to revise the scope of programmes and adjust frameworks over time to reflect new information or changing circumstances. Appraisal documents and progress reports must explain these adjustments transparently.

The Results Framework Guidelines state that proactive measures should be taken during implementation to adjust the results framework as necessary, including revising indicators, targets, and timelines. These changes must be discussed with stakeholders, agreed upon by managers, and documented in the Project Supervision Report (PSR). Regular monitoring and reporting against targets is required, and variances must be explained and addressed. However, the quality of supervision data captured in OP365 remains an important challenge.

The MfDR Review notes that while guidelines require proactive revisions during implementation, in practice, adjustments often occur only when major project changes trigger Board amendments. The review calls out the lack of systematic mid-course corrections as a weakness, even though the operational policy allows for such flexibility.

Stakeholders indicated that mid-course changes to results targets were rare for CES but the Bank is working to implement these more frequently. This challenge was confirmed through a systematic review of six evaluations (3 sector and 3 CSPEs) and 20 Project Completion report validations. CSPEs noted that mid-term reviews were not conducted and neither CES nor their results frameworks were updated despite

significant shifts in context. This challenge was also seen for the majority of operations within the three countries. The analysis of 20 PCRVs found that indicators were not typically not revised for projects, even when they proved unsuitable or unmeasurable. If changed did occur, they were not systematically documented.

Institutional incentives do not support the review and revision of project designs and results frameworks when needed. Changes beyond resource reallocation that involve minor design changes typically need to be approved by the Board of Directors, disincentivising these changes where they are helpful and creating important implementation bottlenecks where they cannot be avoided. Even CDB's recently approved self-evaluation manual contributes to these unhelpful incentives, rewarding designs that are not changed throughout operations rather than responsiveness to update designs to reflect changes in context.

Element 7.3.5: Results targets are set through a process that includes consultation with beneficiaries.

CDB's operational policies and corporate results reporting emphasis consultation with BMC clients in designing RMFs.

CDB is rated **satisfactory** based on alignment to good practice.

Both the Operations Manual and the Results Framework Guidelines emphasize that setting results targets is a participatory process that includes consultation with beneficiaries and other key stakeholders. The guidelines state that indicators and measures "should be agreed on by key stakeholders" to ensure clarity on how progress and achievement will be assessed and to confirm that targets reflect the needs and priorities of the intended beneficiaries. This means that during project design, teams must identify who the beneficiaries are, understand their context, and incorporate their perspectives into defining what success looks like. Disaggregation by gender, age, and location is also recommended to ensure that targets address equity and inclusion concerns.

Similarly, the Operations Manual requires that project appraisal include an analysis of how stakeholder and beneficiary consultation has been integrated into the design process. This is not limited to identifying problems but extends to agreeing on solutions and expected results. By involving beneficiaries in setting targets, CDB ensures that interventions are relevant, realistic, and aligned with local priorities. This participatory approach strengthens ownership and accountability, making it more likely that projects will achieve their intended outcomes and contribute meaningfully to development objectives.

The MfDR Review states that the design stage of the MfDR life cycle involves "setting goals, establishing baselines, and agreeing on targets and strategies" in consultation with stakeholders. It notes that project appraisals typically reference national development objectives and involve consultations with government ministries, implementing agencies, and beneficiaries during design. However, it also highlights that this practice is not always consistent, with some results frameworks developed late in the process rather than collaboratively at the start. The review calls for deeper and more systematic engagement with clients and beneficiaries throughout the project cycle, not just at planning but also during supervision and completion.

DER 2023 and DER 2024 emphasize that CDB's corporate RMF and country strategies are developed through inclusive and participatory processes. For example, the DERs describe consultations with BMCs, sector stakeholders, and civil society during the preparation of strategic plans and country engagement strategies. These consultations ensure that targets reflect local priorities and beneficiary needs, particularly in sectors such as education, water and sanitation, and social protection. The DERs also highlight participatory approaches in project implementation, such as community engagement in water projects and citizen security initiatives, which reinforce the principle of beneficiary involvement in defining and validating expected results. During country visits, stakeholders confirmed the implementation of a participatory approach to developing results indicators, but less consistent attention in measuring the results of operations.

MI 7.4: Monitoring systems generate high-quality, useful performance data in response to strategic priorities

- Element 7.4.1: The corporate monitoring system is adequately resourced.
- Element 7.4.2: Monitoring systems generate data at output and outcome levels of the results chain.
- Element 7.4.3: Reporting processes ensure data is available for key corporate reporting and planning, including for internal change processes.
- Element 7.4.4: A system for ensuring data quality exists.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 7.4	Unsatisfactory	2.25	
Element 7.4.1	Satisfactory	3	Medium
Element 7.4.2	Unsatisfactory	2	Medium
Element 7.4.3	Unsatisfactory	2	Medium
Element 7.4.4	Unsatisfactory	2	Medium

MI 7.4 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2017) "CDB Guidelines for Preparing and Using the Results Framework (RF)," (internal document)
- Caribbean Development Bank (2019) "Strategic Plan 2020–2024," <https://www.caribank.org/publications-and-resources/resource-library/strategic-plan-2020-2024>
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- Office of Independent Evaluation (2021) "Corporate Process Review of Managing for Development Results in the Caribbean Development Bank: Final Report,"

https://www.caribank.org/sites/default/files/publication-resources/CDB%20MfDR%20Review%20Final%20and%20Management%20Response_redacted_1.pdf

MI 7.4 Analysis

Element 7.4.1: The corporate monitoring system is adequately resourced.

Implementation of the RMF and annual reporting against targets is implemented by dedicated resources in CDB's Strategy and Accountability Office.

CDB is rated **satisfactory** based on alignment to good practice.

The RMF is managed by the Strategy and Accountability Office (SAO) which is responsible for developing, monitoring, and updating the CRF. The RMF serves as a central tool for tracking CDB's performance against its strategic objectives. SAO ensures that progress toward RMF targets is measured and reported through the Development Effectiveness Review (DER), the Annual Review of Portfolio Performance (ARPP), and other corporate reports, thereby supporting institutional accountability and transparency. Within SAO, a dedicated resource manages reporting against the RMF, including analysis of data from OP365 to develop the ARPP.

A separate resource in SAO is responsible for promoting MfDR practices. This resource is responsible for providing advice to project teams in designing and implementing project-level RMFs. This advisory role contributed to promoting challenges in project quality at entry, helping to address gaps in M&E practices upstream that were not previously being identified and addressed. This resource is also charged with designing and implementing CDB's training programmes to promote an RBM culture throughout the organisation.

CDB is implementing a proactive, agile approach to expanding the coverage and functionality of the OP365 system to gradually enhance the digitisation of project and portfolio management systems, including a dedicated resource for management and expansion of the OP365 system. CDB is gradually expanding the functionality of the tool to produce a series of real-time dashboards to support senior management visibility of the operational portfolio. However, a key challenge is that many of the proposed indicators are disbursement related rather than addressing the core procedural and monitoring challenges that underly disbursement performance and the ultimate achievement of results.

Despite the identification of dedicated resources, these resources are inadequate for CDB to address MfDR challenges and cultivate a strong RBM culture across the Bank at the pace it would like to. The available resources have heavy workload which has impeded the roll-out of systems and training at the desired pace.

Element 7.4.2: Monitoring systems generate data at output and outcome levels of the results chain.

Although work is ongoing to strengthen the outcome orientation of the results framework, CDB's RMF currently tracks progress in delivering outputs. Project-level RMFs identify outcomes but data are often missing to credibly report on CDB's contribution.

CDB is rated **unsatisfactory** based on alignment to good practice.

RMF

CDB's DER Level 2 indicators monitor CDB's contribution to development outcomes in BMCs. These indicators are organized around the Bank's five strategic objectives and are used to assess both outputs (e.g. infrastructure delivered, services provided) and outcomes (e.g. improved access, enhanced

resilience, increased capacity). However, these indicators are typically framed in terms of beneficiary reach, which reflects achievement at the output level. These core indicators are cascaded down to individual projects in their RMFs. The DER includes traffic light signals and performance bands to show whether indicators are on track to meet 2024 targets.

The report states that Level 2 tracks progress through completed and ongoing operations. Many indicators continue to reflect ex-ante projections; however, data from PCRs are considered when available. Stakeholders note that CDB is in the process of harmonising indicators for the next RMF with outcome-driven approaches being taken up by other MDBs. This includes harmonising the methodology for reporting these indicators based on shared and replicable methodologies that prevent double counting. CDB is currently partnering with other IFIs, notably the World Bank to implement new tools for data collection and reporting, including Kobotoolbox, a free, open-source platform for digital data collection to collect real-time operational data.

Operational Results

The extent to which RBM systems across operations are able to support reliable monitoring of progress toward outcomes has been highly uneven during the assessment period.

The MfDR Review highlights persistent gaps in applying a robust results chain at the country, sector and project levels. While most project frameworks include outputs and outcomes, weaknesses remain in the vertical logic linking them, and indicators are not always SMART or supported by baseline data. The review found that some projects had unrealistic ambitions, inadequate risk analysis, and weak causal links between outputs and outcomes, which contributed to scope changes and delays.

A systematic review of 5 CSPEs and 3 Sector evaluations identified a common challenge around the lack of data to report on CDB's contribution to outcomes. Common challenges included: data and evidence gaps, including missing or unreliable baseline and outcome data and inconsistent use of indicators; (iii) challenges in obtaining sufficient data for reliable assessments of attribution and causality; (iii) Limited evaluation coverage due to gaps in PCRs; and (iv) weak alignment between CDB's CES and national M&E systems, including limited M&E capacity in countries. A systematic review of 20 PCVRs indicated similar challenges, including widespread challenges related to some indicators not being tracked, key data not being available to report on outcomes and missing or poor quality PSRs.

Element 7.4.3: Reporting processes ensure data are available for key corporate reporting and planning, including for internal change processes.

CDB has processes in place for ongoing supervision reporting in OP365 and is working to build real-time reporting to enhance portfolio monitoring as the system matures. However, the timeliness, scope and quality of reporting have been important challenges throughout the assessment period.

CDB is rated **unsatisfactory** based ongoing data quality issues for supervision and monitoring data.

Progress on the Corporate RMF is reported annually through three key corporate reports: the Development Effectiveness Review (DER), the Annual Review of Portfolio Performance (ARPP), and the Special Development Fund (SDF) Annual Report. Among these, the DER is the flagship publication, providing a comprehensive assessment of CDB's performance against the RMF indicators and highlighting trends, achievements, and underlying challenges.

The DER builds on CDB's Corporate RMF, which uses a four-level structure with 75 indicators to track progress on regional development outcomes (Level 1), CDB's contribution to BMC outcomes (Level 2), operational performance (Level 3), and organisational efficiency (Level 4). Traffic light signals and directional arrows are used to communicate progress toward targets and performance trends year-on-

year. Stakeholders reported that it is difficult to make a connection between results in the DER and the underlying projects contributing to outcome. This is a major problem and CDB is working on correcting it.

During implementation, CDB staff are expected to report progress through Project Supervision Reports (PSRs), which should be prepared annually, and Project Completion Reports (PCRs), which are required within six months after project completion according to the evaluation policy. However, the MfDR Review notes persistent gaps in compliance and timeliness: PSRs and PCRs are not always completed on schedule, and reporting often focuses on outputs rather than outcomes, limiting the ability to aggregate results for corporate reporting.

Compliance with requirements is now monitored through OP365, which now includes modules for appraisal, completion, and disbursement tracking. Enhancements such as dashboards and e-claims functionality have improved visibility and accountability. However, a major challenge has been the extent to which projects have been monitored in OP365 – in 2023, only 20% of ongoing projects were found to be integrated into the system. In 2024, PSR completion in OP365 reached 96%, and PCR completion improved to 100%, up from 58% in 2023 and 30% in 2021, signalling stronger adherence to reporting standards. According to stakeholders, uptake of OP365 has increased and it is no longer optional to use.

For planning and oversight, the DER and ARPP serve as accountability and learning tools, informing management and the Board about portfolio performance and strategic alignment. The 2024 DER emphasizes the need for tighter portfolio oversight, readiness filters before approval, and quarterly reviews for at-risk projects to address implementation bottlenecks and accelerate delivery of results. OP365 is being further elaborated with functions to generate real-time portfolio dashboards for management. These measures aim to strengthen the link between operational effectiveness and development outcomes, ensuring that corporate reporting supports both transparency and continuous improvement. However, these measures are likely to face challenges in implementation if other issues around the timeliness and quality of reporting in OP365 are not addressed (see 7.4.4 below).

Element 7.4.4: A system for ensuring data quality exists.

While CDB has systems and guidelines in place supporting data quality, they have not applied systematically. The extent of data quality is impacted by a compliance-oriented culture across the Bank for portfolio supervision and reporting.

CDB is rated **unsatisfactory** based on ongoing data quality issues for supervision and monitoring data.

During project appraisal, CDB assesses the reliability of data systems in BMCs and identifies responsible agencies for data collection. Where gaps exist, provisions for strengthening these systems—often through technical assistance—are included. Projects and country strategies must feature a Results Framework with measurable indicators, baselines, and targets, and implementation completion reports evaluate the adequacy of monitoring systems and data quality.

The CDB Guidelines for Preparing and Using the Results Framework reinforce these principles by requiring indicators that meet SMART criteria—Specific, Measurable, Achievable, Relevant, and Time-bound. Each indicator must specify its data source, collection method, reporting mechanism, and the organization responsible for data collection. The guidelines stress that indicators should measure quality, not just quantity, and that baseline and target data must be clearly defined with dates. They also highlight the importance of using industry standards where possible and ensuring that data collection is feasible within existing systems or through planned activities. This careful detailing in the Results Framework is considered a critical first step to guarantee that reliable data will be available throughout implementation and at completion.

CDB has systems for ensuring data quality in projects and country strategies, embedded in its OPPM. This system includes a comprehensive quality assurance framework applied throughout the project cycle. It

emphasizes six dimensions: relevance to strategic priorities, sound rationale and design, robust monitoring and evaluation (M&E) arrangements, effective risk management, adequate institutional capacity, and incorporation of lessons learned.

However, while data quality tools are available in OP365, they have not been applied systematically to date. Stakeholders note that the quality of information inputted in OP365 is of highly variable quality, particularly for results data. Plans are currently underway to promote the quality of supervision and results data by adding mandatory fields and clear criteria for inputs. Overall, there is a need to change the supervision culture of the Bank toward an understanding that inputting results information into OP365 is not only a compliance requirement, but a source of business intelligence across the Bank to support the management of the portfolio and position projects to contribute to results. Stakeholders confirm the variable quality of data in OP365 – and the extent of supervision data that remains outside the system – is a major impediment to an organisational MfDR culture.

This challenge is further evidence across Sector evaluations, CSPEs and PCRVs. A systematic review of 20 PCVRs revealed that data availability and quality issues have been key barriers to reporting on CDB's contributions to outcomes, with these challenges mentioned explicitly in 60% of PCVRs. Each of the CSPEs reviewed identified important data quality and availability constraints including very limited data to identify CDB's contribution to the achievement of outcomes.

MI 7.5: Performance data transparently applied in planning and decision-making.

- Element 7.5.1: Planning documents are clearly based on performance data.
- Element 7.5.2: Proposed adjustments to interventions are clearly informed by performance data.
- Element 7.5.3: At corporate level, management regularly reviews corporate performance data and makes adjustments as appropriate.
- Element 7.5.4: Performance data support dialogue in partnerships at global, regional and country levels.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 7.5	Unsatisfactory	2.50	
Element 7.5.1	Satisfactory	3	Medium
Element 7.5.2	Unsatisfactory	2	Medium
Element 7.5.3	Satisfactory	3	Medium
Element 7.5.4	Unsatisfactory	2	Medium

MI 7.5 Evidence documents

- Caribbean Development Bank (2014) "Operational Policies and Procedures Manual," (internal document)
- Caribbean Development Bank (2017) "CDB Guidelines for Preparing and Using the Results Framework (RF)," (internal document)
- Caribbean Development Bank (2022) "Annual Review of the Performance of the Portfolio of Projects/Loans under Implementation for the Year Ended December 31, 2021," (internal document)
- Caribbean Development Bank (2023) "Annual Report 2022," <https://www.caribank.org/cdb-annual-report-2022>

- Caribbean Development Bank (2023) "Development Effectiveness Review – 2022," <https://www.caribank.org/publications-and-resources/resource-library/development-effectiveness-reviews/development-effectiveness-review-2022>
- Caribbean Development Bank (2024) "Annual Report 2023," <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/cdb-annual-report-2023>
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- Office of Independent Evaluation (2024) "Country Strategy and Programme Evaluation – The Bahamas: Final Report with Management Response," https://www.caribank.org/publication_types/corporate-evaluations/bahamas-cspe-2018-22

MI 7.5 Analysis

Element 7.5.1: Planning documents are clearly based on performance data.

Planning, strategy and project documents each consistently identify and take up evidence-based lessons from past operations.

CDB is rated **satisfactory** based alignment with good practice.

Performance data from CDB's DERs and ARPPs provide a critical evidence base for corporate planning and resource allocation. The DER assesses progress against CDB's Corporate RMF, highlighting both strengths and weaknesses in performance across four levels: regional development context, CDB's contribution to outcomes, operational effectiveness, and institutional efficiency. For example, the DER 2024 identified persistent delays in project implementation and low disbursement ratios, which informed

the WPB 2025–2026 decision to introduce quarterly portfolio reviews and readiness filters for new projects. Similarly, DER findings on gender mainstreaming and climate finance gaps influenced the WPB's inclusion of targeted technical assistance and capacity-building initiatives for BMCs.

The ARPP complements this by providing granular data on portfolio health, including PSR compliance, PCR completion rates, and disbursement efficiency. For instance, the ARPP 2024 reported that only 22% disbursement ratio was achieved and that 77% of projects required extensions of Terminal Disbursement Dates (TDDs). These findings prompted the WPB to allocate resources for strengthening procurement systems and accelerating project start-up activities. The WPB also reflects lessons from evaluations and validations, such as the multicycle review of SDF cycles 8 and 9, which recommended improved pipeline management and enhanced supervision for ageing projects.

These findings directly inform CDB's Work Programme and Budget (WPB) process. For example, the WPB 2025–2026 includes initiatives such as the rollout of SEN diagnostic tools and the establishment of the CDB Academy to strengthen capacity building in project cycle management and procurement—actions that respond to DER and ARPP evidence on institutional capacity gaps. Similarly, the WPB prioritizes appraisal and submission of major water supply projects in Belize, Suriname, and Trinidad and Tobago, reflecting ARPP findings on delays in water and sanitation projects.

At the country and project level, Country Engagement Strategies (CES) and project RMFs are required to incorporate lessons from previous strategies and completed operations. A systematic review of 7 CES indicated that each explicitly identified and incorporated lessons from the previous CES period. For example, the Guyana CES 2023–2025 explicitly references lessons from the 2017–2021 strategy, noting design flaws in the previous results matrix and committing to more selective programming and stronger monitoring frameworks. Likewise, the Grenada CES 2022–2026 builds on lessons from the 2014–2018 strategy, prioritizing capacity building and institutional strengthening to address implementation delays. The Suriname CES 2024–2030 reflects lessons from its first country strategy, emphasizing the need for improved statistical capacity and procurement systems to support evidence-based decision-making and efficient project execution. With respect to individual projects, however, a systematic review of 20 PCRVs revealed that, although lessons were often identified, only 30% explicitly integrated these lessons into the project design.

Finally, resource allocation under the Special Development Fund (SDF) is guided by a performance-based allocation (PBA) system, which uses indicators such as country performance ratings, fiscal vulnerability, and population size. This system ensures that concessional resources are distributed in line with country needs and performance, reinforcing the link between results and financing decisions.

Element 7.5.2: Proposed adjustments to investments and other operations are clearly informed by performance data.

Whereas internal guidance notes the importance of using performance data to adjust operations and operational mechanisms exist to do so, CES and operations are not commonly adjusted on this basis.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The Guidelines for Preparing and Using the Results Framework state that managing for development results requires continuous learning and evidence-based decision-making, including midcourse corrections. This means that any changes to project design, scope, or targets should be grounded in monitoring data and performance analysis. The Results Framework is intended to serve as a tool for tracking progress and identifying when adjustments are necessary, ensuring that interventions remain relevant and effective in changing contexts.

Similarly, the Operational Policies and Procedures Manual (OPPM) reinforces this principle by requiring that variations in project scope, additional financing, or restructuring be justified through documented performance evidence. Project Supervisors have a clear role to identify required adjustments to financing terms, resource allocation and project scope, including adjustments to results frameworks. Project Supervision Reports (PSRs) and Project Completion Reports (PCRs) compare planned versus actual outputs and outcomes, and these findings inform decisions on resource reallocation or operational changes.

However, the 2021 MfDR review finds that results information is not consistently used for learning and decision-making. Adjustments to projects and strategies often occur without systematic reference to performance data. The report found that PSRs and PCRs are frequently incomplete or delayed, and results frameworks are rarely updated during implementation unless major revisions trigger Board approval. The report concludes that the demand for results information within CDB is limited, and decisions tend to rely more on disbursement figures than on evidence of outcomes.

A review of more recent evidence over the period and feedback from stakeholders confirm that use of results information to support adaptive management remains uneven:

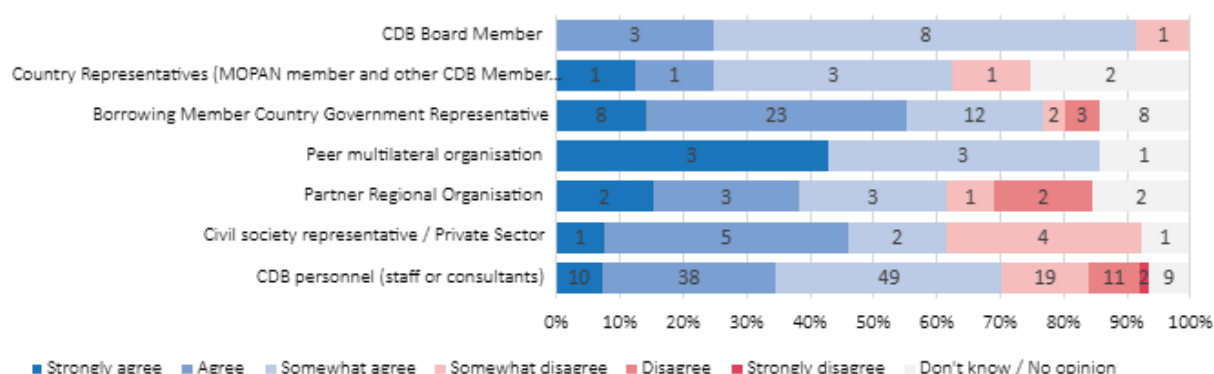
- A systematic review of five CSPEs conducted over the review period found that none of the CES reviewed were adjusted during the period.
- A review of 20 PCRVs found that of the approximately 30% for which changes in design were implemented, the underlying rationale tended to be changes in government priorities, macroeconomic shocks, capacity constraints and natural disasters rather than poor performance.

Feedback from stakeholders confirmed that although Country Strategy Reviews and CES Mid-term reviews are performed, albeit unevenly, these reviews have not typically been used to inform adjustments to CES priorities.

Multiple levels of review for project changes, including potentially needing to return to the Board, create an important disincentive to make changes to projects on the basis of performance data. Where changes are unavoidable, reactive responses and time needed to seek layers of approval create important bottlenecks. These incentives have been further embedded in CDB's new Self Evaluation Manual, which penalises changes to project design under its relevance criterion.

Overall, 48% of respondents to MOPAN's Partner Survey agreed or strongly agreed that CDB is agile in adapting its strategies and operations to respond to changes in context. Of 43 respondents who provided open text feedback to this question, 20% referred explicitly to challenges created by outdated operational processes that no longer inform practice, the need for greater agility in operational processes and staffing constraints that undermine adaptive management in practice.

CDB is agile in adapting its strategies and operations to respond to changes in context.



Element 7.5.3: At corporate level, management regularly reviews corporate performance data and makes adjustments as appropriate.

Corporate reports regularly take stock of results and implementation challenges and identify actions to address them.

CDB is rated **satisfactory** based on demonstrated evidence of performance information being used to inform institutional action plans, with evidence of follow-up.

The DERs serve as a transparency and learning tools, encouraging management to reflect on successes and setbacks and to use findings to inform improvements in project design, implementation approaches, and strategic priorities. For example, the 2024 DER notes that insights from performance trends are being used to prepare a new Strategic Plan and to develop an Action Plan addressing operational effectiveness issues such as long appraisal-to-disbursement times and high rates of project extensions. It also highlights reforms like enhanced portfolio oversight and escalation protocols for at-risk projects, which were introduced in response to lagging indicators.

Similarly, ARPPs provide annual assessments of portfolio health, flagging delays, disbursement bottlenecks, and sectoral performance trends. These reviews inform decisions such as reallocating undisbursed funds from slow-moving projects to new initiatives and strengthening supervision mechanisms.

ARPPs include a specific section summarising lessons learned from the review and actions needed as part of the Bank's regular portfolio management. Needed actions identified from the 2024 report include:

- Applying a “readiness filter” before Board approval to front-load due diligence and enhance co-financier alignment and negotiations with borrowers to reduce long period between appraisal and first disbursement;
- Implementing quarterly portfolio reviews with rapid response teams to address “at-risk portfolios” and reduce the proportion of the portfolio at risk;
- Strengthen early warning and escalation for implementation risks, limit cumulative extensions and enhance quality reviews for implementation schedules to reduce the proportion of projects with extensions and reduce overall average extensions;
- Provide additional PCR guidance to staff to enhance the quality of PCRs; and
- Direct new budget allocations and positions to support portfolio monitoring.

However, these lessons have not been translated into specific, measurable, resourced and monitored action plans to address these challenges. This is reflective of overall challenges across CDB with respect to the management of change across the organisation.

Finally, CDB Annual Reports include a dedicated section on performance review and management's discussion and analysis, showing how corporate-level data on risk, resource utilization, and strategic objectives guide adjustments.

The 2024 ARPP Report identifies an institutional action plan to address challenges noted in the ARPP. Planned actions include:

- Strengthening portfolio management through the implementation of portfolio reviews led by senior management for poorly performing country portfolios;
- Improved data-driven decision-making for projects based on enhanced real-time dashboards;
- An updated PSR for projects rated as unsatisfactory / at risk;
- Enhanced pipeline management procedures with a focus on project readiness;
- Enhanced staff training on OP365 and adjusted PSR criteria;
- Testing of an updated procurement review module;
- Completion of an implementation study to address drivers of implementation delays; and
- Additional harmonisation and alignment with other MDBs.

The draft 2025 ARPP demonstrates notable evidence of implementation, including for portfolio reviews and the procurement review module. The implementation study remains ongoing. Beyond this, several institutional actions have been identified in CDB's new TYS and CDB Forward, a forthcoming institutional action plan that will be separately resourced and monitored. It will be important to ensure that CDB Forward is costed, with a dedicated budget and monitoring plan.

Element 7.5.4: Performance data support dialogue in partnerships at global, regional and country levels.

Although CDB's Operational Policies promote the use of results information to support dialogue and partnerships at global, regional and country levels, actual use of results information to support dialogue has been limited over the assessment period.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

The Results Framework Guidelines emphasize that monitoring and evaluation systems are not only for internal project management but also for accountability and learning. They state that information produced by monitoring systems and evaluation studies is used to meet CDB's reporting accountabilities to a variety of stakeholders—BMCs, CDB, civil society, and donors—and to support organizational learning and continuous improvement.

The Operational Policies and Procedures Manual (OPPM) reinforces this by embedding results monitoring and evaluation into the Bank's governance and partnership processes. For example:

- The Results Monitoring Framework (RMF) is designed to aggregate project-level data into corporate-level indicators, enabling CDB to report on progress toward strategic priorities and SDGs. This data is to be shared with development partners and informs regional and global discussions on development effectiveness.
- PBOs and regional cooperation policies require robust evidence to underpin policy dialogue and harmonization with other MDBs. The OPPM notes that CDB's role in the regional aid architecture depends on mutually supportive working relationships and that operational modalities must incorporate these partnerships.

- Evaluation findings from PCRs and mid-term reviews are explicitly intended to inform decisions on whether to continue, adjust, replicate, or scale up interventions, and these findings are shared with partners to strengthen collective impact.

Recent CES include a Country Portfolio Review and Lessons Learned section, which identifies implementation challenges, design gaps, and success factors from previous strategies. These insights are meant to actively inform the design of new strategies, strengthen monitoring systems, and embed flexibility for mid-term reviews and adaptive management. The CESs also emphasize evidence-based dialogue with governments and development partners. Structured engagement platforms such as portfolio performance reviews and mid-term assessments are proposed to discuss progress, address emerging risks, and recalibrate priorities collaboratively. However, actual practice in applying these tools as intended has been relatively weak over the assessment period.

The 2021 MfDR review found that while CDB has made progress in collecting and reporting results information, its use for dialogue and partnerships remains limited. The Bank has prioritized aggregated results primarily for external accountability and communication, responding to pressures from contributors who need to justify development spending. Tools like the Development Effectiveness Review (DER) and the Corporate RMF provide transparency and demonstrate achievements, but they are not consistently leveraged for internal learning or adaptive management. This has reinforced a perception that MfDR is mainly for donor reporting rather than for improving decision-making within CDB or fostering deeper engagement with BMCs.

The review noted examples of client engagement in results-focused discussions—such as workshops during project planning and country strategy reviews—but these interactions are not systematic throughout the project cycle. Lessons learned are often captured in project completion reports, but mechanisms to track and implement recommendations from evaluations and annual reviews are weak. The report recommends creating structured platforms for results dialogue, improving internal communication on development results, and ensuring that lessons from DER and ARPP are tracked and acted upon. Strengthening these practices would help shift MfDR from a compliance exercise to a tool for strategic dialogue and partnership building.

Five recent CSPE evaluations for Trinidad and Tobago, Jamaica, and The Bahamas confirm that there are opportunities for CDB to enhance the use of results information to support dialogue, advocacy and policy reform in BMCs. Each evaluation highlights that this principle is embedded in the design of Country Strategies and is intended to guide the development of new Country Engagement Strategies (CESs). However, the evaluations also reveal that actual use of results frameworks to support dialogue and reform during the CSP periods was limited. While Results Monitoring Frameworks were included, they were often underutilized, lacked real-time data, and were not integrated with national systems. This reduced their effectiveness as tools for adaptive management or evidence-based dialogue. Coordination with development partners was generally ad hoc, and opportunities for joint programming or regional knowledge sharing were missed.

Each report recommended stronger mechanisms for using performance evidence—such as mid-term reviews, participatory RMF development, and structured engagement platforms—to ensure that lessons learned actively shape strategic conversations and partnerships going forward.

KPI 8: Evidence-based planning and programming applied.**Ratings**

KPI / MI	Rating	Score
KPI 8	Satisfactory	2.78
MI 8.1	Satisfactory	2.83
MI 8.2	Satisfactory	2.80
MI 8.3	Satisfactory	2.60
MI 8.4	Satisfactory	2.75
MI 8.5	Satisfactory	2.75
MI 8.6	Satisfactory	2.75
MI 8.7	Satisfactory	3.00

MI 8.1: A corporate independent evaluation function exists.

- Element 8.1.1: The evaluation function is independent from other management functions (operational and financial independence).
- Element 8.1.2: The head of evaluation reports directly to the governing body of the organisation (structural independence).
- Element 8.1.3: The evaluation office has full discretion in deciding the evaluation programme.
- Element 8.1.4: The central evaluation programme is fully funded by core funds.
- Element 8.1.5: Evaluations are submitted directly for consideration at the appropriate level of decision-making for the subject of evaluation.
- Element 8.1.6: Evaluators are able to conduct their work during the evaluation without undue interference by those involved in implementing the unit of analysis being evaluated (behavioural independence).

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 8.1	Satisfactory	2.83	
Element 8.1.1	Satisfactory	3	High
Element 8.1.2	Satisfactory	3	High
Element 8.1.3	Satisfactory	3	High
Element 8.1.4	Satisfactory	3	High
Element 8.1.5	Satisfactory	3	High
Element 8.1.6	Unsatisfactory	2	Medium

MI 8.1 Evidence documents

- Caribbean Development Bank (2011) “*Evaluation Policy*”
https://www.caribank.org/sites/default/files/publication-resources/BD126_11EvaluationPolicyforCDB_FINAL_0.pdf
- Caribbean Development Bank (2020) “*Office of Independent Evaluation: 5-Year Rolling Work Plan*” [OIE 5 Year Plan July 2020redacted.pdf](#)
- CDB (2021) “*Work Programme and Administrative and Capital Budgets 2022-24*” (internal document).

- Caribbean Development Bank (2023) “*Work Programme and Administrative and Capital Budgets 2024-25*” (internal document).
- Caribbean Development Bank (2024) “*Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response*” [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) “*Work Programme and Administrative and Capital Budgets 2025-26*” (internal document).
- Office of Independent Evaluation (2024) “*2023 Perception Survey*” (internal document).
- Caribbean Development Bank (2025) “*Development Effectiveness Committee – Terms of Reference*” (internal document).
- Caribbean Development Bank (2025) “*Self-Evaluation Manual*” (internal document).
- Caribbean Development Bank (2025) “*Evaluation Policy*” [2025 CDB Evaluation Policy | Caribbean Development Bank](#).
- Office of Independent Evaluation (2025) “*Office of Independent Evaluation 2026 Work Programme and Budget and Indicative Plan for 2027-28*” [OIE WORK PROGRAMME AND BUDGET 2026 to 2028](#)
- Office of Independent Evaluation (2025) “*Independent Evaluation Manual*” (internal document).
- Las Casas, M. & Pedraglio, R. (2023) “*The IEO Among its Peers – Learning from Comparative Experience*” <https://ieo.imf.org/-/media/IEO/Files/20th-anniversary/ieo-at-20-chapter-5.ashx>

MI 8.1 Analysis

Element 8.1.1: The evaluation function is independent from other management functions (operational and financial independence).

The operational independence is ensured through the 2011 Evaluation Policy. An updated Evaluation Policy was approved by the Board in December 2025. The new Policy entrenches and operationalises OIE's independence. Recent developments in how OIE's budget is developed and approved have been positive and OIE is now resourced more adequately than in previous years. There remain challenges, however, related to the staffing of new positions.

CDB is rated **satisfactory** based on alignment to good practice.

The independence of OIE and the Head of Evaluation from other management functions across the Bank was originally established in CDB's 2011 Evaluation Policy. An updated Evaluation Policy approved by the Board in 2025 has further strengthened OIE's independence.

OIE has the authority to evaluate all development activities of CDB and review all internal CDB processes and procedures that may affect CDB's development effectiveness. The new Evaluation Policy also explicitly entrenches OIE's right of access to information. As such OIE is able to access all records, data, documents and staff except where information is confidential or pursuant to a non-disclosure agreement. OIE also has access to all Board Members, BMC representatives, implementing entities, civil society organisations or other stakeholders who may have information relevant to CDB's activities.

Until recently, CDB's Board endorsed the budget for independent evaluation as part of the overall administrative budget. Following the recommendations of the 2024 Peer Review, OIE's budget and human resources are now approved by the Development Effectiveness Committee (DEC) under a separate budget line as of 2025. After consultation with CDB and the Board, OIE prepares an annual budget request in line with the programme of work which is submitted to the DEC for endorsement. Management may comment on the implications of the budget proposal for the broader budget (including implications for other CDB activities and lending ratios), but the budget is ultimately approved by the Board. OIE's budget and expenditure is included in the regular annual audit of CDB's accounts.

One potential risk to operational independence is the recruitment process for OIE. Staff are appointed according to the normal CDB human resources policies and due diligence processes. The Head of OIE approves job descriptions and advertising for positions. The Head of Evaluation acts as recruiting manager and approves a short-list of candidates to be considered by a selection panel. Candidates are selected by a selection panel and the Head of OIE reviews the recommendation and minutes of the panel and submits a final application for approval. However, the Head of OIE is limited in their ability to reject the recommendation of the panel and therefore does not have full discretion on OIE's human resources complement, which is considered good practice. Another challenge involves lengthy recruitment periods, which can undermine the full resourcing of the evaluation function and delivery of the work programme.

Element 8.1.2: The head of evaluation reports directly to the governing body of the organisation (structural independence).

The Head of Evaluation reports directly to the Board of Directors through the Committee on Development Effectiveness with sign-off by the President on administrative matters. However, the level of seniority of the Head of Evaluation within CDB is not in line with the Heads of Evaluation at other MDBs.

CDB is rated **satisfactory** based on alignment to good practice.

The Head of Evaluation reports directly to the Board of Directors of CDB (through the Committee on Development Effectiveness), with sign-off by the President on administrative matters. The President's administrative sign-off is linked to matters already approved by the DEC. These arrangements have been established since the 2011 Evaluation Policy and reinforced by the 2025 Policy. The Head of Evaluation is responsible for managing the personnel, budget and work programme of OIE in consultation with senior management of CDB.

The Head is appointed by the President, following selection by the Board of Directors, for a term of five years. Under the 2011 Policy, this term is renewable once. However, other MDBs are moving to one non-renewable term to further bolster independence.

The Head of OIE is appointed at the level of Deputy Director. The existing Policy requires that the Head of Evaluation be appointed at a level commensurate with the importance and responsibility of the position. In other Banks, the head of Evaluation is typically staffed at a higher level – Director or even Vice President - to help preserve the authority and independence of the position.

The Head of OIE's performance is reviewed once annually by the Board of Directors. Upon completion of their tenure, the Head of OIE is not eligible for other staff positions in CDB; however, may be eligible for consultancies after one year has elapsed.

The Head of OIE may only be removed through a decision by the Board of Directors with a statement of cause. Grounds for termination include: (i) unsatisfactory performance of the requirements of the position; (ii) serious misconduct as defined in human resources and other policies; (iii) abandonment of his or her position or failure to take up the position; (iv) inability to perform the duties of the position due to health reasons; and (v) no longer being a national of a CDB member country.

Element 8.1.3: The evaluation office has full discretion in deciding the evaluation programme.

OIE retains full discretion in identifying the evaluation work programme and steps have been taken to promote the relevance of the work programme to CDB's strategic priorities through a more consultative approach.

CDB is rated **satisfactory** based on alignment to good practice.

Each year, OIE formulates and presents an annual Work Programme for the independent evaluation function to the Board of Directors for endorsement by the Development Effectiveness Committee (DEC).

OIE has changed its approach to Work Programme development in line with other IFIs, moving from a five-year rolling work programme to a three-year rolling work programme for 2026-28. The shift to a three-year work programme enables a more agile approach to planning independent evaluation activities to align to a rapidly changing global context.

The 2024 Peer Review noted that the OIE's previous 5-year work programme for 2020-25 had limited relevance, due in part to the work programme being developed without consultation with CDB Management and in isolation of the strategic planning process. The original intention was to cover all strategies and policies of the Bank over time; however, resource constraints have limited OIE's ability to deliver this vision. At the time, most stakeholders to the peer review found that OIE's work programme did not reflect the Bank's strategic priorities.

Following the recommendations of the peer review, the approach has since changed to incorporate greater consultation in work programme development. Although OIE retains full control over the formulation of the work programme, topics are decided in consultation with CDB management, including at the annual budget retreat. The proposal is finalised in consultation with DEC members.

This consultative process supporting the development of the evaluation work programme is outlined in the updated Evaluation Policy and Independent Evaluation Manuals, including flexibility for OIE to adapt its planned work programme to emerging institutional needs as expressed by the DEC or management. This consultative and flexible approach reflects good practice for work programme planning and implementation.

Element 8.1.4: The central evaluation programme is fully funded by core funds.

In general, budgetary resources for independent evaluation have been insufficient throughout the assessment period, which has affected delivery of the work programme. OIE's budget has typically been supplemented by trust fund resources. Resource allocation to independent evaluation has recently improved and is now more reflective of good practice across other major multilateral organisations.

CDB is rated **satisfactory** based on alignment to good practice.

Throughout much of the assessment period, resource constraints have posed serious challenges for the ability of OIE to deliver its mandate. A 2024 Peer Review of the evaluation function noted several issues attributed to limited human resources within OIE. The report noted that OIE previously had a headcount of five positions but, as of 2024, now comprises four positions. At the time of the peer review, only two full-time positions were staffed and OIE faced important challenges in filling the other positions due to long recruitment timelines.

The Peer review concludes that OIE's budget has typically been insufficient to deliver the full scope of the agreed work programme. For multiple years, additional non-administrative funds were required, including supplemental funds from the Special Development Fund. As per the Evaluation Policy, OIE may seek grant or trust fund support from donors; however, this additional funding is primarily intended to carry out evaluation capacity development activities in BMCs or to support special evaluation studies rather than support the delivery of core aspects of its work programme.

In general, CDB's resources devoted to evaluation have been in line or below those of other institutions, notwithstanding CDB's much smaller size (and lower likelihood of generating economies of scale). [Table 18](#) presents the typical budget and resource ratios among independent evaluation departments from 2023. The major evaluation departments have: (i) an average of 42 staff; (ii) account for an average of 1.02% of overall staff across their institutions; and (iii) and have budgets that account for an average of 1.14% of the overall administrative budget for their institution. As demonstrated by [Table 19](#), CDB's ratios have fallen far below this level for most of the assessment period, even when supplemented by SDF funds.

Only in 2025 and 2026 is CDB's budget and staff approaching the ratios demonstrated by much larger institutions.

Table 18. Comparison of resources for independent evaluation offices across comparators.

	IEG (WB)	IED (ASDB)	OVE (IADB)	IDEV (AFDB)	EVD (EBRD)	IEO (UNDP)	IEO (IMF)
Reports per year	473	89	18	11	8-10	19	2-3
Budget (millions USD)	37.3	14.8	8.4	10.4	4.4	11.8	6.2
Budget ratio	1.4	1.9	1.4	1.8	0.8	0.2	0.5
Staff	109	60	25	40	18	32	15
Staff ratio	0.9	1.7	1.3	1.9	0.7	0.1	0.6
Date of establishment	1973	1978	1999	1980	1992	1967	2001

Source: Las Casas, M. & Pedraglio, R. (2023) "The IEO Among its Peers – Learning from Comparative Experience" <https://ieo.imf.org/-/media/IEO/Files/20th-anniversary/ieo-at-20-chapter-5.ashx>

Table 19. OIE Resources and Ratios with CDB Administrative Budget (2020-25).

Year	Staff	Staff Ratio	Budget (USD mill)	Budget Ratio (with SDF)	Budget Ratio (without SDF)
2020	3	1.2	0.510	1.7	0.9
2021	3	1.2	0.438	1.4	0.8
2022	3	1.3	0.459	1.3	0.9
2023	2	0.7	0.450	1.1	0.7
2024	3	1.1	0.549	1.1	0.6
2025	4	2.1	0.922	N/A	1.9
2026	6	2.2	0.974	N/A	1.5

Source: CDB Work Programme and Budget (2025-26).

Funding and human resources constraints have had an impact on the ability of OIE to deliver the full scope of its mandate, notably with respect to the scope and timeliness of PCR validations. Throughout the assessment period, OIE has produced an average of 2.6 evaluation reports annually, not including PCRVs. By contrast, 5 evaluations are planned for 2025 with one additional evaluation carried over from 2024, alongside follow-up on the recommendations on four evaluations that were completed in previous years. The Peer Review further notes that funding constraints have previously prevented OIE from developing other evaluation products (beyond CSPEs, corporate reviews, sector evaluations and PCRVs) and undertaking dissemination activities.

A notable positive change is that the budget and human resources complement for OIE is now presented as a separate analysis and line item in CDB's 2025-26 institutional budget. This approach is more reflective of good practice and supports the financial independence of OIE now and in the future. The previous practice of subsuming OIE within the broader administrative budget proposal obscured the seriously inadequate resources devoted to the independent evaluation function.

Element 8.1.5: Evaluations are submitted directly for consideration at the appropriate level of decision-making for the subject of evaluation.

OIE's evaluations are submitted directly to the Board through the Development Effectiveness Committee (DEC). However, the time taken to produce management responses has been a barrier to timely submission of evaluation reports.

CDB is rated **satisfactory** based on alignment to good practice.

In general, evaluations are submitted directly to the DEC without management approval. However, management is consulted upstream throughout different stages of the evaluation process to help ensure findings, conclusions and recommendations are factual and relevant.

Yet, throughout most of the assessment period, there has been a practice of evaluations requiring a management response prior to being presented to the Board. Despite a policy requirement that the management response not delay the presentation of evaluation reports, management responses typically took between 6 months and one year to be developed, impinging on the ability of OIE to present timely evaluative information to the Board. While this requirement has been loosened in recent years, it poses other potential challenges for the uptake of independent evaluation where evaluations lack a management response. The new Evaluation Policy and Evaluation Manual require that management submit a management response within 40 calendar days of evaluations being submitted to the Board – avoiding a potential challenge that evaluations are approved but remain without a management response for an extended period of time.

Element 8.1.6: Evaluators are able to conduct their work during the evaluation without undue interference by those involved in implementing the unit of analysis being evaluated (behavioural independence).

Although OIE's independence is enshrined in the Evaluation Policy since 2011 and further reinforced in 2025, implementation of the previous Evaluation Policy in practice has posed some challenges for OIE in fully delivering on its mandate.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

However, despite the different aspects of OIE's independence being embedded in the existing Evaluation Policy and updated Evaluation Policy, there have been some notable challenges in the implementation of the policy that limits the ability of OIE to fully deliver on its mandate.

OIE is tasked with validating PCRs produced by management. However, they have been limited in the extent to which PCRs can be validated given the narrow scope of projects that are ready for PCRs each year. Previously, there was no agreed standard on when PCRs should be completed for operations following the terminal disbursement date. The new Self Evaluation Manual now sets an expectation that PCRs be submitted within 6 months of project completion. On average, PCRs have been completed nearly three years following the terminal disbursement, which may limit the full scope of data available to support the review. The updated Self-evaluation Manual does not necessarily resolve this issue as "project closure" remains undefined – this may mean the financial closure of the project, terminal disbursement or completion of operational activities, which are materially different.

Broader challenges with the strength of M&E practices across the Bank have made it more challenging for OIE to fully deliver on its mandate. The majority of PCRs reviewed for this assessment faced difficulty assessing the extent to which CDB's operations have contributed to the achievement of outcomes. PCRs form the foundation for country and thematic evaluations. When PCRs and project monitoring do not yield robust performance data, it is difficult to assess contribution to outcomes and potential drivers of performance in subsequent evaluations. Although project reporting has largely moved to OP365, much

operational data remains outside of the system and there is a critical need to ensure the consistency and quality of results monitoring throughout operations to support evaluation.

The quality of PCRs is variable and they do not provide a sufficient foundation for independent evaluation. There are few guidelines in place on how to rate the different criteria consistently. The new Self-evaluation manual covers some ground in improving the underlying criteria for ratings but there remain some challenges. There should be greater clarity on how to rate when data are not available, particularly quantitative data needed to assess outcome achievement and economic efficiency. The linkages between rating criteria need to be clearer; for example, a project should not have an unsatisfactory rating for outcomes and a satisfactory rating for sustainability. Finally, the criteria do not assess coherence – a critical aspect of promoting the Bank’s comparative advantage - and do not support incentives for adaptive management. Design changes may be necessary for reasons beyond the initial quality of the project. The ultimate objective should be to ensure the design is aligned to the context, even if the initial understanding was not sufficient, rather than rewarding an inflexible approach to project design. The Self-Evaluation Manual now provides additional guidance to staff on how to complete PCRs and ratings for different types of projects.

Until recently, the dissemination of independent evaluation reports was often delayed by lack of timely management responses and a requirement that evaluation reports and management responses be submitted to the Board together. This has since been addressed in the updated Evaluation Policy, enabling OIE to submit reports to the DEC without a management response should it not be made available in a timely manner. However, this approach could also have unintended consequences if the Board does not follow-up with management strongly to ensure management responses are eventually submitted. Furthermore, OIE used to lack the ability to post its materials to CDB’s website directly, contributing to a backlog of unpublished reports. This gap has also been addressed in the updated Evaluation Policy.

Finally, there remains room to strengthen the culture of evaluation within the Development Effectiveness Committee (DEC) and the rest of the Board. The DEC was established in 2024 to provide Board oversight of the independent evaluation function. Its purpose is to ensure that timely, credible, and evidence-based information on the relevance and performance of the CDB’s projects, programs, policies, and other development activities are provided in order to foster organizational learning, support decision-making, and ensure accountability for results. Whereas stakeholders report that the relationship between the DEC and OIE has improved greatly, with stronger engagement across all members, there remains concern around frequent rotation of DEC member.

It is not clear that decisions and issues from DEC discussions are reaching the rest of the Board and supporting their decision-making. This is part of a broader challenge around formalising records of discussion and decision from CDB’s board committees. In general, evaluation reports are not discussed by the full Board. The non-resident nature of the Board, represented by very senior level officials with large portfolios, makes it more challenging for evaluation to receive appropriate weight in board discussions.

Most staff recognise and are satisfied with CDB’s independence. A 2023 “OIE client survey” of CDB staff revealed that 60% of staff are either satisfied or very satisfied with OIE’s independence; however, 36% responded “don’t know,” reflecting the impact of resource constraints and limited dissemination and outreach on the awareness and prominence of OIE’s work.

MI 8.2: Consistent, independent evaluation of results (coverage)

- Element 8.2.1: An evaluation policy describes the principles to ensure the coverage, quality and use of findings, including in decentralised evaluations.
- Element 8.2.2: The policy/an evaluation manual guides the implementation of the different categories of evaluations, such as strategic, thematic, corporate level evaluations, as well as decentralised evaluations.

- Element 8.2.3: A prioritised and funded evaluation plan covering the organisation's planning and budgeting cycle is available.
- Element 8.2.4: The annual evaluation plan presents a systematic and periodic coverage of the MO's interventions, reflecting key priorities.
- Element 8.2.5: Evidence demonstrates that the evaluation policy is being implemented as required across operations.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 8.2		2.80	
Element 8.2.1	Satisfactory	3	High
Element 8.2.2	Satisfactory	3	High
Element 8.2.3	Satisfactory	3	High
Element 8.2.4	Satisfactory	3	High
Element 8.2.5	Unsatisfactory	2	Medium

MI 8.2 Evidence documents

- Caribbean Development Bank (2011) "Evaluation Policy" [BD126 11EvaluationPolicyforCDB_FINAL_0.pdf](#)
- Caribbean Development Bank (2020) "Office of Independent Evaluation: 5-Year Rolling Work Plan" [OIE 5 Year Plan July 2020redacted.pdf](#)
- Caribbean Development Bank (2022), Development Effectiveness Review 2021, [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2021, (internal document).
- Caribbean Development Bank (2023), Development Effectiveness Review 2022, [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2022, (internal document).
- Caribbean Development Bank (2024), Development Effectiveness Review 2023, [Development Effectiveness Review 2023 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2023, (internal document).
- Caribbean Development Bank (2024) "Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response" [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) "Work Programme and Administrative and Capital Budgets 2025-26" (internal document).
- Caribbean Development Bank (2025) "Development Effectiveness Committee - Terms of Reference" (internal document).
- Caribbean Development Bank (2025) "Self-Evaluation Manual" (internal document).

- Caribbean Development Bank (2025) “Evaluation Policy” [2025 CDB Evaluation Policy | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023) “Guidelines for Gender-Responsive Evaluation”
- Office of Independent Evaluation (2024) “2023 Perception Survey” (internal document).
- Office of Independent Evaluation (2025) “Office of Independent Evaluation 2026 Work Programme and Budget and Indicative Plan for 2027-28” (internal document).
- Office of Independent Evaluation (2025) “Independent Evaluation Manual” (internal document).
- Office of Independent Evaluation (2025) “AI Chatbot to provide insights from OIE reports” (internal document).

MI 8.2 Analysis

Element 8.2.1: An evaluation policy describes the principles to ensure the coverage, quality and use of findings, including in decentralised evaluations.

CDB’s 2011 Evaluation Policy identified principles to support appropriate coverage, quality and use of evaluation across the Bank; however, these policies have proven challenging to adhere to in implementation.

CDB is rated **satisfactory** based on alignment to good practice.

The 2025 Evaluation Policy and guidelines, accompanied by a sustained increase in OIE’s budget, will be important for ensuring the operationalisation of the values and principles of CDB’s evaluation function.

Coverage:

The 2011 Policy identifies a range of different types of evaluations to be conducted, including:

- (i) Project-level evaluations (self-evaluations), including PCRs and Project Performance Audit Reports, which assess project outcomes according to their relevance, effectiveness, efficiency and sustainability;
- (ii) Policy-based and Programme lending evaluations, which identify the effectiveness of policy and institutional reform programmes;
- (iii) Impact evaluations, which provide a systematic identification of the effects of a development activity on individuals, households, institutions, sectors, the overall economy, or the environment;
- (iv) Sector, thematic and policy evaluations, which assess the effectiveness of CDB’s operations in a particular sector;
- (v) Country Strategy and Programme Evaluations (CSPEs), covering the contribution of CDB’s operations to economic and social development of BMCs; and
- (vi) Corporate Process Evaluations, covering the efficiency and effectiveness of operational procedures and processes.

The types of evaluations OIE will conduct are no longer identified in the updated 2025 Policy, but it is understood that the same broad scope of approaches is maintained. Since 2024, CDB has attempted to broaden and modernise the scope of the products it produces, introducing evaluation synthesis reports and Real-time Evaluations to support learning.

With respect to coverage, the 2011 Evaluation Policy identifies that OIEs annual rolling work programmes should provide assurance of an adequate level of coverage of CDB’s portfolio over a two-year cycle linked to CDB’s strategic plan. Neither policy identifies a specific coverage requirement for independent evaluation. However, gaps in evaluation coverage are considered in the design of OIE’s rolling work programme.

All closed operations are subject to a PCR to be completed by management and reviewed by OIE, with the exception of advisory and technical assistance projects. In reality, CDB has faced challenges in meeting these policy requirements due to resource constraints. Completion of PCRs and review by OIE has been variable over the assessment period (see 8.2.5, below).

Furthermore, OIE has been restricted in the scope of evaluation products it delivers, focusing primarily on PCR Validations, CSPEs, corporate process reviews and sector, thematic and policy evaluations. Of note, the 2025 Evaluation Policy maintains that OIE will conduct validation for a sample of PCRs. CDB's recently approved Self Evaluation Manual notes that OIE will validate a sample of PCRs that reflects different project typologies to ensure representativeness and provide critical and constructive feedback to strengthen the accountability of self-evaluations.

However, best practice entails validation of 100% of completed PCRs. PCR validations are the bedrock of evidence supporting the delivery of the evaluation Work Programme. Following an increase in resources, OIE validated 100% of PCRs completed in 2025. However, OIE and CDB's DEC should identify a resource complement necessary to validate 100% validation of PCRs in subsequent years. OIE has now agreed to move toward 100% validation in future.

Quality:

The 2011 Policy also identifies a number of guiding principles to support the effectiveness of the evaluation system and the quality of evaluations, including:

- (i) Value-addition, in helping initiatives be more effective by clarifying the expected results and strategies that will help demonstrate progress;
- (ii) Usefulness and timeliness of the evaluation, including responsiveness to the needs of users;
- (iii) Neutrality in the conduct of evaluations;
- (iv) Quality, such that evaluations should meet internationally-accepted standards of quality;
- (v) Relevance, such that findings should be relevant to users, practical, realistic and action-oriented;
- (vi) Capacity building, such that evaluation processes should develop stakeholder capacities with respect to evaluative thinking and use; and
- (vii) Transparency, such that stakeholders should be aware that the evaluation is being conducted as well as its scope and methods with transparent dissemination of findings, lessons and recommendations to stakeholders.

Furthermore, the Policy identifies core values for the design, conduct and management of evaluations, including: (i) credibility, such that evaluators have relevant knowledge and skills in evaluation and the subject area; (ii) integrity, such that evaluators need to act within integrity and honesty in their interactions with stakeholders and protect confidentiality; and (iii) impartiality, such that there is no conflict of interest between the evaluators and any parties involved in an evaluation.

The 2025 Evaluation policy builds on these criteria and brings them in line with established good practice, by adding:

- (i) Structural, functional and behavioural independence;
- (ii) Credibility, in ensuring evaluations are fair, accurate, evidence-based, conducted according to agreed upon standards and managed by evaluators with the necessary professional and technical competence;
- (iii) Impartiality, in terms of providing a comprehensive and balanced view of performance;
- (iv) Ethics, reflecting the principle of "no harm" and the protection of human subjects in the design and conduct of evaluations;
- (v) Dissemination, requiring that stakeholders are kept informed about their findings, conclusions and recommendations and that evaluations are shared in a manner that fosters their use; and

- (vi) Ownership and participation, requiring that evaluations enable input by all stakeholders involved in delivering the project, programme or topic being evaluated; and

Overall, the Peer Review found that the guiding principles and core values for the conduct of evaluations were inadequate to guide the implementation of the function and needed to be supplemented with more detailed guidance and standards. To address this concern, OIE has finalised an Independent Evaluation Manual that provides detailed guidance end-to-end throughout the evaluation process to help ensure evaluations are conducted in line with established good practice, including the ECG Good Practice Standards. A separate Self-Evaluation Manual has also been developed.

Use:

With respect to the use of evaluation, the 2011 Policy identifies the responsibilities of key stakeholders to ensure evaluation findings are taken into account to inform decision-making. The President and Advisory Management Team are responsible for ensuring self- and independent evaluation results inform decision-making on projects, programmes, policies, strategies and other development activities within CDB. The Director of the Projects and Economics Departments are responsible for sharing lessons learned across CDB management, with BMCs and with the executing agencies. OIE is responsible for distilling evaluation findings and lessons learned for dissemination in appropriate formats for targeted audiences both within and outside CDB.

The 2024 Peer Review identified, however, that these roles and responsibilities were not sufficient to support the implementation of the policy, noting the need to define OIE's independence more clearly, time limits for process steps and assurance around sufficient resources to deliver of the policy scope for independent evaluation. Budgetary constraints have limited the extent to which OIE and CDB management have been able to support capacity development and dissemination of lessons both within and outside of CDB.

OIE has taken important steps toward strengthening independent evaluation across the Bank by revising the evaluation policy in line with the recommendations of the peer review and working toward the release of more specific guidance to support the use of evaluations. A recent budget increase has been essential in helping to enhance evaluation coverage and dissemination of lessons, with the identification of specific activities resourced in the budget proposal. Communication and dissemination of evaluations have now been identified as a core principle supporting the evaluation function under the 2025 policy.

Furthermore, a lessons database has recently been established online and an AI-powered search function is being piloted among staff. This database was recently presented to the BOD. Furthermore, the 2026-27 OIE Programme of Work, identifies a series of activities to be undertaken to target learning and dissemination, including training and outreach in BMCs and collaboration with partners at international evaluation forums and conferences (see MI 8.7).

Element 8.2.2: The policy/an evaluation manual guides the implementation of the different categories of evaluations, such as strategic, thematic, corporate level evaluations, as well as decentralised evaluations.

CDB has updated its Evaluation Policy to provide a more streamlined and targeted set of roles, responsibilities and principles accompanied by more detailed evaluation guidance and manuals to better guide the implementation of self and independent evaluation.

CDB is rated **satisfactory** based on alignment to good practice.

As identified in 8.2.1 above, CDB's Evaluation Policy originally provided a set of principles and guidance underlying the implementation of different types of evaluations. This includes general principles, values and evaluation products as well as their general purpose. However, the 2024 Peer Review found these to

be insufficient to ensure the independence of OIE and identify clear roles, responsibilities and standards in the implementation of self and independent evaluation.

In 2023, CDB completed guidelines for promoting gender mainstreaming in all work developed, promoted and conducted by OIE. The general aim of these guidelines is to guide evaluation commissioners and evaluators on how to integrate gender mainstreaming into evaluation activities, ensuring that outcomes are in line with CDB's commitment to gender equality. The guidance identifies means of addressing gender in the evaluation scope, questions and issues – in line with the updated OECD-DAC criteria. It compiles a range of guidance from partners such as UN Women and the European Institute for Gender Equality.

The 2025 Evaluation Policy is more streamlined, focusing on principles underpinning the contribution of OIE to accountability and learning across CDB. This has been accompanied by more detailed evaluation manuals for the self and independent evaluation functions to support the implementation of the policy, providing a clearer articulation of roles and responsibilities between management and OIE. OIE does not yet provide differentiated guidance for different types of evaluations (corporate, sector, real-time); however, the Independent Evaluation Manual breaks down steps that should be taken for all types of evaluations to promote relevance, quality and use that reflect good practice.

Element 8.2.3: A prioritised and funded evaluation plan covering the organisation's planning and budgeting cycle is available.

OIE has shifted toward producing a costed, three-year rolling evaluation work programme that feeds into a separate budget proposal. This change brings work programme planning more in line with good practice across MDBs.

CDB is rated **satisfactory** based on alignment to good practice.

CDB has changed how it prepares and presents its programme of work. The 2020-25 Programme of work was primarily established without consultation with management and the Board. This work programme took stock of the different policies, strategies and CSPEs of the Bank, seeking to align the timing of evaluations with the renewal of these documents and to cover the Bank's activities comprehensively over the five-year period. However, the external context changed dramatically during that time period – as did the strategic direction and priorities of the Bank. Of note the 2020-25 work programme does not provide an indication of budget requirements for delivery.

Following the 2024 Peer Review, OIE began to introduce changes and new products to its work plan to offer different types of products and better align with management needs. As noted in 8.1, a second challenge was the fact that resourcing of OIE and independent evaluation was fundamentally inadequate to deliver on the proposed programme of work.

OIE changed approach to developing its work programme, bringing its practices into alignment with good practices from other MDBs. OIE now presents a 3-year rolling work programme developed in consultation with CDB management. The work programme is costed, with a firm budget proposal for the first year and indicative resource requirements for subsequent years. Consultations will be held annually at the budget retreat, providing an opportunity to align the work programme as strategic priorities change. Evaluations are timed and prioritised to reflect on results achieved following the end of different country programmes and strategies. However, it is not clear that this timing is ideal to inform the development of the subsequent strategies and policies.

There is room for OIE to further enhance the agility and flexibility of its work programme by explicitly leaving a budget allocation and flexibility to address topics that reflect emerging priorities for management and the Board of Directors. This practice is used in other MDBs to help ensure evaluative evidence is poised to support accountability and learning as the external context changes. A positive practice is the decision to identify the topic of future synthesis reports each year in consultation with the Board of Directors.

Element 8.2.4: The annual evaluation plan/work programme presents a systematic and periodic coverage of the MO's interventions through evaluation, reflecting a representative sample of investments and other operations ready for evaluation and takes into account key priorities of the organisation.

OIE's most recent Work Programme promotes coverage of the portfolio by increasing the number of PCR validations to be conducted annually.

CDB is rated **satisfactory** based on alignment to good practice.

Evaluations and syntheses are targeted provide timely evidence in line with information needs. The Work Programme process can be further strengthened by being more explicit about why certain topics have been selected for evaluations and how these align to priorities and evidence needs.

Whereas CDB's 2020-25 Rolling Work Programme was developed with the intent of ensuring gradual coverage of CDB's policies, strategies and portfolio over the five-year period, this approach has been assessed in the 2024 Peer Review as limiting the relevance of evaluations to the evolving strategic priorities of the Bank.

Clear guidance on factors considered in the development of OIE's work programme are now identified in the Independent Evaluation Manual, including:

- Strategic significance to CDB's development objectives;
- Potential for learning and institutional improvement;
- Accountability requirements and stakeholder demand;
- Risk exposure and financial materiality;
- Coverage gaps in the existing evaluation portfolio;
- Timing considerations and operational relevance; and
- Resource availability and technical feasibility.

Work programmes are designed in consultation with CDB Senior Management to help ensure utility, timeliness and coverage of strategic priorities.

The 2026-28 Work Programme takes a different approach, focussing increasing the number of PCR Validations completed each year to 6. The 2026-28 Work Programme also adopts a more balanced approach across different evaluation products to better meet the needs of the institution, including through balancing corporate evaluation with country strategy and thematic evaluations, and introducing new products such as synthesis reports and Real-time evaluations.

Systematic coverage is promoted through PCR Validations, with 6 PCRVs completed each year likely to cover the majority of projects that exit the portfolio. By contrast, are more selective and targeted to provide timely evidence and address information needs. The work programme process can be further strengthened, however, by being more explicit about why specific topics have been selected for evaluation, including their alignment with strategic priorities and evidence needs.

Element 8.2.5: Evidence demonstrates that the self-evaluation process is being implemented systematically at the level of investments and other operations.

The timely completion of PCRs has been uneven over the assessment period; however, all PCRs have been completed for projects exiting the portfolio in the last two years.

CDB is rated **satisfactory** based on alignment to good practice. However, there remains room to enhance the timeliness and quality of the PCRs produced.

Several sources of evidence confirm that the production of PCRs has been inconsistent throughout the assessment period but has recently improved. Under the 2011 Evaluation Policy, self-evaluation is conducted by the Projects Department under Management Oversight. The Peer Review found that only 40% of projects that exited the portfolio between 2020 and 2021 had completed PCRs.

Completion of PCRs for projects exiting the portfolio is tracked as part of CDB's RMF and reported in its Development Effectiveness Review. In 2024, CDB completed 100% of PCRs for projects which exited the portfolio in 2022 and 2023, albeit with variable quality. This is a marked improvement in PCRs completed for projects exiting the portfolio the previous two years, including 58% reported in 2023, 40% in 2022 and 30% in 2021. No comprehensive data are available which demonstrate the proportion of projects that exited the portfolio between 2020 and 2025 which have a completed PCR.

As noted above, available policies and guidelines do not identify when PCRs should be completed – following the terminal disbursement date, operational completion or at financial close. The Evaluation Policy states that PCRs should be completed within 6 months following the completion of each project, but completion can mean the financial closure of the project or implementation completion, which can be different. Self-evaluations may also be conducted for advisory and analytical work but are not considered mandatory. Self-evaluations are required at the completion of Country Engagement Strategies but no evidence was provided that this has been done systematically.

Stakeholders confirm that this issue has been discussed internally over years but it has been challenging to arrive at a clear guideline and decision for when PCRs will be conducted. An analysis of 21 PCRs produced by management between 2020 and 2025 illustrate that PCRs tend to be produced at least a couple of years after the terminal disbursement (average 2.95). The driving factor in the delayed production of PCRs are primarily human resources constraints and competing priorities. Delayed completion of PCRs creates challenges for the timelines of data and the availability of key stakeholders to reflect on the results achieved. The updated Self-Evaluation Manual notes that PCRs should be completed within 6 months of "completion;" however, completion is not defined in terms of completion of activities, terminal disbursement or financial close, meaning that this challenge could continue.

Beyond this, there are important constraints in how PCR ratings are being applied. The 2011 Evaluation Policy did not provide detailed guidance on how different PCR criteria should be rated. As a result, a systematic review of 25 PCRs and 20 PCVRs noted that ratings for some criteria were not credible (e.g. efficiency and sustainability – see KPI 11 and 12). An additional constraint is that weak project M&E has limited evidence on the extent to which CDB has contributed to intended outcomes. The updated Self-evaluation Manual provides much clearer guidance for the application of rating criteria.

OIE has until recently not had sufficient resources to validate all PCRs. The most recent budget allocates resources for a sample of up to 6 PCR validations annually and OIE committed to move toward 100% validation in future. Completion of PCVRs has faced a backlog in past years due to resource constraints and delays related to the completion of management responses. Going forward, it will be important to ensure OIE is resourced to validate all PCRs to help provide a rolling, credible picture of institutional performance across CDB's operations. OIE should also calculate a clear disconnect score between PCVRs and PCRs to create incentives for the quality of operational reporting.

MI 8.3: Systems applied to ensure the quality of evaluations.

- Element 8.3.1: Evaluations are based on design, planning and implementation processes that are inherently quality-oriented.
- Element 8.3.2: Evaluations use appropriate methodologies for data collection, analysis and interpretation.
- Element 8.3.3: Evaluation reports present the evidence, findings, conclusions, and where relevant, recommendations in a complete and balanced way.

- Element 8.3.4: The methodology presented includes the methodological limitations and concerns.
- Element 8.3.5: A process exists to ensure the quality of all evaluations, including decentralised evaluations.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 8.3	Satisfactory	2.80	
Element 8.3.1	Satisfactory	3	Medium
Element 8.3.2	Satisfactory	3	Medium
Element 8.3.3	Satisfactory	3	Medium
Element 8.3.4	Satisfactory	3	Medium
Element 8.3.5	Unsatisfactory	2	Medium

MI 8.3 Evidence documents

- Caribbean Development Bank (2011) “*Evaluation Policy*” [BD126 11EvaluationPolicyforCDB_FINAL_0.pdf](#)
- Caribbean Development Bank (2024) “*Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response*” [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
- Caribbean Development Bank (2025) “*Self-Evaluation Manual*” (internal document).
- Caribbean Development Bank (2025) “*Evaluation Policy*” [2025 CDB Evaluation Policy | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2022). Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF). [Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB’s Work in the Water Sector. [Evaluation of the Caribbean Development Bank’s Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024) “*2023 Perception Survey*” (internal document).
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025) “*Office of Independent Evaluation 2026 Work Programme and Budget and Indicative Plan for 2027-28*” (internal document).
- Office of Independent Evaluation (2025) “*Independent Evaluation Manual*” (internal document).

MI 8.3 Analysis

Element 8.3.1: Evaluations are based on design, planning, and implementation processes that are inherently quality-oriented.

OIE details a quality assurance process for independent evaluation in its Evaluation Manual designed to accompany the updated evaluation policy. Other mechanisms include the convening of Evaluation Reference Groups and an Evaluation Advisory Committee.

CDB is rated **satisfactory** based on alignment to good practice.

As noted above, the updated 2025 Evaluation Policy is more streamlined, identifying key principles for evaluation and clarifying roles and responsibilities between OIE and management. The revised policy is accompanied by a set of evaluation manuals for self- and independent evaluations that outlines robust quality assurance processes, including systematic quality review of evaluation milestones in line with international best practices. The Independent Evaluation Manual details evaluations phases, methodologies, reporting procedures and quality assurance practices.

A similar manual was developed for self-evaluation through a working group that brings together the Economics, Projects and Strategy and Accountability Office. This manual was recently approved by the Board alongside the 2025 Evaluation Policy and the Independent Evaluation Manual.

Two new features have been added to OIE's practices to help promote the quality and strategic relevance of evaluations. Each evaluation will now have an Evaluation Reference Group (ERG) to facilitate timely stakeholder input and buy-in and promote quality throughout the process. As per the new Independent Evaluation Manual, the ERG will meet at several points throughout an evaluation to review key milestones, including the inception report and 4 iterations of the draft report.

In follow-up to the recommendations of the 2024 Peer Review, the OIE has introduced an Evaluation Advisory Committee (EAC), which was first convened in October 2025. The EAC comprises three international evaluation experts tasked with providing advice to the Head of Evaluation on operational and strategic issues, including the quality and relevance of evaluation reports. In particular, the EAC will play an important role in reviewing and advising on evaluation approach papers upstream.

Element 8.3.2: Evaluations use appropriate methodologies for data collection, analysis and interpretation.

Evaluations have generally been of adequate quality, applying a standard mixed-methods approach. OIE has recently taken steps to enhance upstream review of evaluation approach papers and other milestones to enhance the approach and methodology and the relevance and credibility of how analyses are interpreted.

Evaluations produced over the assessment period have generally applied a mixed methods approach that includes portfolio review, project performance analysis, key information interviews, focus groups, site visits, case studies and thematic deep dives. Despite the use of triangulation, most evaluations emphasised qualitative evidence, partly due to the limited quality of project reporting data.

The 2024 peer review report found that most evaluations are of adequate or partially adequate quality. The report found that the scope of evaluation reports to be too broad in trying to cover each of the DAC criteria. Furthermore, evaluation methodologies were found to demonstrate weaknesses in approaches to causal analysis and rarely incorporated external literature. Evaluation findings were not always clearly generalisable to future operations.

Although a large portion of respondents among CDB staff and Board of Directors identified that they “didn’t know” when asked about the quality of OIE’s evaluations (42% and 50% respectively), nearly all of those who responded otherwise reported that they were satisfied or very satisfied (55% and 50% respectively).

OIE has taken steps to enhance this in its Independent Evaluation Manual, including review of key milestones by the Evaluation Reference Group (ERG) to enhance the approach for data collection and analysis and provide feedback on interpretation. Use of appropriate methodologies will be further enhanced by having an expert Evaluation Advisory Group review the approach papers for evaluations upstream.

Element 8.3.3: Evaluation reports present the evidence, findings, conclusions, and where relevant, recommendations in a complete and balanced way.

The quality, comprehensiveness and balance of evaluation reports have generally been adequate. However, some evaluations demonstrate evaluation recommendations that are not SMART. OIE has taken steps to identify for systematic assessment of quality against key criteria in the Independent Evaluation Manual.

CDB is rated **satisfactory** based on alignment to good practice.

The 2024 Peer Review identified challenges with respect to consistency in the extent to which evaluation findings responded to the original evaluation question and corresponded to the underlying data. Further concerns were raised around the lack of specificity and clarity of evaluation recommendations.

A systematic review of 6 evaluations produced over the assessment period was conducted to identify the extent to which they meet the following criteria: (i) clear and relevant answers to each evaluation question (e.g. reflecting the purpose and scope of the questions); (ii) relevant evidence from different sources to support evaluation findings; (iii) clear linkage between evaluation findings and conclusions; (iv) clear linkages between evaluation conclusions and recommendations; and (v) recommendations that are SMART. The majority of evaluations meet all of these criteria. However, only 4 of 6 evaluations were assessed as having SMART recommendations.

The new Independent Evaluation Manual identifies clear quality criteria to guide review of evaluation milestones by the Evaluation Reference Group and any external quality review experts engaged to review evaluation milestones at each stage, which help address some of these concerns. These quality criteria include:

- The extent to which findings are supported by credible evidence;
- The logical coherence between evaluation questions, data, analysis, and conclusions;
- The clarity, neutrality, and appropriateness of language and tone;
- The structure and presentation of the report, including accessibility and readability; and
- The identification of any gaps, inconsistencies, or problematic wording that could lead to misinterpretation or unintended reactions.

Further action could be taken by embedding these criteria directly into the Terms of Reference of the ERGs. It may also be beneficial to include periodic systematic reviews of the quality of evaluation report by the Evaluation Advisory Committee.

Element 8.3.4: The methodology presented includes the methodological limitations and concerns.

CDB is rated **satisfactory** based on alignment to good practice.

Evaluation reports include a section that describes limitations for the methodology and approach, including actions taken to mitigate their impact.

Evaluation reports each include a section on methodological limitations that is presented clearly to the reader. Most evaluations reports also describe actions taken to mitigate limitations and the resulting consequences.

Common methodological challenges identified in evaluation reports include:

- **Data limitations** — particularly weak or inconsistent M&E data, absence of baselines, and poor disaggregation (gender, youth, climate).
- **Timing of evaluations** — several conducted close to or immediately after project closure, limiting evidence on outcomes and sustainability.
- **Coverage constraints** — restricted field visits (especially during COVID-19) and time/budget limitations reduced representativeness.
- **Measurement of cross-cutting themes** — difficulties in quantifying outcomes on gender equality, climate resilience, and institutional change.

These challenges were typically at least partially mitigated through triangulation of evidence, remote and virtual data collection, use of case studies and contribution analysis and reconstruction of results chains.

Element 8.3.5: A process exists to ensure the quality of all evaluations, including decentralised evaluations.

The quality of OIE reports is generally adequate, and steps have been taken to strengthen processes to ensure the quality of independent evaluations. However, the quality of PCRs is an important challenge and impinges on the quality of independent evaluation.

CDB is rated **unsatisfactory** based on important gaps in the quality of PCRs.

The 2024 Peer Review found that the quality of evaluation reports produced over the period has been variable, but generally of acceptable quality.

A systematic review of six OIE reports produced over the assessment period identified some common methodological constraints and limitations:

- Data availability and quality, including limited baseline data, inconsistent or incomplete monitoring data and reliance on secondary sources (e.g. self-reports from project management teams and government partners).
- Attribution and causality challenges, including difficulties isolating project-related effects, weak results logic and indicators, and external challenges such as macroeconomic shifts, policy changes and natural disasters.
- Evaluation design and coverage, including small samples, limited sample representativeness, limited time for outcomes to materialise and heterogeneous portfolios across countries.
- Qualitative bias and limited triangulation, including overreliance on qualitative evidence and limited triangulation gaps.
- Incomplete economic and financial data and inconsistent treatment of efficiency.
- Limited data to address cross-cutting themes, including gender, climate and resilience.

Independent Evaluation Manual:

OIE has recently developed an Independent Evaluation Manual to guide the conduct of evaluations and accompany the more principles-based approach of the new Evaluation Policy. This initiative responds to the recommendations of the 2024 Peer Review.

The Manual takes a number of steps forward in terms of supporting the quality of evaluation reports. One important addition is to define the core evaluation issues OIE will address in producing its reports. The new

manual identifies coherence as a key criterion in line with the updated OECD-DAC Principles. Addressing coherence specifically in OIE reports is key to supporting the institution in delivering on the TYS and operationalising its comparative advantage across the region.

Furthermore, the updated policy identifies the key role of the Evaluation Reference Group throughout the evaluation process, including review and input into key milestones end to end to ensure the scope, approach, methodology and evaluation issues and questions are all relevant and geared toward driving quality. The Evaluation Advisory Committee is another key initiative to help guide the quality and relevance of evaluations to emerging challenges and trends. Finally, the Evaluation Policy and Independent Evaluation Manual identify stronger provisions around hybrid teams to ensure both the competence of evaluation teams and appropriate knowledge of and relevance to the internal operating context at CDB.

Project Completion Reports

Beyond completion and timeliness, the quality of PCRs produced by management remains an important challenge. This challenge was most recently raised in the 2024 Development Effectiveness Review as PCR quality was assessed as Marginally Satisfactory for 2024. Given that PCRs provide a foundation for independent evaluation, these gaps can have broader ramifications across the evaluation function of the Bank.

Over 80% of the PCR Validations produced over the assessment period identify some degree of quality challenges for PCRs despite the majority being rated of satisfactory quality. The quality of information provided in PCRs is highly variable with frequent mention of inadequate results data. Ratings for efficiency have posed particular challenges with several projects being rated as satisfactory despite lengthy implementation delays and absence of data for economic efficiency.

Volume 5 of CDB's Operational Policies and Procures Manual provides guidance on the completion of PCRs, including criteria for the application of ratings in different sections. It is not clear that the criteria for ratings are being applied systematically. PCR are approved by the Director of the Projects Department; aside from this, no specific quality assurance mechanisms such as peer reviews are identified beyond submitting the PCR to OIE for comment.

Although OIE provides ratings on PCR quality, it does not calculate or present a disconnect score for its PCR Validations as other evaluation functions do. This may be linked to the relatively small number of PCRs completed and validated each year. However, this practice would create stronger incentives for project teams to provide a clear evidence basis for PCR ratings.

CDB has recently sought to address this challenge by updating its Self-Evaluation Manual. An important step is to provide clearer and more objective definitions for ratings under each criteria. However, this progress can be taken further by putting more emphasis on the need for performance to be judged based on both qualitative and quantitative evidence and establishing clearer relationships between criteria (e.g. projects should not be rated satisfactory for sustainability if outputs and outcomes have not been achieved. There are opportunities for CDB to enhance the criteria themselves. For example, relevance and CDB Performance should be positioned to reward steps taken to implement adaptive management, including by changing the design and scope of projects when needed. Furthermore, PCRs should consider the coherence of operations and the extent to which partnerships have been leveraged. Coherence of operations is a key issue relevant to delivering on CDB's comparative advantage and the TYS.

MI 8.4: Mandatory demonstration of the evidence base to design new interventions.

- Element 8.4.1: A formal requirement exists to demonstrate relevant knowledge and lessons from past operations are incorporated into the design of new investments and other operations.
- Element 8.4.2: Clear feedback loops exist to feed lessons into the design of new investments and other operations.

- Element 8.4.3: Lessons from past interventions inform new interventions and strategies, with incentives to promote uptake.
- Element 8.4.4: Incentives exist to apply lessons learned to new investments and other operations
- Element 8.4.5: Processes exist to ensure uptake of lessons from past investments and other operations are incorporated into new strategies, with uptake being monitored by the MO.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 8.4	Satisfactory	2.60	
Element 8.4.1	Satisfactory	3	High
Element 8.4.2	Unsatisfactory	2	Medium
Element 8.4.3	Unsatisfactory	2	Medium
Element 8.4.4	Satisfactory	3	Medium
Element 8.4.5	Satisfactory	3	Medium

MI 8.4 Evidence documents

- Caribbean Development Bank (2011) “*Evaluation Policy*” [BD126_11EvaluationPolicyforCDB_FINAL_0.pdf](#)
- Caribbean Development Bank (2022), Development Effectiveness Review 2021, [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2021, (*internal document*).
- Caribbean Development Bank (2023), Development Effectiveness Review 2022, [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2022, (*internal document*).
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- Caribbean Development Bank (2024) “*Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response*” [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
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- Caribbean Development Bank (2025) “*Evaluation Policy*” [2025 CDB Evaluation Policy | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)

- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Harrison's Cave Redevelopment, Barbados. [Barbados – Harrison's Cave Redevelopment \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
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- Office of Independent Evaluation (2022), Project Completion Validation Report: Fiscal Consolidation, Growth and Social Stability Policy-Based Loan, Jamaica. [Jamaica– Fiscal Consolidation, Growth and Social Stability Policy-based Loan \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Community Investment Project, Jamaica. [Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana. [Guyana - Technical and Educational Training | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Policy-Based Loans – Antigua and Barbuda and Grenada. [Antigua and Barbuda and Grenada - Policy-Based Loans | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Market Access and Rural Enterprise Development Programme, Grenada. [Grenada-Market Access and Rural Enterprise Development Project | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas. [The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Education for All Project, Republic of Haiti. [Haiti - Education for All | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).

- Office of Independent Evaluation (2024), Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines, (*internal document*).
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- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025) “Office of Independent Evaluation 2026 Work Programme and Budget and Indicative Plan for 2027-28” (*internal document*).
- Office of Independent Evaluation (2025) “Independent Evaluation Manual – DRAFT” (*internal document*).
- Office of Independent Evaluation (2025) “AI Chatbot to provide insights from OIE reports” (*internal document*).

MI 8.4 Analysis

Element 8.4.1: A formal requirement exists to demonstrate relevant knowledge and lessons from past operations are incorporated into the design of new investments and other operations.

There are systematic requirements to identify how lessons from past operations and portfolio reviews have informed the design of new operations and Country Engagement Strategies.

CDB is rated **satisfactory** based on alignment to good practice.

Project Appraisal Reports include a discussion of how lessons from past operations have been taken up to inform the design of the new operations / Strategy. This requirement is applied systematically. The new Self-Evaluation Manual identifies specific guidance for identifying lessons in PCRs, noting that these should be framed explicitly to support future actions. It guides CDB staff to consider: (i) what was expected at the time of approval, (ii) what actually happened (including relevant context), (iii) what went particularly well or wrong, and (iv) what can be learned from the experience.

However, although the extent to which lessons have been integrated into the design of the operation is meant to be addressed in the PCR under relevance, only a small number of PCRs provided this analysis and the extent of information provided was limited.

The quality of lessons identified and their integration into operations designs is examined as part of PCRs and validated by OIE. Of the 20 PCVRs identified, approximately one third noted that substantive evidence was provided of how operations incorporated lessons from previous operations and how this contributed to design quality and outcomes. The majority of PCRs provided a very brief discussion or this information was absent.

Therefore, although a formal requirement exists to identify how operations design has been informed by lessons, it is not clear that this requirement is systematically applied and enforced.

Element 8.4.2: Clear feedback loops exist to feed lessons into the design of new investments and other operations.

There are formal requirements in place to identify how lessons from previous operations inform the design of future operations.

Project Appraisal Reports and Country Engagement Strategies include a discussion of how lessons from past operations have been taken up to inform the design of the new operations / Strategy. This requirement is applied systematically.

As noted above, the quality of lessons identified and their integration into operations designs is examined as part of PCRs and validated by OIE. However, PCRVs suggest that actual integration of lessons into the design of projects is uneven, culminating in a gap described by stakeholders as “lessons identified versus lessons learned.”

Element 8.4.3: Mechanisms exist to regularly collect lessons from past investments and other operations systematically to inform new investments and other operations and communicate them to staff.

CDB’s existing processes require that lessons are identified end-to-end across operations. However, lessons are not always captured systematically in OP365 or disseminated to staff to promote uptake.

CDB is rated unsatisfactory based on a **demonstrated** gap to good practice.

Existing templates for operations appraisal reports, project supervision reporting and PCRs each require staff to identify relevant lessons, including how they have informed the design of operations and lessons to inform future operations. All PCRs reviewed for this assessment identified at least one lesson to inform future operations. Furthermore, PCRVs performed by OIE reviewed the quality of the lessons identified and typically endorsed them.

Whereas this requirement is implemented systematically for project appraisal reports and PCRs, there have been some challenges ensuring the consistency and quality of data provided in OP365. Stakeholders note that controls are increasingly being implemented to control the quality of inputs, including through mandatory fields for RBM-related inputs.

CDB has faced additional challenges in the identification of a database to collect, disseminate and promote the uptake of lessons across evaluations. OIE has been working since 2024 to establish an AI-powered database; however, this is still in the piloting stage. Newly introduced synthesis reports are intended to play an important role in positioning lessons from past operations and evaluations for uptake.

Element 8.4.4: Incentives exist to apply lessons learned to new investments and other operations.

Identifying Relevant lessons and how they have informed the overall approach and design is a requirement for new projects and Country Engagement Strategies.

CDB is rated **satisfactory** based on alignment to good practice. However, there remain opportunities to further strengthen incentives to identify and apply lessons.

Currently the primary incentive for CDB staff to identify and apply lessons learned into new investments is the fact that appraisal templates for new operations, including PBOs require that up to five lessons from previous operations be identified, including a description of how they have been incorporated into the

design process. Previously, a quality at entry tool was applied to operations to assess the extent to which lessons had been integrated into design to inform decision-making and strengthening of appraisal reports. However, stakeholders report that this practice is no longer implemented. Finally, the extent to which lessons were taken up and incorporated into project design is assessed as part of the PCR process.

Stakeholders also questioned the extent to which CDB staff truly apply lessons into new projects versus simply identifying them. Although a requirement is in place, the level of scrutiny applied and the extent to which poor integration of lessons can prevent the approval of an operation or strategy is not clear.

The examples noted above are fairly standard requirements across IFIs. Beyond these requirements, there are limited incentives to apply lessons to forward-looking operations. Good practice examples from other MDBs include:

- (i) Integration of lessons and learning objectives in job descriptions and performance management;
- (ii) Identification of knowledge focal points within teams and functions who have a specific responsibility to identify, disseminate and promote the uptake of lessons within their teams;
- (iii) Inclusion of economics and research specialists as well as sector, thematic and corporate functions experts on project teams to promote knowledge flow and lessons uptake; and
- (iv) Establishment of awards and recognition for innovative project designs that incorporate lessons and knowledge.

Element 8.4.5: Processes exist to ensure uptake of lessons from past investments and other operations are incorporated into new strategies, with uptake being monitored by the MO.

New strategies approved over the assessment period demonstrate systematic uptake of lessons from past operations and strategies to inform the new strategic approach.

Country Engagement Strategies:

A review of seven Country Engagement Strategies produced over the assessment period demonstrates that each explicitly identifies, summarises and integrates lessons learned from the previous CES and country portfolio performance. The extent of incorporation is substantive, with implications for scope, selectivity, capacity-build focus, RBM systems and alignment with national priorities. Common adjustments to CES with respect to lessons included: (i) more selective and focused programmes tied closely to national plans; (ii) embedding of capacity building and technical assistance across operations; (iii) strengthening of RBM systems and use of mid-term reviews to promote adaptive management; and (iv) emphasis on partnerships and alignment with other donors to promote efficiency.

Both the Belize (2022–2026) and Saint Vincent and the Grenadines (SVG, 2022–2026) Country Engagement Strategies explicitly integrate lessons from their previous strategies. In Belize, the 2016–2020 CES revealed weaknesses in realism, monitoring, and institutional capacity. The new CES responds by narrowing its focus to three strategic pillars—social, economic, and environmental resilience—and embedding a robust results-monitoring framework, mid-term review, and stronger collaboration with development partners to ensure adaptive management and capacity building. Similarly, SVG's 2014–2018 CES underscored the need for tighter alignment with national priorities and greater attention to implementation capacity. The 2022–2026 CES directly incorporates these insights through a smaller, more focused programme of five outcomes tied to the National Economic and Social Development Plan, supported by an improved monitoring framework and mid-term review. Both strategies demonstrate a clear evolution toward selectivity, stronger institutional support, and enhanced accountability mechanisms.

Sector / Thematic Policies and Strategies:

A similar trend is noted across CDB's Sector and Thematic Policies and Strategies introduced over the course of the assessment period. Across eight policies and strategies approved over the assessment

period, each was found to identify relevant lessons from operations and evaluations and incorporate these substantively into the approach, demonstrating evidence-based evolution in CDB's approach.

For example, the Private Sector Strategy (PSS) 2023–2028 builds directly on lessons from the 2017 Private Sector Development Policy and Strategy (PSDPS). The 2017 strategy's narrow focus on limited financing modalities constrained private-sector engagement. The new PSS addresses this by adopting a multi-source, multi-instrument approach, expanding direct lending, blended finance, and partnerships with commercial intermediaries. Furthermore, previous evaluations found weak institutional capacity and slow business environment reforms. The PSS integrates these lessons through targeted capacity-building for business support organizations (BSOs) and by prioritizing legal and regulatory reforms to accelerate the enabling environment. Finally, earlier approaches lacked robust monitoring and learning systems. In response, the PSS introduces a Theory of Change and strengthened results monitoring framework linking inputs, outcomes, and impacts. These shifts make the PSS a more operationally grounded, evidence-driven framework that positions the private sector as a partner rather than a beneficiary.

MI 8.5: Poorly performing interventions proactively identified, tracked and addressed.

- Element 8.5.1: A system exists to identify poorly performing interventions.
- Element 8.5.2: Regular reporting tracks the status and evolution of poorly performing interventions.
- Element 8.5.3: A process for addressing poor performance exists, with evidence of its use.
- Element 8.5.4: The process clearly delineates the responsibility to take action.

Ratings

MI / Element	Rating	Score	Confidence Level
MI 8.5	Satisfactory	2.75	
Element 8.5.1	Unsatisfactory	2	High
Element 8.5.2	Satisfactory	3	High
Element 8.5.3	Satisfactory	3	Medium
Element 8.5.4	Satisfactory	3	Medium

MI 8.5 Evidence documents

- Caribbean Development Bank (2011) “*Evaluation Policy*”
[BD126_11EvaluationPolicyforCDB_FINAL_0.pdf](#)
- Caribbean Development Bank (2022), Development Effectiveness Review 2021,
[Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2021, (*internal document*).
- Caribbean Development Bank (2023), Development Effectiveness Review 2022,
[Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2022, (*internal document*).
- Caribbean Development Bank (2024), Development Effectiveness Review 2023,
[Development Effectiveness Review 2023 | Caribbean Development Bank](#)

- Caribbean Development Bank (2024), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2023, (*internal document*).
- Caribbean Development Bank (2024) “Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response” [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
- Caribbean Development Bank (2025) “Self-Evaluation Manual” (*internal document*).
- Caribbean Development Bank (2025) “Evaluation Policy” [2025 CDB Evaluation Policy | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025) “Office of Independent Evaluation 2026 Work Programme and Budget and Indicative Plan for 2027-28” (*internal document*).
- Office of Independent Evaluation (2025) “Independent Evaluation Manual” (*internal document*).
- Office of Independent Evaluation (2025) “AI Chatbot to provide insights from OIE reports” (*internal document*).
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Harrison’s Cave Redevelopment, Barbados. [Barbados – Harrison’s Cave Redevelopment \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Seventh Road Safety Project, Belize. [Belize– Road Safety Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2022). Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF). [Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Fiscal Consolidation, Growth and Social Stability Policy-Based Loan, Jamaica. [Jamaica– Fiscal Consolidation, Growth and Social Stability Policy-based Loan \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Community Investment Project, Jamaica. [Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana. [Guyana - Technical and Educational Training | Caribbean Development Bank](#)

- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Policy-Based Loans – Antigua and Barbuda and Grenada. [Antigua and Barbuda and Grenada - Policy-Based Loans | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Market Access and Rural Enterprise Development Programme, Grenada. [Grenada-Market Access and Rural Enterprise Development Project | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas. [The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Education for All Project, Republic of Haiti. [Haiti - Education for All | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 8.5 Analysis

Element 8.5.1: A system exists to identify poorly performing interventions.

CDB has a system to identify “projects at risk” through regular supervision of operations. However, there are important challenges in the relevance and effectiveness of this system.

CDB is rated **unsatisfactory** based on challenges linked to the quality and reliability of the data for identifying and addressing poorly performing operations.

Operations are required to be supervised at least annually with a Project Supervision Report prepared in OP365. These reports are required to be completed before the end of April of each year. An

Implementation Progress Score (IPS) is derived from the Supervision module of OP365 and is intended to indicate how likely the project is to contribute to the achievement of development impacts.

There are 6 core evaluation criteria underpinning the IPS, scored on a scale of 1-4, including: (i) delay in terminal disbursement date (for loans and grants); (ii) outstanding issues in the issues log; (iii) disbursement against target; (iv) satisfaction of terms and conditions; and (v) number of output targets achieved. The IPS averages the ratings and scores for each criterion.

CDB has not yet established a watchlist or special operations team to support restructuring and recovery of nonsovereign operations at risk of default. However, CDB plans to establish such a function in line with its plans to scale up the nonsovereign portfolio.

A key challenge to the effectiveness of this system is: (i) the frequency of project supervision; and (ii) the data quality linked to supervision reporting in OP365. Data from OP365 demonstrates uneven depth and quality across operations that threatens the ability of CDB to demonstrate contribution to results ex-post. Arguably, a requirement for annual supervision reporting from a compliance-driven perspective is not in line with CDB's role as a regional partner who is more accessible to BMCs. CDB should consider increasing the frequency of formal supervision reporting to address challenges more proactively and reinforce its comparative advantage as a local, accessible and agile regional development partner.

Element 8.5.2: Regular reporting tracks the status and evolution of poorly performing interventions.

CDB monitors projects at risk through its RMF and Annual Review of the Portfolio of Projects under Implementation (ARPP). CDB plans to implement regular portfolio reviews to help address implementation challenges with BMCs more proactively.

CDB is rated **satisfactory** based on alignment to good practice.

CDB tracks the number and proportion of ongoing projects “at risk,” meaning that they exhibit more than two of the following six risk criteria: (i) a weighted average score for any performance criterion equal to or below 0.5; (ii) a composite performance score below 4.0; (iii) a decline in any project performance rating score by more than 15%; (iv) timing performance more than 15% behind target; (v) CDB performance unsatisfactory; and (vi) Borrower performance unsatisfactory. An annual performance target is set at 8%.

The overall proportion of projects at risk are monitored annually in the ARPP. The level of projects at risk has fluctuated over the assessment period (Table 20).

Projects labelled “at risk” are subject to enhanced supervision such that Project Status Reports are produced at least twice annually with an updated PCR due in the middle of the year to assess further actions to be taken. Stakeholders note that management is increasingly monitoring the length of time a project remains “at risk.” Common issues underlying projects at risk identified in the 2024 ARPP include poor contractor performance, delayed land acquisition, and supply chain disruptions.

Table 20. Proportion of projects at risk (2020-24).

Year	Proportion of projects at risk
2020	9
2021	15
2022	12
2023	8
2024	12

Source: CDB Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2024).

Projects labelled “at risk” are subject to enhanced supervision such that Project Status Reports are produced at least twice annually with an updated PCR due in the middle of the year to assess further actions to be taken. Stakeholders note that management is increasingly monitoring the length of time a project remains “at risk.” Common issues underlying projects at risk identified in the 2024 ARPP include poor contractor performance, delayed land acquisition, and supply chain disruptions.

Multiple stakeholders noted that CDB could benefit from adopting a more proactive and responsive approach to supervision and addressing implementation challenges. The 2025 ARPP identifies some key actions to be taken in this direction, including by conducting six country portfolio reviews in 2025, led by Senior Management, with the aim of reaching an agreement with the country on how to address implementation challenges. A system of monthly reviews is planned by the Projects Department with the critical issues escalated to senior management based on defined escalation protocol.

Element 8.5.3: A process for addressing poor performance exists, with evidence of its use.

A process for addressing poor performance through changes in scope or financial terms exists, with portfolio reporting and PCRs demonstrating evidence of use.

CDB is rated **satisfactory** based on alignment to good practice.

CDB’s OPPM identifies different processes for making changes to projects, including changes to the Terminal Disbursement Date, reallocation of financing across different components, changes in source of financing. Such changes are recommended following supervision to help enhance the performance of projects. However, a major challenge involves the fact that many project changes must be approved at the level of senior management or the Board, contributing to delays.

Of the 92 projects under implementation in 2024, 6 (6.5%) note that a change in scope has been undertaken in the APRR. Changes in scope are also typically documented in project PCRs, identifying the reasons behind changes in scope and the impact on outcome achievement. Of the 20 PCRVs reviewed for this assessment, 7 (35%) note that a change in scope was implemented.

Common reasons for changes in scope include: (i) limited project readiness at start-up; (ii) evolving national priorities, sector strategies or institutional reforms; (iii) external shocks, including natural disasters; (iv) overly ambitious design and weak capacity of executing agencies; (v) shortfalls in cofinancing and counterpart funds; and (vi) addressing poorly performing project components following supervision or mid-term reviews.

Element 8.5.4: The process clearly delineates the responsibility to take action.

Project Supervisors are responsible for identifying needed changes in scope. Most changes in scope and financial terms must be approved by the Board of Directors whereas minor changes, including minor reallocations of resources across project components, can be approved by management.

CDB is rated **satisfactory** based on alignment to good practice. CDB should create stronger incentives and provide additional flexibility for staff to change intervention designs when necessary.

Project Supervisors are responsible to identify the need for a change in project scope or in financing arrangements and conditions through regular supervision of the project. The Project Supervisor prepares a Project Control Form to identify reallocation of costs and a Draft Board Paper where a change in project scope is required.

Changes in project scope are subject to different levels of review, including by the Division Chief, Director of the Projects Department, and Investment Committee. The Division Chief is able to approve the reallocation of cost involving a minor variation in the scope of the project. Major changes in project scope,

approval of supplementary financing and rescheduling of loans must be approved by the Board of Directors. Waiver of Conditions Precedent, extension of periods to satisfy conditions precedent to first disbursement and extension of the Terminal Disbursement Date can be made at different levels of management within CDB depending on the extent of change.

In other MDBs, requirements that changes in scope be approved by the Board of Directors can pose challenges in enhancing project implementation and may create adverse incentives to implement unsuitable designs to avoid time taken to approve changes. This can ultimately influence the achievement of results. Greater flexibility in making project changes tends to be positive when paired with suitable consultation and transparency.

Of note, new ratings criteria established in the Self-Evaluation Manual have the potential to introduce perverse incentives. In rating the relevance criteria of PCRs, emphasis is placed on the quality of the initial design and the absence of needed changes throughout implementation. While initial quality at entry is important, it is also essential that project designs are updated as necessary to adapt to changing conditions in an agile and transparent way. This adaptive management has important implications for ex-post results of projects. Consideration should also be given to consider CDB's agility and responsiveness in adapting project design and implementation arrangements to promote the achievement of results.

MI 8.6: Clear accountability system ensures responses and follow-up to and use of evaluation recommendations.

- Element 8.6.1: Evaluation reports include a management response (or has one attached or associated with it).
- Element 8.6.2: Management responses include an action plan and/ or agreement clearly stating responsibilities and accountabilities.
- Element 8.6.3: A timeline for implementation of key recommendations is proposed.
- Element 8.6.4: An annual report on the status of use and implementation of evaluation recommendations is made public.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 8.6	Satisfactory	2.75	
Element 8.6.1	Satisfactory	3	High
Element 8.6.2	Satisfactory	3	High
Element 8.6.3	Satisfactory	3	High
Element 8.6.4	Unsatisfactory	2	Medium

MI 8.6 Evidence documents

- Caribbean Development Bank (2024) "Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response" [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024) "Annual Review of Management Action Plans – Status on the Implementation of Recommendations" (*internal document*).

MI 8.6 Analysis

Element 8.6.1: Evaluation reports include a management response (or has one attached or associated with it).

All evaluation reports include a management response.

CDB is rated **satisfactory** based on alignment to good practice.

All evaluation reports produced over the assessment period contain a management response that identifies management's level of agreement with each recommendation, actions to be taken to address the recommendation and a timeframe for implementation. However, there are some important challenges with the quality of evaluation management responses.

Challenges had been encountered regarding the lack of a clear time limit for management to finalise the evaluation management response, which delayed the finalisation and release of some evaluations. Until recently, delays experienced in the production of management responses posed a threat to the independence of the independent evaluation function. Evaluation reports historically required a management response before being presented to the Board Oversight Assurance Committee (and now the Committee for Development Effectiveness (DEC)); however, management's finalisation of the management response was often seriously delayed – between 6 months and one year. The presentation of evaluation reports to the Board was therefore delayed.

The 2025 Evaluation Policy and Independent Evaluation Manual identify a deadline for receipt of management responses at 40 days following completion of the report. Stakeholders note that evaluations produced in 2024 and 2025 received more timely management responses – typically within 2-4 weeks. CDB should consider measuring and reporting the timeliness of management responses to provide additional incentives to adhere to this new timeline.

Element 8.6.2: Management responses include an action plan and/ or agreement clearly stating responsibilities and accountabilities.

Management responses identify the level of agreement with evaluation recommendations and specific actions to be undertaken. A recently approved management response template has helped address previous challenges related to the actionability of management responses in line with SMART principles.

CDB is rated **satisfactory** based on demonstrated improvements to the management response process.

Each management response identifies a series of actions to address evaluation recommendations as well as “lead entities” and “participating partners” responsible for implementing each evaluation response. However, there are opportunities to enhance the clarity of management actions to be taken. A review of evaluations produced over the assessment period revealed that some management actions did identify means of adopting suggested changes but rather reinforced existing processes.

CDB did not previously have guiding principles for the development of management responses. New guidance has been established in the recently approved independent evaluation manual. This guidance, enabling OIE to ensure management responses abide by SMART principles, could contribute to the effectiveness of management responses in promoting learning and accountability.

CDB has recently introduced an updated standard template for management responses that addresses many of these challenges, including: (i) requiring a clear statement of the extent of acceptance for recommendations; (ii) identifying specific lines of action and actions to be implemented; (iii) identifying the start and end date of the action; and (iv) identifying the lead entity and participating partners. Evidence from initial examples where this template has been applied provide confidence that the quality of

management responses will improve in a sustainable way. This template could be further strengthened by identifying means of verification and monitoring for identified actions.

In other IFIs, independent evaluation units have the mandate to assess the quality of management responses and provide feedback to the Board, who can use this information to challenge management on its proposed response. This practice helps contribute to the development of an evaluative culture across the institution.

Element 8.6.3: A timeline for implementation of key recommendations is proposed.

Each management action identifies a timeframe for implementation.

Despite opportunities to make management actions more timebound, CDB is rated **satisfactory** based on alignment to good practice.

Management actions are intended to each be accompanied by a timeframe for implementation. Implementation timeframes are identified for the vast majority of management actions. However, there are opportunities to enhance the specificity and timebound nature of management actions. Several management actions identify an “ongoing” timeframe for implementation. A review of 6 evaluations produced over the assessment period revealed that each had at least one management action with an “ongoing” timeframe.

A positive step taken by OIE is to identify clear quality criteria for evaluation recommendations, following SMART criteria. Clear and high-quality recommendations support more robust management responses. OIE should regularly assess the quality of its evaluation recommendations and present this analysis to the DEC for consideration in line with best practice from other IFI independent evaluation functions.

Furthermore, it would be ideal for OIE and management to establish a set of quality criteria for management responses so that they can be objectively reviewed prior to being presented to the Board. Guidance available in the Independent Evaluation Manual addresses the content of MRAPs, but not the quality. This practice can not only guide the robustness of future MRAPs but also provide valuable information for the DEC to engage management around the finalisation on their responses.

Element 8.6.4: An annual report on the status of use and implementation of evaluation recommendations is made public.

OIE is strengthening its annual reporting on the status of implementation for evaluation recommendations. However, this information is not yet shared publicly and are opportunities to make a much wider scope of evaluative information publicly available in line with good practice.

CDB is rated **unsatisfactory** since reporting on follow-up to management responses is not publicly available.

Throughout the assessment period, CDB has provided an update on the status of evaluation recommendations via a table in a word document. However, this format was not the most effective means of presenting the overall status of evaluation recommendations to easily identify recommendations that are overdue across different countries, functions and sectors.

In 2024, OIE introduced a Power-BI based dashboard to provide a visual representation of the status of management action plans that can be disaggregated in various ways. The dashboard provides an analysis of the implementation status for pending recommendations, the delay in implementing recommendations, the number of times management actions have been postponed and departments with the most pending recommendations as well as trends over time. Good progress was made in presenting outstanding follow-up from nearly all previous evaluations produced over the assessment period, with follow-up on all but

three evaluations presented to the DEC in 2025. However, this dashboard is not yet available publicly. In 2026, OIE plans to launch a public-facing dashboard presenting follow-up on MRAPs.

The 2024 report considered seven evaluations produced since 2020. Across these evaluations, the proportion of recommendations fully implemented ranged from 93.3% to 40%, with an average of 88.9%. On average, recommendations were completed with an overall average delay of 21 months. Stakeholders note that the new reporting format has helped address a considerable backlog of recommendations that had accumulated over previous years.

Delayed implementation of management actions is reflective of broader human resources constraints across the Bank, with high numbers of delayed recommendations among departments known to be under-resourced. Other departments have faced challenges closing recommendations based on delayed recruitment of new staff to take up key roles.

Beyond evaluation reports, there is much scope for OIE and CDB to enhance the scope of evaluation information and evidence accessible in the public domain in line with peers. This includes: (i) evaluation work plans and budgets; (ii) approach papers; (iii) Project Completion Reports and Validations; (iv) MRAP follow-up reports.

MI 8.7: Uptake of lessons learned and best practices from evaluations.

- Element 8.7.1: A complete and current repository of evaluations and their recommendations is available for use.
- Element 8.7.2: A mechanism for distilling and disseminating lessons learned internally exists.
- Element 8.7.3: A dissemination mechanism to partners, peers and other stakeholders is available and employed.
- Element 8.7.4: Evidence is available that lessons learned and good practices are being applied.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 8.7	Satisfactory	3.00	
Element 8.7.1	Satisfactory	3	High
Element 8.7.2	Satisfactory	3	Medium
Element 8.7.3	Satisfactory	3	Medium
Element 8.7.4	Satisfactory	3	Medium

MI 8.7 Evidence documents

- Caribbean Development Bank (2011) “*Evaluation Policy*” [BD126_11EvaluationPolicyforCDB_FINAL_0.pdf](#)
- Caribbean Development Bank (2024) “*Peer Review of the Evaluation Function of the Caribbean Development Bank with Management Response*” [Peer Review of the Evaluation Function of the Caribbean Development Bank | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) “*Work Programme and Administrative and Capital Budgets 2025-26*” (*internal document*).
- Caribbean Development Bank (2025) “*Development Effectiveness Committee Terms of Reference*” (*internal document*).
- Caribbean Development Bank (2025) “*Self-Evaluation Manual*” (*internal document*).

- Caribbean Development Bank (2025) “Evaluation Policy” [2025 CDB Evaluation Policy | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024) “2023 Perception Survey” (internal document).
- Office of Independent Evaluation (2025) “Office of Independent Evaluation 2026 Work Programme and Budget and Indicative Plan for 2027-28” (internal document).
- Office of Independent Evaluation (2025) “Independent Evaluation Manual” (internal document).
- Office of Independent Evaluation (2025) “AI Chatbot to provide insights from OIE reports” (internal document).

MI 8.7 Analysis

Element 8.7.1: A complete and current repository of evaluations and their recommendations is available for use.

Evaluations are available publicly on CDB’s website.

CDB is rated **satisfactory** based on alignment to good practice. However, CDB should put more evaluative information in the public domain (such as follow-up to management responses) and consider providing short briefs of evaluation reports.

Evaluation reports (sometimes redacted) and management responses are available publicly on CDB’s website in the general resource library of the Bank. However, there has previously been a backlog of making evaluations available in this space, which was recently addressed by OIE in August 2025. Evaluations are provided in pdf format and are searchable by keyword, country, sectors and themes, type and year. As noted above, OIE plans to release a new webpage that will enhance the public accessibility of independent evaluation.

Stakeholders noted the need for OIE to have a separate intranet page with permissions and capacity to upload reports themselves. Previously, OIE has had to rely on other units throughout the Bank to upload information, creating a risk to independence. Furthermore, the previous arrangements limit the type of information OIE can upload. Plans for a separate OIE intranet and internet pages will enhance the public accessibility of evaluations and enable OIE to share a wider scope of information publicly, including guidance documents, work programmes and reports.

The new 2025 Evaluation Policy more clearly establishes OIE’s independence in posting evaluations in a timely manner and notes communication and dissemination as a core principle underlying the function. As part of the update to the Evaluation Policy, OIE has included provisions on communication and dissemination of evaluations to help ensure evaluations and other information are made available to stakeholders in a timely manner. Importantly, OIE now has the authority to post its evaluations on CDB’s website directly.

As noted in 8.6.4 above, there was previously much scope for OIE and CDB to enhance the scope of evaluation information and evidence accessible in the public domain in line with peers. This includes: (i) evaluation work plans and budgets; (ii) approach papers; (iii) Project Completion Reports and Validations; (iv) MRAP follow-up reports. CDB should also consider drafting and sharing short stand-alone briefs of evaluation reports on its website to promote engagement and use. The 2025 Evaluation Policy now enables OIE to address this gap, with plans to move toward a similar mechanism to the UNDP’s Evaluation Resource Centre system.

Element 8.7.2: An internal mechanism for distilling and disseminating lessons learned exists.

All PCRs identify lessons, the quality of which is generally endorsed in OIE's validations. Since 2024, OIE has been developing tools to help disseminate operational lessons to inform future strategies and operations.

CDB is rated satisfactory based on alignment to good practice.

Project Completion Reports (PCRs) each identify lessons learned. These lessons are subsequently reviewed when PCRs are validated by OIE, with reviewers identifying a level of agreement. In the majority of cases, PCRs identify multiple lessons that are endorsed by OIE in the PCR.

In 2024, OIE began piloting the use of an AI-powered search tool to compile findings and recommendations from validated Project Completion Reports (PCRs) intended to capitalise on lessons from past projects and evaluations to inform the design of new policies, strategies and operations at CDB. The tool is expected to enhance learning, accountability and operational effectiveness for CDB staff and the Board. This tool is in early implementation and its maturity continues to be enhanced.

Going forward, OIE should ensure that use metrics are identified and regularly monitored and reporting to promote use of the database among CDB staff, management and the Board.

Element 8.7.3: A dissemination mechanism to partners, peers and other stakeholders is available and employed.

Conference participation and training have been a key means through which CDB builds evaluation capacity across the region and shares evaluation lessons with stakeholders. In its recent work programme, CDB has shifted toward the production of synthesis products and Real-Time Evaluations targeting sharing of insights for operational learning.

CDB is rated **satisfactory** based on alignment to good practice.

In recent years, CDB has sought to support evaluation dissemination through new learning-focused products, updates to IT infrastructure, broader engagement with stakeholders and targeted communication and dissemination planning for evaluations. Of note communication and dissemination is reflected among the guiding principles identified in the new 2025 Evaluation Policy.

Evaluation Products:

OIE has started implementing synthesis studies as part of its work programme to facilitate the communication of lessons to partners. Recent products include a synthesis study of five recently completed CSPEs. A synthesis study of BNTF-supported operations was planned for completion in 2025. In July 2025, OIE launched its first pilot Real-Time Evaluation, aimed at delivering concrete, actionable insights to support CDB staff and partners in implementing Water Supply Improvement interventions in Guyana. These reports are expected to be presented to CDB's DEC in Q2 2026.

Stakeholder Engagement:

CDB's 2026-28 Work Programme and Budget identifies stakeholder engagement as a key pillar, including outreach to staff and stakeholders through regional conferences and training events.

In recent years, OIE has partnered with the Inter-American Development Bank and the Centre for Learning on Evaluation and Results for Latin America and the Caribbean (CLEAR-LAC), which facilitates the strengthening of M&E systems in the LAC region. This initiative includes online training for CDB staff, training in Monitoring and Evaluation for all BMCs as well as development of a Monitoring, Evaluation, Accountability and Learning (MEAL) Community of Practice across the region. Furthermore, in 2026 OIE will implement a pilot programme to strengthen M&E capacity in Jamaica, Trinidad and Tobago and Saint Lucia, started in 2025.

In 2026, OIE plans to organise the inaugural Caribbean Evaluation Week (CEW), to be held every two years, designed to foster reflection on best practices and challenges specific to the Caribbean evaluation sector. Key partners include the University of the West Indies, CLEAR-LAC, the Caribbean Evaluators Internation (CEI) network and IDB.

Dissemination Infrastructure and Planning:

As part of its strategic vision for the evaluation function, OIE is scaling up IT infrastructure, including strengthening its independence in posting reports, enhancing its webpages and generating a dashboard outlining progress in delivering its work programme. One consideration could be to also post evaluation approach papers publicly to enable users to engage upstream with ongoing evaluations.

A evaluation communications plan has been developed following four key objectives:

Changing the perception of CDB staff to promote additional internal buy-in;

Expanding OIE's regional and international network through direct engagement with BMCs, evaluation leaders, events and incorporation of best practices from other evaluations;

Maximise the visibility of evaluations through "repeatable" communications products, packages and approaches for evaluations, including dissemination through key conferences and events; and

Enhancing digital communications platforms, including the website, digital media kits, digital performance indicators and increased LinkedIn presence.

Evaluation approach papers now clearly identify the potential use and users of evaluations to inform the design, timing and approach. A key step forward involves the requirement in the new Independent Evaluation Manual that all new evaluations identify a communication and dissemination strategy, starting with the approach paper. This step helps identify opportunities to raise awareness of evaluation findings and lessons at critical moments and plan engagement with key stakeholders to promote uptake.

Element 8.7.4: Evidence is available that lessons learned and good practices are being applied.

There is tangible evidence that lessons and recommendations from OIE reports are being taken up to inform the development of new sector and thematic policies and strategies and CES.

Despite previous challenges related to the scope and timeliness of evaluation reports, CDB is rated **satisfactory** based on evidence that evaluations are taken up for decision-making.

Uptake of lessons from independent evaluation has likely been hindered by the limited number of evaluations produced and the timeliness of reports to inform decision-making. OIE has recently undertaken a number of initiatives recently to improve the utility and the use of independent evaluations for decision-making, targeting stakeholder engagement, governance and capacity development.

There are tangible examples of how independent evaluations produced by OIE have contributed to the design of new Policies and Strategies across the Bank. Of seven new strategies introduced over the assessment period, two directly incorporate lessons and recommendations from OIE reports. Other strategies introduced over the assessment period reference internal reviews, portfolio stocktakes, or other thematic assessments.

Examples of uptake are discussed below:

- The 2023-28 Private Sector Strategy cites lessons from the OIE 2021 evaluation of Private Sector Operations and Development Financial Institutions (DFIs), which identified constraints linked to limited financial instruments, a narrow risk appetite, and weak results measurement. The new Strategy integrates these through: (1) a multi-instrument financing model (direct lending, blended finance, guarantees); (2) introduction of a Theory of Change and Results Framework for evidence-

based monitoring; and (3) a strong focus on capacity building for financial intermediaries to address gaps identified by OIE.

- The 2022-27 Energy Sector Policy and Strategy (ESPS) identified lessons from the OIE evaluation of ESPS 2015 and CDB Energy Interventions (2015–2019). These include the limited impact of private-sector operations, insufficient diversification of financing tools, and underdeveloped enabling environments. In respect, the revised strategy: (i) expands the Bank's financing modalities; (ii) strengthens support for regulatory reform; and (iii) integrates gender equality and resilience as cross-cutting priorities to address evaluation findings on inclusivity and sustainability.

Beyond this, one CES produced over the assessment period explicitly incorporated lessons from evaluation. The 2022-26 Belize CES notes that the OIE validation identified challenges linked to overly broad project objectives, weak results frameworks, and insufficient selectivity. These lessons directly informed the new CES's more focused design, with three realistic strategic outcomes, a stronger results framework, and built-in mid-term review and monitoring mechanisms. The CES specifically attributes the new design to lessons from the independent evaluation.

A major challenge surrounding the uptake of evaluation lessons to support the design of new strategies has involved the timeliness of evaluation reports and the fact that only 1-3 evaluations are produced annually. This challenge reflects key feedback from OIE's 2023 client perception survey. In addition to a large proportion of respondents not being aware of OIE's reports and not able to attest to their quality, timeliness of evaluations was identified as an important area for improvement. A follow-up survey will be implemented in late 2026 to understand changes in client perception following the approval of the 2025 Evaluation Policy and the Independent and Self-Evaluation Manuals.

Recent steps taken by OIE and the Bank will help address this situation through a few key strategies. The new Independent Evaluation Manual includes the convening of Evaluation Reference Groups (ERGs) for each evaluation, including five key internal and external stakeholders representing the evaluand, peers and users, including the evaluation focal point from the relevant CDB department. The Manual identifies clear entry points for consultation and review by the ERG centred around evaluation milestones. Approach papers now include a clear focus on identifying the potential users needs and use of evaluations to help inform the design and approach. Part of OIE's forward looking strategic vision for the independent evaluation function involves capacity building across BMCs and internally within CDB, including an e-learning course and onboarding module to enhance understanding of CDB's role and work.

Convening of the Board's Development Effectiveness Committee (DEC) is a positive step to help ensure lessons from evaluations are followed up in Board discussions. However, the TORs of the DEC could be more explicit in identifying their role in promoting the use of evaluation across and uptake of findings and lessons in other Board discussions, including to approve new strategies and policies.

RESULTS

Achievement of relevant, inclusive and sustainable contributions to humanitarian and development results are achieved in an efficient manner.

KPI 9 Development and humanitarian objectives are achieved and results contribute to normative and cross-cutting goals.

Proposed Ratings

KPI / MI	Rating	Score
KPI 9	Unsatisfactory	2.25

MI 9.1	Unsatisfactory	2
MI 9.2	Unsatisfactory	2
MI 9.3	Unsatisfactory	2
MI 9.4	Satisfactory	3

MI 9.1: Sovereign interventions assessed as having achieved their objectives.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 9.1	Unsatisfactory	2	Low

Evidence documents

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Family Islands Transport Sector Enhancement Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Emergency Support Loan – LIAT (1974) Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Belize Social Investment Fund II Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Market Access and Rural Enterprise Development Project, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Road Safety Project, *(Internal Document)*
- Caribbean Development Bank (2021), Development Effectiveness Review 2020, [Development Effectiveness Review 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2021), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2020, *(internal document)*.
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-related hazards - St. Vincent and the Grenadines, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2022), Development Effectiveness Review 2021, [Development Effectiveness Review 2021 | Caribbean Development Bank](#)

- Caribbean Development Bank (2022), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2021, *(internal document)*.
- Caribbean Development Bank (2023), Development Effectiveness Review 2022, [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2022, *(internal document)*.
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, *(Internal Document)*
- Caribbean Development Bank (2024), Natural Disaster Management – Rehabilitation and Reconstruction (Hurricane Tomas), *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Natural Disaster Management – Immediate Response Loan and Use of Funds (Consultancy Services) – Tropical Storm Matthew, *(Internal Document)*
- Caribbean Development Bank (2024), Development Effectiveness Review 2023, [Development Effectiveness Review 2023 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2023, *(internal document)*.
- Caribbean Development Bank (2025), Project Completion Report: Fourth Road Project - South Leeward Highway Rehabilitation and Upgrade, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Youth and Community Transformation Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Enhancing Sugarcane Farmers' Resilience to Natural Hazard Events, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Safety Nets for Vulnerable Populations Affected by the Coronavirus Disease 2019, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Sixth Power Project - Belize, *(Internal Document)*.
- Caribbean Development Bank (2025), Development Effectiveness Review 2024, *(internal document)*
- Caribbean Development Bank (2025), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2024, *(internal document)*.
- Caribbean Development Bank (2026), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2025, *(internal document)*.
- Caribbean Development Bank (2026), Development Effectiveness Review 2025, *(internal document)*

- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [*Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [*St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [*St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Harrison's Cave Redevelopment, Barbados. [*Barbados – Harrison's Cave Redevelopment \(2020\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [*Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Seventh Road Safety Project, Belize. [*Belize– Road Safety Project \(2022\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [*Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank*](#).
- Office of Independent Evaluation (2022). Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF). [*Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Fiscal Consolidation, Growth and Social Stability Policy-Based Loan, Jamaica. [*Jamaica– Fiscal Consolidation, Growth and Social Stability Policy-based Loan \(2022\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Community Investment Project, Jamaica. [*Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana. [*Guyana - Technical and Educational Training | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [*St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Policy-Based Loans – Antigua and Barbuda and Grenada. [*Antigua and Barbuda and Grenada - Policy-Based Loans | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Market Access and Rural Enterprise Development Programme, Grenada. [*Grenada-Market Access and Rural Enterprise Development Project | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas. [*The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank*](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Education for All Project, Republic of Haiti. [*Haiti - Education for All | Caribbean Development Bank*](#)

- Office of Independent Evaluation (2024), Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 9.1 Analysis

The available evidence suggests that most CDB projects deliver their expected outputs, with CDB on track to achieve the majority of output-related targets in its current RMF. However, evidence demonstrating contribution to outcomes is uneven. The performance of the portfolio under implementation has been uneven over the period and has not reached RMF targets for portfolio performance.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice and lack of reliable evidence of contribution to outcomes.

It is not possible to obtain a complete, verified picture of the performance of CDB's portfolio because PCR validations are not available for a representative sample of projects completed during the assessment period. As a result, it is not possible to present comprehensive trends for project performance across the portfolio across different years. No equivalent completion reporting or validation exercise is performed at the country strategy level following the completion of country strategies.

Long implementation timeframes and delays in producing PCRs contribute challenges in providing an accurate picture of performance. This analysis considered 21 PCRs produced between 2020 and 2025. These projects were 5.71 years old on average at their terminal disbursement date. The projects were approved between 2008 and 2021 with the terminal disbursement date occurring with an average 2.95 years after the original target. On average, PCRs were finalised another 2.95 years following the terminal disbursement date, reflecting a lack of timely completion of PCRs following terminal disbursement. Overall, the available evidence allows for an assessment of overall performance only at a low level of confidence.

Four lines of evidence were considered for this analysis: (i) 14 available PCR validations produced over the period (although covering projects approved much earlier); (ii) 6 available independent evaluations, including 3 Country Strategy and Programme Evaluations and 3 sector/programme evaluations; (iii) annual portfolio performance reporting; and (iv) evidence from 21 unvalidated PCRs.

Evidence from Project Completion Report Validations (PCRVs):

Available PCRVs indicate that a moderate majority of projects broadly deliver on their expected outputs and outcomes, with 64.3% (9 of 14) of projects achieving a rating of satisfactory or highly satisfactory with respect to overall effectiveness.

No year-over-year comparison is possible. Historically, a relatively low number of PCRVs have been completed and made available, typically on a two-year cycle. These data do not allow for a year-over-year comparison of the performance of completed projects that is typically provided by other IFIs. Some of the projects reviewed were approved as early as 2006, providing a somewhat fragmented view of verified project performance over the assessment period.

Drivers of strong effectiveness identified in PCRVs include:

- Clarity and quality of results frameworks, including clear project vertical logic and measurable targets;
- Strong institutional capacity and adaptive management on the part of Executing Agencies and Project Management Units;
- Interagency collaboration and coordination, particularly in the case of multi-sectoral policy-based loans; and
- Flexible implementation, including reallocation of resources and adjustment of implementation plans in response to changing circumstances.

Common challenges among projects with weaker effectiveness ratings include:

- Unrealistic project designs, demand projections and promotion of services;
- Weak M&E systems and inconsistent supervision; and
- Weak implementation capacity and rigid project implementation approaches.

Evidence from Sector and Country Strategy and Programme Evaluations (CSPE):

Overall, the analysis considered three CSPEs and three Sector and Programme evaluations covering 55 projects approved after 2012, with most evaluations considering projects approved after 2017. With the exception of the Trinidad and Tobago CSPE, all sector evaluations and CSPEs noted that the majority of projects delivered their expected outputs. However, evidence was much more limited with respect to the extent to which projects contributed to their expected outcomes.

In the case of Trinidad and Tobago, several projects faced important implementation challenges that limited the delivery of project outputs. These included prolonged delays and non-disbursement, execution bottlenecks linked to procurement, complex approval chains across institutions, rigid procedures and weak government engagement.

Despite overall strong delivery of outputs, CSPEs suggest a much weaker evidence of causal and contributory linkages to key outcomes, including: (i) reduced vulnerability and enhanced resilience; (ii) service reliability, water quality and consumer satisfaction; (iii) energy savings, renewable energy penetration and reduced GHG emissions; (iv) durability and depth of reforms with respect to fiscal discipline, enhanced disaster response and social protection; and (v) overall contribution to national development targets. An exception was strong evidence of contribution to national frameworks supporting uptake of renewable energy, including institutional policy development, country-level roadmaps and contribution to regional donor coordination.

Drivers of strong performance in these contexts included:

- Robust institutional arrangements, including capable PIUs with clearly defined roles and capability to make agile decisions;

- Strong government ownership and engagement of counterpart agencies, reflected in policy commitments;
- Flexible project designs and adaptive supervision and management, including iterative community participation in planning and implementation;
- Strong integration of capacity building components to strengthen key institutions; and
- Collaboration across ministries and donors to leverage resources, promote coherence and avoid duplication.

Common challenges creating constraints for outcome-level achievements include:

- Deficits in monitoring and evaluation, including weak data collection, incomplete M&E systems and absence of baseline data;
- Lengthy approval cycles and procurement processes leading to implementation delays;
- Overambitious and complex project design that does not reflect institutional capacity; and
- Fragmented multi-agency arrangements and fragmented coordination.

Portfolio Performance Reporting:

Through Level 2 of its RMF, CDB tracks its contribution to BMC development outcomes through a series of reach targets achieved from the delivery of projects for the period of 2020-25. Currently, these reach targets reflect projected results at the time a project is approved. However, work is ongoing to enable reporting of achieved and expected results. Of note, these reach indicators predominantly reflect the aggregated outputs of projects.

These reach targets are identified across five different priority areas:

- (i) Building Social Resilience (education and training, agriculture and rural development, water and sanitation, community infrastructure, citizen security, social protection and social inclusion);
- (ii) Building Environmental Resilience (renewable energy, GHG emissions reductions, energy savings, transmission and distribution);
- (iii) Building Production Resilience (economic infrastructure, private sector development);
- (iv) Building financial resilience (improving financial management systems and public investment programmes); and
- (v) Building Institutional Resilience (implementation and capacity development, good governance, regional cooperation and integration).

The 2024 Development Effectiveness Review indicates that CDB is currently on track to achieve 58.8% of these targets, with strong performance for financial resilience, institutional resilience and production resilience.

CDB measures the percentage of PCRs rated satisfactory or highly satisfactory with an implicit target of 100% (e.g. extent to which closed projects achieve a rating of satisfactory or better for the achievement of outcomes). There is no equivalent target or exercise to assess performance in implementing Country Engagement Strategies. CDB also monitors the proportion of projects rated Satisfactory or Highly Satisfactory for implementation, derived from Implementation Progress Scores from supervision reporting, and Projects under Implementation at Risk, reflecting the proportion of projects facing material implementation challenges.

Over the course of the assessment period, the majority of projects under implementation have been rated satisfactory or highly satisfactory for implementation; however, this proportion has reduced over time, falling from 71% in 2020 to 57% in 2024 and remaining below a target of 90% (See Table 21). The 2025 ARPP reflects an increase to 77% for 2025, but this proportion but portfolio trends remain volatile. The

proportion of projects at risk has fluctuated over the period between 8 and 15% against a target of 8% (See Table 22).

Table 21. Proportion of projects rated satisfactory or highly satisfactory for implementation (2020-24).

Year	Proportion of projects rated satisfactory or highly satisfactory
2020	71
2021	42
2022	71
2023	62
2024	57
2025	77

Source: CDB Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2025).

Table 22. Proportion of projects at risk (2020-24).

Year	Proportion of projects at risk
2020	9
2021	15
2022	12
2023	8
2024	12
2025	10

Source: CDB Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2024).

Project Completion Reports:

The analysis of PCRs revealed that 76% of projects were rated either highly satisfactory or satisfactory for effectiveness / efficacy. However, the majority were rated as such based on the delivery of outputs as planned rather than evidence of progress toward outcomes.

A major constraint for projects included poor M&E and reporting capacity on the part of Executing Agencies and PIUs with planned analysis to determine contribution to outcomes late or missing. The experience of the PIU, particularly with procurement was a key factor supporting the achievement of results.

MI 9.2: Non-sovereign interventions are profitable, contribute to economic development, and promote high standards.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 9.2	Unsatisfactory	2	Low

Evidence documents

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, (*Internal Document*)
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, (*Internal Document*)
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, (*Internal Document*)
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, (*Internal Document*)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 9.2 Analysis

To date, CDB's non-sovereign portfolio has been limited. CDB lacks appropriate tools and frameworks to capture contributions to private sector development and development outcomes in

this context. Profitability indications have mostly been negative, due in part to the high-risk nature of CDB's operations in this space.

CDB is rated **unsatisfactory** based on a demonstrated gap to good practice.

CDB's experience with non-sovereign operations has largely involved lines of credit to financial institutions and provision of working capital to critical private sector actors (e.g. LIAT Air, Grantley Adams Airport).

Unlike other institutions with private-sector facing activities, CDB does not have a dedicated RBM approach for private sector operations aligned to the ECG Good Practice Standards. Financial performance and economic impact are not measured consistently across these operations. Relevant information is often considered as part of the efficiency of the operation.

This analysis considers evidence from CDB's Annual Review of Portfolio Performance and 6 PCRs for nonsovereign/private sector development operations.

RMF Targets for Private Sector Development:

CDB tracks ex-ante projections from approved projects for contribution (outputs) to private sector development in six areas:

- Value of credit made available to the private sector;
- MSMEs benefitting from credit (number);
- Beneficiaries of mortgage programmes (number);
- Beneficiaries of TA interventions targeting MSMEs (number);
- Business climate and competitiveness enhancement projects implemented (number); and
- And BMCS with increased capacity to undertake PPP arrangements (number).

CDB is currently on track to meet targets for all indicators with the exception of Value of credit made available to the private sector.

Portfolio Completion Reports:

In five of six cases from PCRs, profitability indications were negative, including four financial institutions which were unable to achieve a set benchmark of 1% return on average assets. Furthermore, financial institutions tended to struggle with high levels of Non-Performing Loans (NPLs). This weak performance is partly reflective of the nature of financial institutions that CDB engages with as well as the high-risk nature of these operations, including provision of student loans and SME finance contributing to deepening of the financial sector.

Higher performing investments include working capital provided to Grantley Adams International Airport and LIAT airlines. Despite misgivings over the financial performance of LIAT, the airline remains functional today.

As CDB seeks to broaden its experience with direct project finance and equity, it will be essential to develop suitable means to assess results in this context, including contribution to development impact, demonstration effects and broader economic and financial sector development. Development outcome data relevant to this context (e.g. business creation, job creation, government revenue) was missing.

As with other projects, weak M&E frameworks and reporting capacity on the part of clients contributed to a lack of evidence on broader private sector development impacts.

MI 9.3: Interventions assessed as having supported cross-cutting issues.

Ratings

MI / element	Rating	Score	Confidence Level
MI 9.3	Unsatisfactory	2	Low

Evidence documents

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, (*Internal Document*)
- Caribbean Development Bank (2020), Project Completion Report: Family Islands Transport Sector Enhancement Project, (*Internal Document*)
- Caribbean Development Bank (2020), Project Completion Report: Emergency Support Loan – LIAT (1974) Limited, (*Internal Document*)
- Caribbean Development Bank (2020), Project Completion Report: Belize Social Investment Fund II Project, (*Internal Document*)
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, (*Internal Document*)
- Caribbean Development Bank (2021), Project Completion Report: Market Access and Rural Enterprise Development Project, (*Internal Document*)
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, (*Internal Document*)
- Caribbean Development Bank (2021), Project Completion Report: Road Safety Project, (*Internal Document*)
- Caribbean Development Bank (2021), Development Effectiveness Review 2020, [Development Effectiveness Review 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, (*Internal Document*)
- Caribbean Development Bank (2022), Project Completion Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-related hazards - St. Vincent and the Grenadines, (*Internal Document*)
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, (*Internal Document*)
- Caribbean Development Bank (2022), Development Effectiveness Review 2021, [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Development Effectiveness Review 2022, [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, (*Internal Document*)
- Caribbean Development Bank (2024), Natural Disaster Management – Rehabilitation and Reconstruction (Hurricane Tomas), (*Internal Document*)
- Caribbean Development Bank (2024), Project Completion Report: Natural Disaster Management – Immediate Response Loan and Use of Funds (Consultancy Services) – Tropical Storm Matthew, (*Internal Document*)
- Caribbean Development Bank (2024), Development Effectiveness Review 2023, [Development Effectiveness Review 2023 | Caribbean Development Bank](#)

- Caribbean Development Bank (2025), Project Completion Report: Fourth Road Project - South Leeward Highway Rehabilitation and Upgrade, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Youth and Community Transformation Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Enhancing Sugarcane Farmers' Resilience to Natural Hazard Events, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Safety Nets for Vulnerable Populations Affected by the Coronavirus Disease 2019, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Sixth Power Project - Belize, *(Internal Document)*
- Caribbean Development Bank (2025), Development Effectiveness Review 2024, *(internal document)*
- Caribbean Development Bank (2026), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2025, *(internal document)*.
- Caribbean Development Bank (2026), Development Effectiveness Review 2025, *(internal document)*
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2022). Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF). [Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 9.3 Analysis

With the exception of gender, CDB primarily measures results for cross-cutting issues through its corporate RMF; however, the majority of these data are present results at the output level. Project results frameworks rarely speak to outcomes related to cross-cutting issues and Project Completion Reports provide limited data on the contribution to outcomes for cross-cutting issues. Although sector evaluations and CPSEs provide sound examples of institutional strengthening, participation of women in decision-making and knowledge sharing across BMCs, there is limited quantifiable data around CDB's contribution to outcomes for cross-cutting issues.

CDB is rated **unsatisfactory** based on uneven evidence that CDB is contributing to outcomes for cross-cutting themes.

This analysis considers results reporting for cross-cutting issues from 21 Project Completion Reports finalised between 2020-25, 3 CSPEs, 3 Sector Evaluations and annual reporting against CDB's Corporate RMF in the areas of gender, climate mitigation and adaptation and regional cooperation. Consolidated performance reporting is not yet available for CDB's other cross-cutting issues.

Results Monitoring Framework:

At Level 2 of the RMF, CDB reports on progress toward reach targets reflecting ex-ante projections from its approved projects. Here, CDB reports against a number of targets relevant to the areas of climate mitigation and adaptation and regional cooperation and mitigation, including a separate suite of output and outcome-level indicators for affordable clean energy and climate action. To date, the majority of these targets are on track (Table 23).

Table 23. Climate and Regional Cooperation and Integration Progress (2020-24).

Indicator	Cumulative Progress Achieved (2020-25)	Status
Energy: Renewable energy and energy storage capacity installed	3	Off-track
Greenhouse gas emissions reduction (t CO2 equivalent / year)	274,773	Achieved
Energy savings as a result of EE interventions (GWh/year)	319	Achieved
Number of BMCs with strengthened regulatory frameworks, strategies or policies to build resilience and adaptive capacity to climate-related hazards	12	Off track
Additional communities with improved capacity to address CC and DRM	24	Off track
Regional public goods created or strengthened with respect to quality and standards in line with international/ regional market requirements (number)	17	Offtrack
Trade Facilitation measures created, strengthened, or expanded (number)	30	Achieved

Source: CDB Development Effectiveness Review (2020-25)

CDBs track its overall percentage of climate adaptation and mitigation finance flows and has made progress in reaching its annual target of 25-30% of total approvals (Table 23). Of note, these targets do not reflect CDB's overall contribution to outcomes for BMCs in these areas. Nor do they reflect actual project performance for these components from completed operations.

Table 24. Climate-related Bank commitments.

Indicator	Target	2020	2021	2022	2023	2024	2025
Climate-related Bank commitments (adaptation and mitigation finance)	30	10	20.4	41	13.6	34	49.5

Source: CDB Development Effectiveness Review (2020-25)

Gender-related reporting at Level 2 of the RMF is somewhat limited, reflected in gender disaggregated reporting for Social Resilience Indicators. CDB has achieved positive progress, with two indicators on track and two indicators off track but achievable (Table 25).

Table 25. Gender Disaggregated RMF Indicators.

Indicator	Cumulative Progress Achieved (2020-25)	Status
Teachers and principles trained or certified (of whom female)	4999 / 7141	Off track
Students benefitting from improved physical classroom conditions or enhanced teacher (of whom female)	121,919 / 248,638	Achieved
Agriculture Stakeholders trained in improved production technology (of whom female)	4,466 / 10,171	On track

Direct beneficiaries of gender / GBV / social inclusion initiatives (of whom female)	1099 / 1717	On track

Source: CDB Development Effectiveness Review (2020-25)

At Level 3 of the RMF, CDB Reports on the portfolio of its operations supporting gender equality, including: (i) approved projects with a gender mainstreamed rating; (ii) approved projects rated as gender specific; and (iii) projects in the Gender Action Plan implemented (%). These indicators are on track (Table 26). Overall, CDB is making strong progress against its gender mainstreaming targets across operations but still faces challenges increasing gender-specific projects. Furthermore, the fact that projects receive a gender marker does not necessarily mean that the project contributes to gender outcomes.

Table 26. Gender Mainstreaming RMF Indicators.

Indicator	Target	2020	2021	2022	2023	2024	2025
Approved projects with a Gender Mainstreamed rating (% of total projects)	90	41	88	68	78	84	74
Approved projects rated as Gender Specific (% of total operations)	10	1.4	3	4	3	5	10
Projects in the Gender Action plan 2020-24 implemented (%)	80		N/A	68	70	86	14

Source: CDB Development Effectiveness Review (2020-25)

Country Strategy and Project Evaluations:

The analysis considered three CSPEs and three Sector and Programme evaluations covering 55 projects approved after 2012, with most evaluations considering projects approved after 2017. Overall, whereas these evaluations do provide evidence of contribution to institutional strengthening, community preparedness and knowledge sharing, weaknesses in M&E and the absence of tangible outcome data limit the extent of contribution to results for cross-cutting issues.

Across these evaluations, evidence of contribution to outcomes for cross-cutting issues was mixed. With respect to gender equality, results were most tangible with respect to the participation of women in training, consultations, community hazard mapping, income diversification and decision-making. Gender was also consistently identified as a cross-cutting priority for CSPEs. However, across all evaluation, tangible and quantifiable evidence of contribution to gender outcomes was limited due to the absence of systematic gender-related reporting (Table 27).

Table 27. Gender equality results from independent evaluations.

Evaluation	Gender-linked results	Overall Evidence
Energy Sector Policy and Strategy	Gender was not a core design pillar and gender-disaggregated indicators were not tracked consistently.	Weak
Water Sector	Gender-sensitive consultations and community engagement were commonly included, and women participated in hygiene promotion and user-group activities. Tangible evidence was mostly process and participation-based (women included in training/consultation and benefiting from reduced water-collection burdens and improved service reliability). However, there was limited sex-disaggregated reporting and gender outcomes (e.g., time saved, income effects) were not quantified systematically.	Moderate
Community Disaster and Risk Reduction Fund	The evaluation reports women's leadership roles in community DRM committees and adaptation planning, with tangible outputs such as training completion, community hazard mapping, and involvement in livelihood diversification activities. While not always quantified across the entire portfolio, the evaluation documents women's enhanced decision-making and participation as consistent outcomes in the sampled sub-projects.	Strong
Jamaica CSPE	Gender was identified as a cross-cutting objective in both CSPs, and programs such as BNTF and community investments incorporated gender-sensitive targeting and	Moderate

	participation. The evaluation notes stakeholder confirmation of women's engagement in local development planning and social-investment activities; however, gender outcomes were rarely disaggregated or tracked, so most evidence remains qualitative (participation, leadership in community fora) rather than quantified empowerment outcomes.	
The Bahamas CSPE	Gender was not a stand-alone results area, but the evaluation indicates social protection measures supported during COVID-19 benefited vulnerable households, including female-headed households, through targeted cash transfers and labour programs—tangible policy outputs with gender-relevant targeting, albeit without systematic sex-disaggregated outcome data.	Moderate
Trinidad and Tobago CSPE	The CSP references gender as a cross-cutting priority, but the evaluation shows little tangible progress due to limited portfolio execution and very low disbursement. There are no tracked gender outcomes for the period.	Weak

Source: Evaluation of CDB's Work in the Water Sector (2017-23); Country Strategy and Programme Evaluation – The Bahamas (2018-22) Country Strategy and Programme Evaluation – Trinidad and Tobago (2017-21); Country Strategy and Programme Evaluation – Jamaica (2014-16 and 2017-21); Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF; 2012-20); Evaluation of the Energy Sector Policy and Strategy (ESPS; 2015-20).

With respect to climate mitigation and adaptation, tangible results are demonstrated for institutional and policy strengthening, including policy roadmaps, regulatory reforms, strengthened utilities management, development of local DRM plans and institutional and financial DRM frameworks. Examples of climate resilient infrastructure are also identified. However, quantifiable outcomes data, including for emissions reduction, resilience indices, avoided water losses are generally not available (See Table 28).

Table 28. Climate mitigation and adaptation results from independent evaluations.

Evaluation	Climate mitigation and adaptation results	Overall Evidence
Energy Sector Policy and Strategy	Delivery of national RE/EE policy roadmaps, tariff and regulatory reforms, utility scale and distributed RE preparation across BMCs. However, quantified emission-reduction results were not reported.	Moderate
Water Sector	Designs systematically included climate-smart features (e.g., drought/flood considerations, watershed management, asset resilience standards). Utilities strengthened O&M and asset management, improving water security and decreasing system vulnerability. The evaluation confirms that these resilience outcomes were embedded in project design and delivery; nonetheless, quantified climate indicators (e.g., avoided losses, resilience indices) were not consistently tracked.	Moderate
Community Disaster and Risk Reduction Fund	Tangible results include functional small-scale infrastructure (e.g., drainage, flood protection), early-warning protocols, and local DRM plans being adopted. The evaluation affirms improved preparedness and awareness among beneficiaries across four countries, supported by visible, in-place measures (assets constructed, committees active, plans used). Portfolio-wide quantitative aggregation is limited, but sub-project evidence of resilience gains is concrete and field-verified.	Strong
Jamaica CSPE	Climate and DRM were mainstreamed into operations. The evaluation records alignment and intent and cites implemented operations that integrated DRM or sustainable energy elements, but several planned climate operations stalled and data for outcome verification were patchy. As a result, climate results are credible but modestly evidenced within the period: institutional strengthening and selected investments are documented; portfolio-level climate outcomes are less so.	Moderate
The Bahamas CSPE	Following Hurricane Dorian, CDB support helped establish/strengthen institutional frameworks—e.g., a Disaster Risk Management Authority, improvements to building standards, and fiscal mechanisms for disaster response. These are codified, institutional results that likely endure beyond the operation. As with other portfolios, quantified resilience metrics (e.g., avoided losses) were not consolidated, but the legal/institutional achievements are clear and material.	Strong
Trinidad and Tobago CSPE	Few operations reached completion. Although identified as a thematic priority, no climate outcome results are reported.	Weak

Source: Evaluation of CDB's Work in the Water Sector (2017-23); Country Strategy and Programme Evaluation – The Bahamas (2018-22) Country Strategy and Programme Evaluation – Trinidad and Tobago (2017-21); Country Strategy and Programme Evaluation – Jamaica (2014-16 and 2017-21); Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF; 2012-20); Evaluation of the Energy Sector Policy and Strategy (ESPS; 2015-20).

RCI was generally not found to be a central feature of any of Sector Strategies or Country Engagement Strategies subject to an evaluation. The most tangible RCI-related impacts identified in available

evaluations were identified in the evaluation of the Energy Sector Policy and Strategy, which found that CDB had contributed to the development of a regional coordination hub for policy harmonisation, shared resource assessments and regional knowledge sharing across BMCs. Otherwise, evaluations typically noted RCI-related results were linked to knowledge exchange across BMCs, community organisations and other partners. Tangible and quantifiable data for regional goods and spillovers remain limited. RCI was not identified as a core results area for any of the CES that were evaluated, with limited operations or results data identified.

Table 29. RCI-related results from independent evaluations.

Evaluation	RCI-related results	Overall Evidence
Energy Sector Policy and Strategy	The strategy positioned CDB (through REEEU) as a regional coordination hub—facilitating policy harmonisation, shared resource assessments, and donor alignment across multiple Borrowing Member Countries (BMCs). The evaluation highlights regional knowledge platforms and standard tools (e.g., for EE), which are tangible deliverables supporting cross-border learning and pipeline development.	Strong
Water Sector	Examples provided of cross-country peer learning and regional training for utilities, alongside shared guidance on climate-resilient infrastructure that diffused practices across BMCs. Regional TA and knowledge exchange are documented results.	Moderate
Community Disaster and Risk Reduction Fund	CDRRF operated multi-country, with regional knowledge sharing among community organisations and national partners (e.g., NEMOs, NGOs). The evaluation identifies cross-country learning and dissemination as a tangible result—CDRRF served as a regional platform for DRM/adaptation practice transfer.	Moderate
Jamaica CSPE	RCI was not a major focus of the country portfolio. The evaluation references limited participation in regional initiatives and no explicit RCI indicators or results.	Weak
The Bahamas CSPE	The CSPE recognizes links to regional DRM mechanisms (e.g., engagement with CCRIF) and coordination with regional frameworks. However, RCI is not a core results area.	Weak
Trinidad and Tobago CSPE	No implemented activities produced RCI results within the period.	Weak

Source: Evaluation of CDB's Work in the Water Sector (2017-23); Country Strategy and Programme Evaluation – The Bahamas (2018-22) Country Strategy and Programme Evaluation – Trinidad and Tobago (2017-21); Country Strategy and Programme Evaluation – Jamaica (2014-16 and 2017-21); Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF; 2012-20); Evaluation of the Energy Sector Policy and Strategy (ESPS; 2015-20).

Project Completion Reports:

The 21 Project Completion Reports analysed for this assessment demonstrate challenges in bringing together evidence of contribution to outcomes for cross-cutting issues. This is partly due to the fact that M&E frameworks typically do not include relevant indicators at the outcome level for cross-cutting issues such as gender and women's empowerment, youth and climate adaptation and resilience. Such results are reported for a minority of projects and, when reported, tend to reflect output-level results only.

Examples of results reported linked to cross-cutting issues include:

- % of students accessing student loans who are female;
- % of loan allocated to women among financially disadvantaged households;
- % SMEs receiving financing headed by women;
- Number of SMEs receiving support to adopt renewable energy and energy efficiency solutions;
- Likely resilience of new infrastructure to climate impacts.

In this regard, some projects note very positive results, particularly in the share of students accessing student loans who are women. Expanding access to finance for housing for women and SMEs owned by women has been more challenging. Furthermore, initiatives aimed at promoting the uptake of renewable energy and energy efficiency solutions have had more modest uptake.

The majority of projects do not report output or outcome level data related to cross-cutting themes. Data quality and constraints in M&E capacity and reporting among borrowers is an important barrier to reporting results for cross-cutting issues more consistently and reliably. Whereas some operations have clear implications for Regional Cooperation and Integration, data are not yet available for newer themes, including youth empowerment, biodiversity and nature, digitalisation.

CDB's approach for addressing cross-cutting issues should evolve to place greater emphasis on ensuring that these issues are reflected throughout the results chain, including the inclusion of outcome-level indicators and measurement arrangements.

MI 9.4: The MOs sovereign and non-sovereign clients report high levels of client satisfaction.

Ratings

MI / element	Rating	Score	Confidence Level
MI 9.4	Satisfactory	3	Medium

Evidence:

- Caribbean Development Bank (2021), Development Effectiveness Review 2020, [Development Effectiveness Review 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022), Development Effectiveness Review 2021, [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Development Effectiveness Review 2022, [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2024) Perceptions Survey and Recommendations Report – Prepared by Korn Ferry, (*internal document*).
- Caribbean Development Bank (2024), Development Effectiveness Review 2023, [Development Effectiveness Review 2023 | Caribbean Development Bank](#)
- Caribbean Development Bank (2025), Development Effectiveness Review 2024, (*internal document*)

MI 9.4 Analysis

CDB does not implement a regular client survey. A market perception survey conducted in 2023 suggests that CDB's clients are largely satisfied with their overall experience engaging with CDB. CDB's contribution to holistic development, understanding of BMC needs and development challenges and technical assistance emerged as areas of strength.

CDB is rated **satisfactory** based on evidence that the majority of clients are satisfied. However, there are opportunities for CDB to enhance its operational procedures, responsiveness and agility.

CDB monitors the proportion of clients who report they are satisfied with CDB's services, response time, lending and non-lending instruments and knowledge as part of its 2020-2024 RMF. CDB notes a 2019 baseline of 70% with a target of 85%, which was later revised downward to 75%. However, there is no public analysis available of this baseline survey.

A market perception survey was conducted in 2023 by Korn Ferry to help inform CDB's Ten Year Strategic Plan included 143 individual respondents across CDB's Board of Directors, BMCs, Non-BMCs, CDB Staff and Leadership, Regional Partners, Private Sector Partners and other International Financial Institutions. Overall, 95% of BMCs provided insights and 25 countries were represented. CDB's 2024 DER notes that,

although the methodology is not fully aligned with that of past surveys, it will be used as a baseline for future surveys based on a similar methodology.

Among external stakeholders, 92% reported that they were at least somewhat satisfied with their overall experience engaging with CDB. Of these respondents, 50% reported that their experience had improved over time.

Key areas of strength included:

- Offering functions, products and services relevant to the region (86% positive);
- Understanding of client priorities (82% positive); and
- Results orientation and contribution to the development of society (80% positive).

Stakeholders noted CDB's value addition with respect to CDB's ability to address development challenges holistically, particularly through capacity development.

Areas for improvement include:

- Continuous improvement of operational procedures and quality of products and services (69% positive);
- Responding to inquiries in a timely manner (67% positive);
- Responsiveness to clients' needs (68% positive); and
- Operates efficiently (60% positive).

Opportunities were noted with respect to providing innovative, forward-looking advice and products, ease of processes, project implementation and enhancing in-country presence.

KPI 10: Interventions are relevant to the needs and priorities of partner countries and beneficiaries, as the organisation works towards results in areas within its mandate.

Ratings

KPI / MI	Rating	Score
KPI 10	Satisfactory	3
MI 10.1	Highly Satisfactory	4
MI 10.2	Unsatisfactory	2

MI 10.1: Intervention objectives and design assessed as responding to beneficiaries', global, country, and partner/institution needs, policies, and priorities, and continuing to do so where circumstances change.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 10.1	4	Highly Satisfactory	High

Evidence documents:

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Family Islands Transport Sector Enhancement Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Emergency Support Loan – LIAT (1974) Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Belize Social Investment Fund II Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Market Access and Rural Enterprise Development Project, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Road Safety Project, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-related hazards - St. Vincent and the Grenadines, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*

- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, (*Internal Document*)
- Caribbean Development Bank (2024), Natural Disaster Management – Rehabilitation and Reconstruction (Hurricane Tomas), (*Internal Document*)
- Caribbean Development Bank (2024), Project Completion Report: Natural Disaster Management – Immediate Response Loan and Use of Funds (Consultancy Services) – Tropical Storm Matthew, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Fourth Road Project - South Leeward Highway Rehabilitation and Upgrade, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Youth and Community Transformation Project, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Enhancing Sugarcane Farmers' Resilience to Natural Hazard Events, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Safety Nets for Vulnerable Populations Affected by the Coronavirus Disease 2019, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, (*Internal Document*)
- Caribbean Development Bank (2025), Project Completion Report: Sixth Power Project - Belize, (*Internal Document*)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Harrison's Cave Redevelopment, Barbados. [Barbados – Harrison's Cave Redevelopment \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Seventh Road Safety Project, Belize. [Belize– Road Safety Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2022). Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF). [Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Fiscal Consolidation, Growth and Social Stability Policy-Based Loan, Jamaica. [Jamaica– Fiscal](#)

[Consolidation, Growth and Social Stability Policy-based Loan \(2022\) | Caribbean Development Bank](#)

- Office of Independent Evaluation (2022), Project Completion Validation Report: Community Investment Project, Jamaica. [Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana. [Guyana - Technical and Educational Training | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Policy-Based Loans – Antigua and Barbuda and Grenada. [Antigua and Barbuda and Grenada - Policy-Based Loans | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Market Access and Rural Enterprise Development Programme, Grenada. [Grenada-Market Access and Rural Enterprise Development Project | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas. [The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Education for All Project, Republic of Haiti. [Haiti - Education for All | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 10.1 Analysis

A strong majority of CDB's operations over the assessment period are deemed relevant based on alignment to government priorities, corporate priorities and strategies and country engagement strategies.

Three lines of evidence were considered for this analysis: (i) 14 available PCR validations produced over the period (although covering projects approved much earlier); (ii) 6 available independent evaluations, including 3 Country Strategy and Programme Evaluations and 3 sector/programme evaluations; and (iii) evidence from 21 Project Completion Reports.

Evidence from Project Completion Report Validations (PCRVs):

Available PCRVs indicate that a strong majority of projects are relevant to the needs and priorities of clients, with 17 of 19 (89.47%) of projects achieving a rating of satisfactory or highly satisfactory with respect to overall effectiveness.

No year over year comparison is possible based on the relatively small number of PCVRs made available publicly every 2 years. Some of the projects reviewed were approved as early as 2006, providing a somewhat fragmented view of verified project performance over the assessment period.

Drivers of strong relevance identified in PCVRs include:

- Clear alignment with national priorities and crisis response needs, with project objectives reflecting core government agendas;
- Institutional anchoring, policy integration and ownership, including adoption in government-led sector strategies supporting sustained policy alignment;
- Evidence-based designs supported by diagnostic assessments and clear logical frameworks;
- Clear alignment with national development goals, including poverty reduction and job creation; and
- Flexibility in adapting to changing priorities and circumstances, including through restructuring and additional financing, preserving relevance over time.

Common challenges among projects with weaker relevance ratings include:

- Weak responsiveness to changing conditions;
- Inadequate or narrow designs that did not capture relevant assumptions or enabling conditions; and
- Lack of integration with national reform programmes and market contexts.

Evidence from Sector and Country Strategy and Programme Evaluations (CSPE):

As above, the analysis considered three CSPEs and three Sector and Programme evaluations covering 55 projects approved after 2012, with most evaluations considering projects approved after 2017.

Project Completion Reports:

Available PCRs paint a similar picture to PCVRs for relevance, with all projects rated satisfactory or higher. Justifications for PCRs ratings include strong alignment to government priorities, demonstrated ownership by executing agencies and strong alignment with CDB's policies, corporate objectives and strategies, including the country engagement strategies. However, CDB's PCRs do not speak to complementarity and coherence with other development partners. This complementarity becomes an important issue given the breadth and scope of CDB's policies and strategic priorities such that alignment becomes a low bar for achievement.

However, PCRs and evaluations do not regularly assess the extent to which CDB's support demonstrates complementarity and coherence with that provided by other development partners. This is an area that CDB may explore in future as it looks to strengthen its approach to partnerships

MI 10.2: Non-sovereign investments demonstrate financial and non-financial additionality.

- Element 10.2.1: The MO's non-sovereign investments demonstrate financial additionality.
- Element 10.2.2: The MO's non-sovereign investments demonstrate non-financial additionality.

Ratings

MI / element	Rating	Score	Confidence Level / Score
MI 10.2	Unsatisfactory	2	
Element 10.2.1	Unsatisfactory	2	Medium
Element 10.2.2	Unsatisfactory	2	Medium

Evidence Documents

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, *(Internal Document)*
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)

- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

Element 10.2.1 Analysis

CDB does not assess the ex-ante or realised (ex-post) financial additionality of its nonsovereign operations.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB does not have a systematic practice of tracking or assessing the financial additionality linked to its investments. The nature of finance provided, including blending using SDF resources in the case of financial institutions suggests that CDB likely provides financial additionality through its engagement.

However, as CDB expands its engagement in nonsovereign operations, it will be essential to develop more systemic tools and processes through which to demonstrate CDB's financial additionality ex-ante and ex-post.

Element 10.2.2 Analysis

CDB does not assess the ex-ante or realised (ex-post) non-financial additionality of its nonsovereign operations.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

CDB does not have a systematic practice of tracking or assessing the non-financial additionality linked to its investments. Some PCRs do note steps taken by financial institutions to enhance profitability and risk management, including technology improvements, staff training, enhanced procedures and enhanced loan provisioning. However, it is not always clear how CDB's involvement supported or initiated these efforts.

In some cases, such improvements are credited with reducing the level of NPLs and contributing to overall financial performance. PCRs also note contribution to development outcomes, including uptake of student loans and access for finance to SMEs, including to expand the use of renewable energy. Yet, evidence of

contribution to development outcomes is only part of demonstrating the non-financial additionality of investments.

As CDB expands its engagement in nonsovereign operations, including direct project finance, it will be important to establish a means to identify credible additionality claims and monitor realised non-financial additionality.

KPI 11: Results are delivered efficiently.

Ratings

MI / Element	Rating	Score	Confidence
KPI 11	Unsatisfactory	2.00	
MI 11.1	Unsatisfactory	2	Medium
MI 11.2	Unsatisfactory	2	High
MI 11.3	Unsatisfactory	2	High

MI 11.1: Interventions/activities assessed as resource-/cost-efficient.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
MI 11.1	Unsatisfactory	2	Medium

Evidence Documents:

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Family Islands Transport Sector Enhancement Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Emergency Support Loan – LIAT (1974) Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Belize Social Investment Fund II Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Market Access and Rural Enterprise Development Project, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan – Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Road Safety Project, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-related hazards - St. Vincent and the Grenadines, *(Internal Document)*

- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, *(Internal Document)*
- Caribbean Development Bank (2024), Natural Disaster Management – Rehabilitation and Reconstruction (Hurricane Tomas), *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Natural Disaster Management – Immediate Response Loan and Use of Funds (Consultancy Services) – Tropical Storm Matthew, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Fourth Road Project - South Leeward Highway Rehabilitation and Upgrade, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Youth and Community Transformation Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Enhancing Sugarcane Farmers' Resilience to Natural Hazard Events, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Safety Nets for Vulnerable Populations Affected by the Coronavirus Disease 2019, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Sixth Power Project - Belize, *(Internal Document)*
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Harrison's Cave Redevelopment, Barbados. [Barbados – Harrison's Cave Redevelopment \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: 2nd Student Loan Scheme, Jamaica. [Jamaica - Student Loan Scheme \(2nd Loan\) \(2012\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Seventh Road Safety Project, Belize. [Belize– Road Safety Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022). Evaluation of the Energy Sector Policy and Strategy (ESPS). [Energy Sector Policy and Strategy \(2015-20\) | Caribbean Development Bank](#).
- Office of Independent Evaluation (2022). Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF). [Evaluation of Community Disaster Risk Reduction Fund \(2012-2020\) | Caribbean Development Bank](#)

- Office of Independent Evaluation (2022), Project Completion Validation Report: Fiscal Consolidation, Growth and Social Stability Policy-Based Loan, Jamaica. [Jamaica– Fiscal Consolidation, Growth and Social Stability Policy-based Loan \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2022), Project Completion Validation Report: Community Investment Project, Jamaica. [Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana. [Guyana - Technical and Educational Training | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Student Loan Scheme, St. Kitts and Nevis. [St. Kitts and Nevis– Student Loan Scheme \(6th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Policy-Based Loans – Antigua and Barbuda and Grenada. [Antigua and Barbuda and Grenada - Policy-Based Loans | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Market Access and Rural Enterprise Development Programme, Grenada. [Grenada-Market Access and Rural Enterprise Development Project | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas. [The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Education for All Project, Republic of Haiti. [Haiti - Education for All | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 11.1 Analysis

The Economic Rate of Return is not recalculated systematically for completed projects, even when relevant. Analysis of economic efficiency is often limited by poor data availability for outcomes.

CDB is rated **unsatisfactory** based on demonstrated challenges pertaining to implementation delays and unreliability of PCR ratings.

Three lines of evidence were considered for this analysis: (i) 19 available PCR validations produced over the period (although covering projects approved much earlier); (ii) 6 available independent evaluations, including 3 Country Strategy and Programme Evaluations and 3 sector/programme evaluations; and (iii) evidence from 21 Project Completion Reports.

PCR Validations:

Of 14 PCRVs, only 2 provide an updated ERR calculation. Although referenced in three other cases, no calculation is made due to poor data availability. Where provided, calculations are presented as positive.

Country Strategy and Programme Evaluations:

As above, the analysis considered three CSPEs and three Sector and Programme evaluations covering 55 projects approved after 2012, with most evaluations considering projects approved after 2017.

Across these 6 evaluations, half provided a satisfactory rating for efficiency. However, with the exception of water sector projects, the evaluations did not base this judgement on the realised economic rate of return (ERR) for projects as actual ex-post recalculations of the ERR were typically not available. Whereas water sector projects were judged as likely meeting their expected economic rationale, implementation delays and transaction costs were noted as threatening ERR for projects in other sectors and countries.

Project Completion Reports:

Overall, 66.7% of PCRs rated projects satisfactory or better for efficiency. However, economic rate of return was rarely always provided as a justification, even where this information would be relevant. Of the 21 PCRs available, ERR at completion was demonstrated to be above the appraisal estimates in one case and exceeding a minimum hurdle in two additional cases. In three other cases, ERR was relevant but was not calculated due to deficits in M&E data.

There is a lack of clarity around how the efficiency of projects should be rated if a recalculated ERR or an equivalent analysis is relevant (as in infrastructure projects), but not available. Because of this issue, PCR data are not a reliable source of evidence about the economic efficiency of projects. Going forward, clear guidelines are needed for assessing ERR or using alternative measures of cost-efficiency and judging the efficiency of projects at completion.

MI 11.2: Implementation and results assessed as having been achieved on time.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
11.2	Unsatisfactory	2	Medium

Evidence Documents:

- Caribbean Development Bank (2020), Project Completion Report: Consolidated Line of Credit – Bank of Saint Lucia Limited, (*Internal Document*)
- Caribbean Development Bank (2020), Project Completion Report: Family Islands Transport Sector Enhancement Project, (*Internal Document*)

- Caribbean Development Bank (2020), Project Completion Report: Emergency Support Loan – LIAT (1974) Limited, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Belize Social Investment Fund II Project, *(Internal Document)*
- Caribbean Development Bank (2020), Project Completion Report: Student Loan Scheme – Seventh Loan, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Market Access and Rural Enterprise Development Project, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Second Student Loan - Students' Loan Bureau Jamaica, *(Internal Document)*
- Caribbean Development Bank (2021), Project Completion Report: Road Safety Project, *(Internal Document)*
- Caribbean Development Bank (2021), Development Effectiveness Review 2020, [Development Effectiveness Review 2020 | Caribbean Development Bank](#)
- Caribbean Development Bank (2021), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2020, *(internal document)*.
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-related hazards - St. Vincent and the Grenadines, *(Internal Document)*
- Caribbean Development Bank (2022), Project Completion Report: Programmatic Fiscal Stability and Resilience Building Exogenous Shock Response Policy-Based Loan – Commonwealth of The Bahamas, *(Internal Document)*
- Caribbean Development Bank (2022), Development Effectiveness Review 2021, [Development Effectiveness Review 2021 | Caribbean Development Bank](#)
- Caribbean Development Bank (2022), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2021, *(internal document)*.
- Caribbean Development Bank (2023), Development Effectiveness Review 2022, [Development Effectiveness Review 2022 | Caribbean Development Bank](#)
- Caribbean Development Bank (2023), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2022, *(internal document)*.
- Caribbean Development Bank (2024), Project Completion Report: Energy Efficiency Line of Credit - Pilot Project, *(Internal Document)*
- Caribbean Development Bank (2024), Natural Disaster Management – Rehabilitation and Reconstruction (Hurricane Tomas), *(Internal Document)*
- Caribbean Development Bank (2024), Project Completion Report: Natural Disaster Management – Immediate Response Loan and Use of Funds (Consultancy Services) – Tropical Storm Matthew, *(Internal Document)*
- Caribbean Development Bank (2024), Development Effectiveness Review 2023, [Development Effectiveness Review 2023 | Caribbean Development Bank](#)

- Caribbean Development Bank (2024), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2023, *(internal document)*.
- Caribbean Development Bank (2025), Project Completion Report: Fourth Road Project - South Leeward Highway Rehabilitation and Upgrade, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Grantley Adams International Airport Pavement Rehabilitation and Expansion, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Youth and Community Transformation Project, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Enhancing Sugarcane Farmers' Resilience to Natural Hazard Events, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Safety Nets for Vulnerable Populations Affected by the Coronavirus Disease 2019, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Seventh Consolidated Line of Credit, *(Internal Document)*
- Caribbean Development Bank (2025), Project Completion Report: Sixth Power Project - Belize, *(Internal Document)*.
- Caribbean Development Bank (2025), Development Effectiveness Review 2024, *(internal document)*
- Caribbean Development Bank (2025), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2024, *(internal document)*.
- Caribbean Development Bank (2026), Annual Review of the Performance of the Portfolio of projects under Implementation for the year ended December 31, 2025, *(internal document)*.
- Caribbean Development Bank (2026), Development Effectiveness Review 2025, *(internal document)*
- Office of Independent Evaluation (2020), Project Completion Validation Report: Consolidated Line of Credit – Bank of Saint Lucia. [Saint Lucia– Consolidated Line of Credit- Bank of St. Lucia Limited \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Seventh Loan – St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Student Loan Scheme (7th), St. Vincent and the Grenadines. [St. Vincent and the Grenadines – Student Loan Scheme \(7th Loan\) \(2020\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2020), Project Completion Validation Report: Harrison's Cave Redevelopment, Barbados. [Barbados – Harrison's Cave Redevelopment \(2020\) | Caribbean Development Bank](#)
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- Office of Independent Evaluation (2022), Project Completion Validation Report: Seventh Road Safety Project, Belize. [Belize– Road Safety Project \(2022\) | Caribbean Development Bank](#)
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- Office of Independent Evaluation (2022), Project Completion Validation Report: Community Investment Project, Jamaica. [Jamaica– Community Investment Project \(2022\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Enhancement of Technical and Vocational Education and Training, Guyana. [Guyana - Technical and Educational Training | Caribbean Development Bank](#)
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- Office of Independent Evaluation (2023), Project Completion Validation Report: Exogenous Shock Response Policy-Based Loan Series, The Bahamas. [The Bahamas- Exogenous Shock Response Policy-Based Loan Series \(2023\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2023), Project Completion Validation Report: Education for All Project, Republic of Haiti. [Haiti - Education for All | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Project Completion Validation Report: Natural Disaster Management – Rehabilitation and Reconstruction Hurricane Tomas – Saint Lucia, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Energy Efficiency Line of Credit – Pilot Project, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Building Resilience of the Electricity Sector Infrastructure to Geophysical and Climate-Related Hazards – Saint Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Emergency Support Loan – LIAT (1974) Ltd, (*internal document*).
- Office of Independent Evaluation (2024), Project Completion Validation Report: Geothermal Drilling Project – St. Vincent and the Grenadines, (*internal document*).
- Office of Independent Evaluation (2023), Country Strategy and Programme Evaluation – Jamaica. [Jamaica CSPE \(2014-2 - 2016 and 2017-2021\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Evaluation of CDB's Work in the Water Sector. [Evaluation of the Caribbean Development Bank's Work in the Water Sector \(2017-23\) | Caribbean Development Bank](#)
- Office of Independent Evaluation (2024), Country Strategy and Programme Evaluation – The Bahamas. [The Bahamas CSPE \(2018-22\) | Caribbean Development Bank](#)

- Office of Independent Evaluation (2025), Country Strategy and Programme Evaluation – Trinidad and Tobago. [Trinidad and Tobago CSPE \(2017-21\) | Caribbean Development Bank](#)

MI 11.2 Analysis

Despite satisfactory ratings in PCRs and evaluations, implementation delays of longer than 12 months are common among completed and ongoing projects. CDB has also faced challenges enhancing its process efficiency for operations throughout the assessment period. Clear guidelines are needed for rating the implementation efficiency of completed operations.

CDB is rated **unsatisfactory** based on demonstrated challenges pertaining to implementation delays and unreliability of PCR ratings.

Four lines of evidence were considered for this analysis: (i) 20 available PCR validations produced over the period (although covering projects approved much earlier); (ii) 6 available independent evaluations, including 3 Country Strategy and Programme Evaluations and 3 sector/programme evaluations; (iii) annual reports of portfolio performance; and (iv) evidence from 21 Project Completion Reports.

PCR Validations:

Across 19 PCRVs, 12 were rated satisfactory or higher for efficiency (63.16%). However, with the exception of Policy Based Loans, implementation delays were common, with an average delays exceeding 3 years. Drivers of implementation delays were found to be procurement delays, institutional capacity gaps and external shocks (e.g. COVID-19).

Country Strategy and Programme Evaluations:

As above, the analysis considered three CSPEs and three Sector and Programme evaluations covering 55 projects approved after 2012, with most evaluations considering projects approved after 2017.

Although 50% of evaluations were rated fully satisfactory for efficiency (one was rated satisfactory “with caveats”), each evaluation noted that projects experienced implementation delays typically longer than 12 months with the exception of PBLs implemented in the Bahamas. (Table 30).

Table 30. Typical implementation delays / extensions across 6 evaluations

Evaluations	Delays (months)
ESPS (Energy)	12-24 months
Water Sector	6-18 months
CDRRF	18-36 months
Jamaica CSPE	12-24 months
Bahamas CSPE	6-12 months for TAs only
Trinidad & Tobago CSPE	Multiple years with minimal disbursement.

Source: Evaluation of CDB's Work in the Water Sector (2017-23); Country Strategy and Programme Evaluation – The Bahamas (2018-22) Country Strategy and Programme Evaluation – Trinidad and Tobago (2017-21); Country Strategy and Programme Evaluation – Jamaica (2014-16 and 2017-21); Final Evaluation of the Community Disaster Risk Reduction Fund (CDRRF; 2012-20); Evaluation of the Energy Sector Policy and Strategy (ESPS; 2015-20).

Systemic drivers of implementation delays across operations included:

- External shocks, including COVID-19 and Hurricane Dorian;
- Procedural constraints, including procurement and approval bottlenecks, complex fiduciary requirements out of scale for smaller community projects and lack of human resources within CDB.

- Borrower capacity constraints, including understaffed and inexperienced PIUs, particularly lack of procurement and M&E expertise.
- Complex BMC governance structures and weak cross-ministerial alignment.

Portfolio Performance Reporting:

This analysis considers four key metrics CDB uses to reflect processing and implementation time across operations: (i) average time between appraisal mission and approval; (ii) median time between approval and effectiveness; (iii) projects under implementation with extensions; and (iv) average length of extensions.

The available data suggest that these indicators have not improved over the assessment period. Average time between appraisal mission and approval had been decreasing but lengthened in 2024 (Table 31). Time from approval to effectiveness has mostly lengthened throughout the assessment period (Table 32). Underlying drivers include increased project complexity, including CDB's participation in a complex geothermal energy project in Dominica and differing processes among partners when projects are co-financed.

Table 31. Average time from appraisal mission to approval (2020-24).

Year	Days
2020	115
2021	199
2022	169
2023	91
2024	166
2025	191

Source: Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2025)

Table 32. Median time from approval to effectiveness (2020-24).

Year	Days
2020	215
2021	87
2022	144
2023	149
2024	250
2025	204

Source: Annual Review of the Performance of the Portfolio of projects under Implementation (2020-2025).

Projects under implementation with extensions has been increasing throughout the assessment period, suggesting that implementation timeliness is likely to be an ongoing problem in the coming years (Table 11.3). The average length of project extensions has varied over the assessment period, but there has been a general trend of lengthening over time until 2025, when the proportion of projects with extensions decreased to 45%. These numbers still remain relatively elevated.

Table 33. Proportion of projects under implementation with extensions (2020-24).

Year	Proportion
2020	55%
2021	58%
2022	68%

2023	57%
2024	77%
2025	45%

Source: Development Effective Reviews (2020-25).

Table 34. Average length of project extension (2020-25).

Year	Months
2020	28
2021	34
2022	33
2023	42
2024	36.6
2025	45

Source: Development Effective Reviews (2020-25).

Project Completion Reports:

As noted above, 66.7% of PCRs were rated satisfactory or better for efficiency; however, other data call into question the reliability of these ratings. Over 76% of projects were subject to an extension of the terminal disbursement, with an average delay of 3.87 years among these projects. Beyond this, the PCRs were signed off an average of 2.95 years after the terminal disbursement date, suggesting that actual implementation delays were longer than this. As noted above, this calls into question how projects are being rated for efficiency of implementation.

Common sources of delay included factors such as COVID-19, lack of counterpart funding, delays in agreeing on changes to design and works, procurement delays, restructuring of the implementing agency due to shifting government priorities, and contractor performance and cash flow issues.

MI 11.3: The MO has implemented new policies, practices and instruments to use its capital efficiently and promote private capital mobilisation.

Ratings

MI / Element	Rating	Score	Confidence Level / Score
11.3	Unsatisfactory	2	Medium

Evidence Documents:

- Caribbean Development Bank (2021), Caribbean Development Bank Annual Report 2020, <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2020>
- Caribbean Development Bank (2022), Caribbean Development Bank Annual Report 2021, <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2021>
- Caribbean Development Bank (2023), Caribbean Development Bank Annual Report 2022, <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2022>
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- Caribbean Development Bank (2025), Caribbean Development Bank Annual Report 2024, <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2024>

MI 11.3 Analysis

CDB does not track the extent to which its operations are cofinanced by government or other development partners. CDB also does not track the extent to which its operations crowd in private capital.

CDB is rated **unsatisfactory** based on demonstrated gaps to good practice.

Currently there is limited evidence from CSPEs, Sector evaluations and PCRs speaking to the extent to which CDB has mobilised private capital. A limited number of PCRs speak to co-financing from other development partners, but no overall metric is reported on CDB's cofinancing overall.

Identifying a corporate metric for identifying the scale of cofinancing and private capital mobilisation associated with CDB's operations would be advantageous given growing emphasis on partnerships with other IFIs and nonsovereign operations.

In May 2025, CDB and the Central American Bank for Economic Integration (CABEI) signed an Exposure Exchange Agreement (EEA) for a USD 450 million notional exchange of sovereign loan exposures. Under this agreement, each institution agrees to mutually guarantee an equivalent nominal value of each other's performing sovereign exposures, effectively swapping risk. The EEA is expected to materially improve diversity across counterparties, addressing concentration risk with respect to single sovereign exposure and top three borrowers. The reduction in Risk-Weighted Assets and stronger RAC translates into expanded lending headroom. Beyond the EEA, CDB is pursuing a CAD 200 million portfolio guarantee expected to unlock USD 300-400 million in sustainable lending capacity.

KPI 12: Results are sustainable.

Ratings

MI / element	Rating	Score	Confidence
KPI 12	3	Satisfactory	
MI 12.1	2	Unsatisfactory	Low
MI 12.2	4	Highly Satisfactory	High

MI 12.1: Benefits assessed as continuing or likely to continue after intervention completion.

Ratings

MI / element	Rating	Score	Confidence
12.1	Unsatisfactory	2	Low

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MI 12.1 Analysis

The available evidence suggests that outcomes from the majority of CDB operations are likely to be sustained. However, the quality of evidence varies due to lack of clarity around how sustainability is determined at the project level, including operations rated as sustainable where evidence of contribution to outcomes is limited.

CDB is rated **unsatisfactory**. Although the majority of projects are rated as satisfactory, there are important challenges with the quality and reliability of evidence.

Three lines of evidence were considered for this analysis: (i) 19 available PCR validations (PCRVs) produced over the period (although covering projects approved much earlier); (ii) 6 available independent evaluations, including 3 Country Strategy and Programme Evaluations and 3 sector/programme evaluations; and (iii) evidence from 21 Project Completion Reports produced between 2020 and 2025.

Evidence from Project Completion Report Validations (PCRVs):

Available PCRVs indicate that outcomes are deemed as likely sustainable for a moderate majority of projects, with 11 of 19 (57.89%) of projects achieving a rating of satisfactory or highly satisfactory with respect to sustainability.

No year over year comparison is possible based on the relatively small number of PCVRs made available publicly every 2 years. Some of the projects reviewed were approved as early as 2006, providing a somewhat fragmented view of verified project performance over the assessment period.

Drivers of strong sustainability identified in PCVRs include:

- Institutionalised reforms and capacity development programmes, with new systems and policies embedded into institutions beyond project closure;
- Institutionalised budgeting for maintenance and recurrent costs by the borrower post-project;
- Use of community-driven approached that fostered strong ownership, accountability and stakeholder participation.

Common challenges among projects with weaker sustainability ratings include:

- Dependency on external funding and insufficient revenue generation and/or cost recovery;

- Fragile institutional arrangements that did not embed ongoing activities into institutional plans;
- Limited anchoring in government policy frameworks; and
- Limited local capacity to maintain project activities and outcomes.

Evidence from Sector and Country Strategy and Programme Evaluations (CSPE):

As above, the analysis considered three CSPEs and three Sector and Programme evaluations covering 55 projects approved after 2012, with most evaluations considering projects approved after 2017.

Across these evaluations, four were rated satisfactory whereas two were rated marginally unsatisfactory. These evaluations underlined the importance of CDB's contribution to institutional capacity development in its operations. Outcomes were more likely to be sustained where CDB contributed to institutionalisation and capacity development, including: (i) establishing of energy frameworks, roadmaps and standards; (ii) strengthening of utilities and their governance frameworks; (iii) local participation and strengthening of NGO capacity; and (iv) ongoing regional or donor engagement through partnerships providing sustained financial and technical support.

On the other hand, the most common factors limiting sustainability included: (i) lack of financial sustainability for maintenance activities; (ii) dependence of external expertise and consultants; (iii) institutional fragmentation and turnover among key project staff; and (iv) insufficient monitoring and evaluation systems.

Project Completion Reports:

Overall, 15 of 21 projects with PCRs available (71.43%) were rated satisfactory or higher for the likely sustainability of outcomes. However, there are notable gaps in the quality of PCRs that call some of these ratings into question. PCRs consider financial, institutional and operational risks to sustainability and potential issues to be addressed by the borrower; however, there is not always a clear connection between the treatment of these issues and ratings of likely sustainability. There are several cases where data to support an analysis of contribution to outcomes is missing or where outcomes were not achieved, yet the rating for sustainability remains satisfactory.

These data quality issues make it essential to establish clearer guidelines around the completion and rating of PCRs to build a more robust evidence base to support accountability and learning. CDB has sought to address this issue through the finalisation of an updated self-evaluation manual that provides clear guidance on how to rate different sections of the PCR, including sustainability.

MI 12.2: The MOs portfolio is financially sustainable including the financial performance of non-sovereign operations.

Ratings

MI / element	Rating	Score	Confidence Level / Score
12.2	4	Highly Satisfactory	High

Evidence Documents

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- Caribbean Development Bank (2025), Caribbean Development Bank Annual Report 2024, <https://www.caribank.org/publications-and-resources/resource-library/annual-reports/caribbean-development-bank-annual-report-2024>

MI 12.2 Analysis

CDB demonstrates strong financial sustainability across the portfolio for sovereign and nonsovereign operations. Current measures undertaken to extend lending headroom and implement G20 CAF Recommendations suggest a strong, positive outlook.

CDB is rated **highly satisfactory** based on alignment to best practice.

CDB has remained well within its Charter-based limit that requiring that “the total amount outstanding of loans, equity investments and guarantees made by the Bank in its ordinary operations shall not at any time exceed the total amount of its unimpaired subscribed capital, reserves and surplus and any other funds included in its ordinary capital resources, exclusive of the special reserve provided for in Article 18 and other reserves not available for ordinary operations.” This is disclosed annually as a percentage, including a pro forma limit of 100% of the capital base and 65% of overall capitalisation (See Table 35).

Table 35. Lending against the Article 14.1 Limit

Year	Ratio (Limit: 100% capital base)
2020	55.1%

2021	58%
2022	60%
2023	62%
2024	64.7%

Source: CDB Annual Reports (2020-24)

CDB's overall credit rating from agencies have remained strong with a stable outlook based on sound capitalisation, strong liquidity, strong asset quality and with mild risks linked to exposure concentration (see Table 36)

Table 36. Ratings Agency's Reports and Outlook

Year	S&P Global Ratings	Moody's Investor Service	Fitch Ratings
2020	AA+ / Stable	Aa1 / Stable	AA+ / Stable
2021	AA+ / Stable	Aa1 / Stable	AA+ / Stable
2022	AA+ / Stable	Aa1 / Stable	AA+ / Stable
2023	AA+ / Stable	Aa1 / Stable	AA+ / Stable
2024	AA+ / Stable	Aa1 / Stable	AA+ / Stable
2025	N/A	Aa1 / Stable	AA+ / Stable

Source: Fitch, S&P and Moody's Report (2020-2025).

Ratings agency reports have demonstrated:

- **Consistently strong capital ratios:** CDB has consistently exceeded its Risk-Adjusted Capital floor of 24% throughout the period, notwithstanding a temporary dip to 23% in 2022 due to valuation effects (See Table 12.3).
- **Strong liquidity:** CDB has consistently met its policy threshold requiring the greater of 40% of undisbursed loans and loans not yet effective or three years of net funding requirements (See Table 12.4).
- **Strong asset quality:** CDB has no sovereign arrears with NPLs consistently less than 0.1% throughout the period.
- **Credit Exposure and Concentration in line with key limits:** CDB's largest single sovereign exposure falls well below the limit of 40% of outstanding loans or 50% of total available capital (See Table 12.5). Its "top-three borrowers" exposure is somewhat higher but falls within limits of 60% outstanding loans or 90% of total available capital.

Table 37. CDB's Risk-Adjusted Capital (2021-24)

Year	RAC Ratio (% of Risk-Weighted Assets) (floor: 24%)
2020	27%
2021	27.2%
2022	23.3%
2023	25.6%
2024	26.0%

Source: CDB Annual Reports (2020-24).

Note: 2020 is an estimate – at this point, CDB still used an Available Capital / Economic Capital Metric.

Table 38. CDB's Liquidity Ratio (2021-24)

Year	% of 3-year net funding requirements (Floor: 100%)
2020	122%
2021	120%
2022	114%
2023	129%
2024	162%

Source: Source: CDB Annual Reports (2020-24).

Table 39. CDB's Exposure Ratios (2021-24)

Year	Single Sovereign (limit: greater of 40% outstanding loans or 50% available capital)	Top-Three Borrowers (limit: greater of 60% outstanding loans or 90% available capital)	Single Non-Sovereign (limit: 6% total available capital)	Total Non-Sovereign (limit: 43% total available capital)
2020	19%	40%	3%	6%
2021	18.5%	39.6%	4%	7%
2022	18%	38.6%	4.5%	6.3%
2023	18.4%	40.1%	5%	6.6%
2024	16.7%	39.9%	5.9%	6.6%

Source: Source: CDB Annual Reports (2020-24).

In 2023, CDB launched a Capital Adequacy Enhancement Initiative, operationalising it through the new Risk Appetite Framework (RAF), to quantify capital requirements and measure the adequacy of internal resources under various stress conditions. This ongoing initiative also aims to incorporate Economics Capital (ECAP) and callable capital into the Bank's stress testing and risk-coverage assessments, consistent with the G20 and rating agency methodologies. In November 2025, S&P revised the RAC concentration risk approach, giving more consideration for diversification, risk-transfer, and the naturally small sovereign client base of MDBs. The internal RAC models and scenario rating models, will be updated to reflect these changes.

In May 2025, CDB and the Central American Bank for Economic Integration (CABEI) signed an Exposure Exchange Agreement (EEA) for a USD 450 million notional exchange of sovereign loan exposures. Under this agreement, each institution agrees to mutually guarantee an equivalent nominal value of each other's performing sovereign exposures, effectively swapping risk. The EEA is expected to materially improve diversity across counterparties, addressing concentration risk with respect to single sovereign exposure and top three borrowers. The reduction in Risk-Weighted Assets and stronger RAC translates into expanded lending headroom. Beyond the EEA, CDB concluded a USD 200 million portfolio guarantee expected to unlock USD 300-400 million in sustainable lending capacity.

Annex B – Evidence Documents

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Annex C – Results of the MOPAN Partner Survey

As part of the evidence collection process for the CDB assessment, MOPAN conducted an online survey over a period of six weeks, from 1st October to 7 November 2025. It was distributed via a personalised link sent by MOPAN to the list of partners provided by CDB.

The effective sample comprised 900 partners with different geographical perspectives. It included individuals with a broad, regional perspective, typically based in government capitals or CDB HQs, as well as those with specific focus or knowledge in particular countries or groups of countries where CDB operates. Additionally, the sample included individuals drawn from 10 agreed sampled countries (Table 40).

Table 40. Survey sample countries

Country
The Bahamas
Barbados
Belize
Guyana
Haiti
Jamaica
St Lucia
Saint Vincent and the Grenadines
Suriname
Trinidad and Tobago

MOPAN's partner survey results are based on:

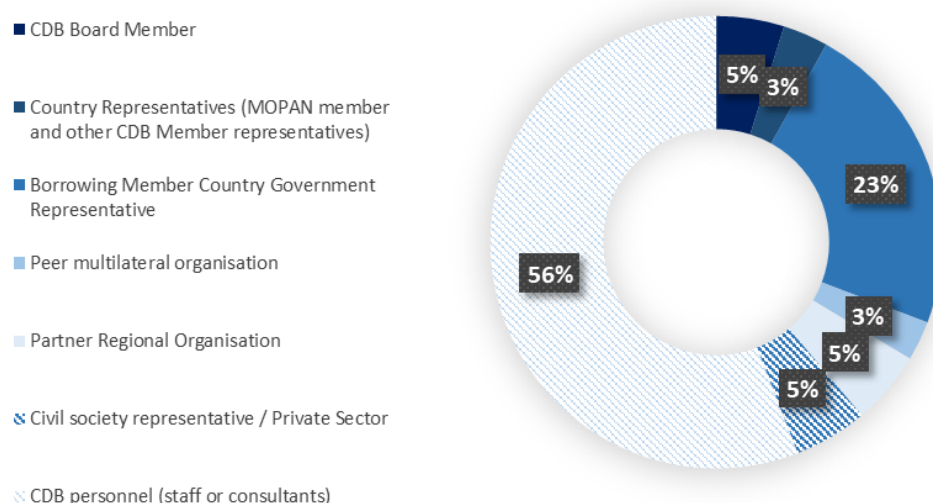
- 247 complete responses considered for the analysis.
- An effective response rate of 28%

Table 41. Survey respondents' categories:

Type of partner category	Description
CDB Board Member	CDB Board Member: CDB Executive Director, Alternate Director or Advisor.
Country Representatives (MOPAN member and other CDB Member representatives)	<u>Country Representatives (MOPAN member and CDB Member representatives):</u> - MOPAN members representatives - CDB Member Country Representative in capital: Government representatives of CDB members based in capital or responsible for managing bilateral cooperation.
Borrowing Member Country Government Representative	<u>Borrowing Member Country Representative:</u> Members of borrowing member country administrations (ministers, civil servants, project implementing teams) who have engaged directly with CDB to support operations.
Peer multilateral Organisation	<u>Peer multilateral organisations:</u> Other multilateral organisations who work with CDB regularly either through headquarters or in borrowing member countries.
Partner Regional Organisation	<u>Partner regional organisations:</u> Regional bodies that receive funds from CDB, who work with CDB as implementing partners or otherwise engage with CDB as an operating partner (e.g. CARICOM).
Civil society representative / Private Sector	<u>Civil Society / Private Sector:</u> CSOs, NGOs, INGOs, academic institutions, private sector actors and community organisations that have engaged with CDB in the context of their operations in Borrowing Member Countries.
CDB personnel (staff or consultants)	<u>CDB personnel (staff or consultants):</u> A staff member or staff consultant working within CDB.

Respondents' profile

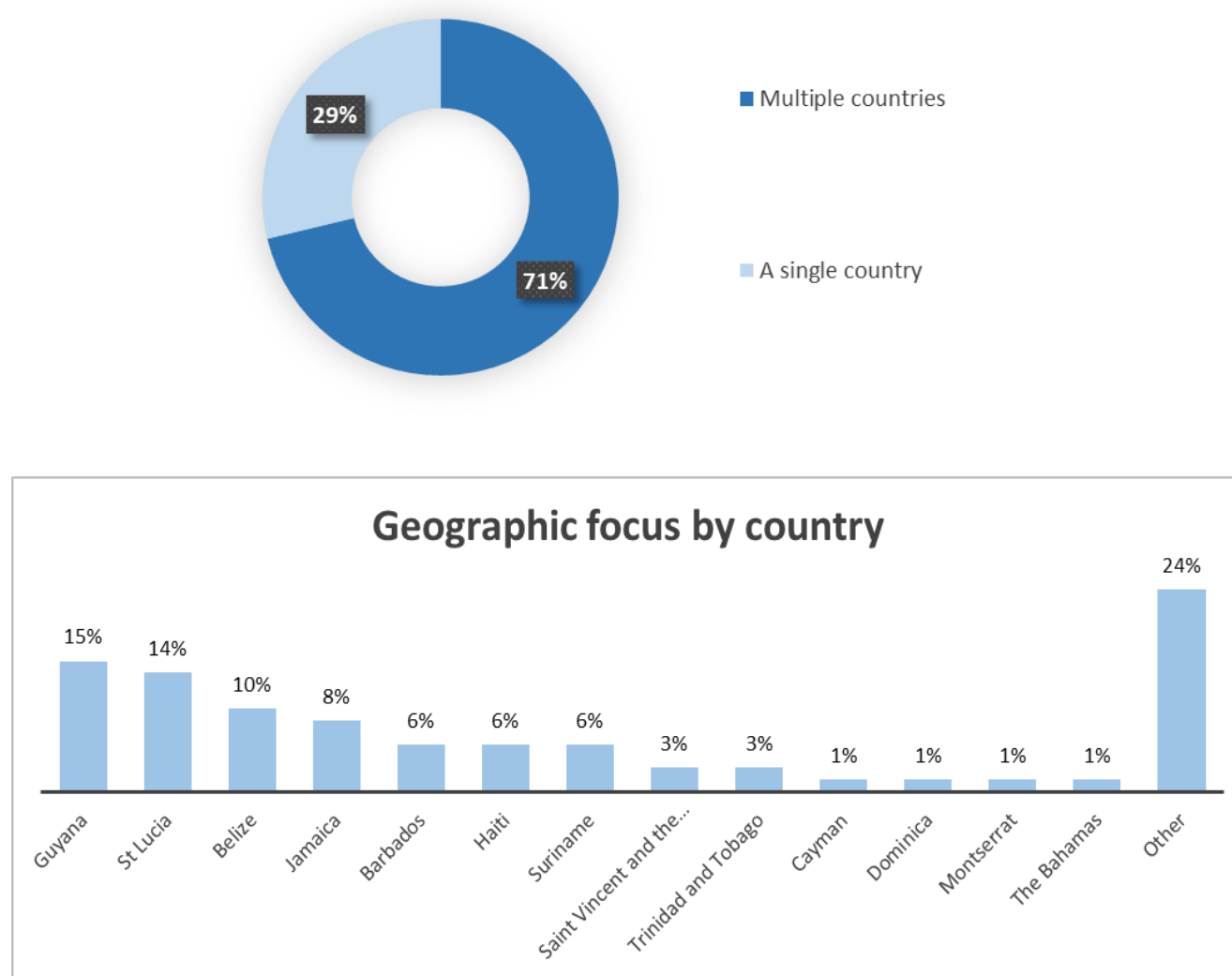
This section presents the profile of the 247 CDB's partners that have participated to the survey. This includes their role regarding CDB (Figure 4. Role of partners surveyed) as well as the geographic focus of their working relationship with CDB (Figure 5. Geographic focus of partners surveyed).

Figure 4. Role of partners surveyed

Note: Figures in percentage of total respondents to the survey (247 individuals).

Note: Groups presented correspond to the main CDB partner categories working with CDB, as described in Table 2.

Figure 5. Geographic focus of partners surveyed



Note: Figures in percentage of total country-level respondents to the survey (71 individuals).

Strategic Management

This section presents respondents' perspectives on CDB's strategic management.

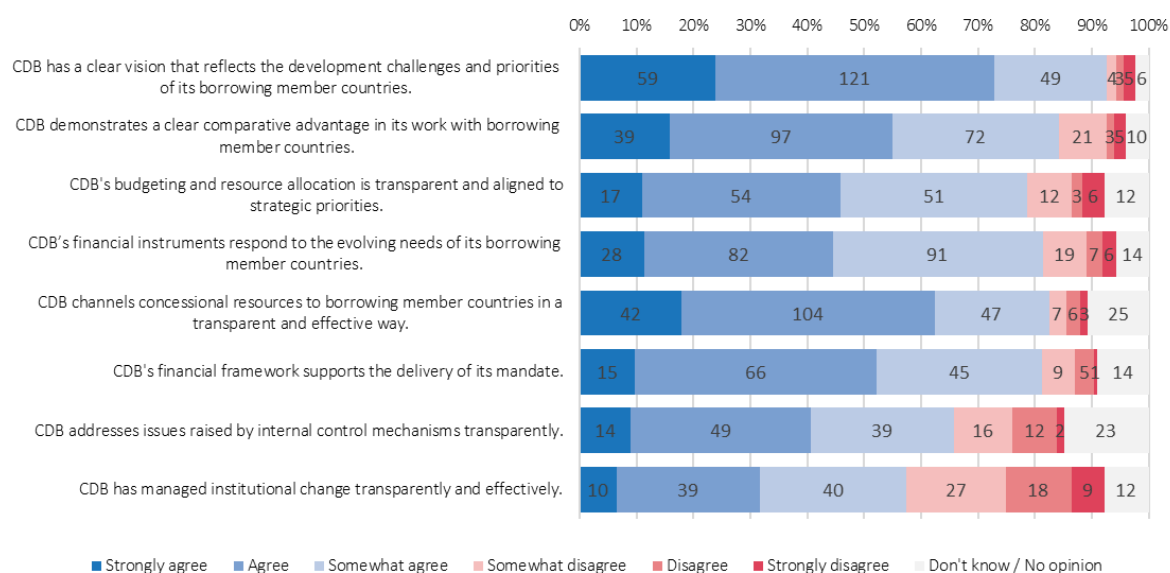


Figure 6. CDB has a clear vision that reflects the development challenges and priorities of its borrowing member countries.

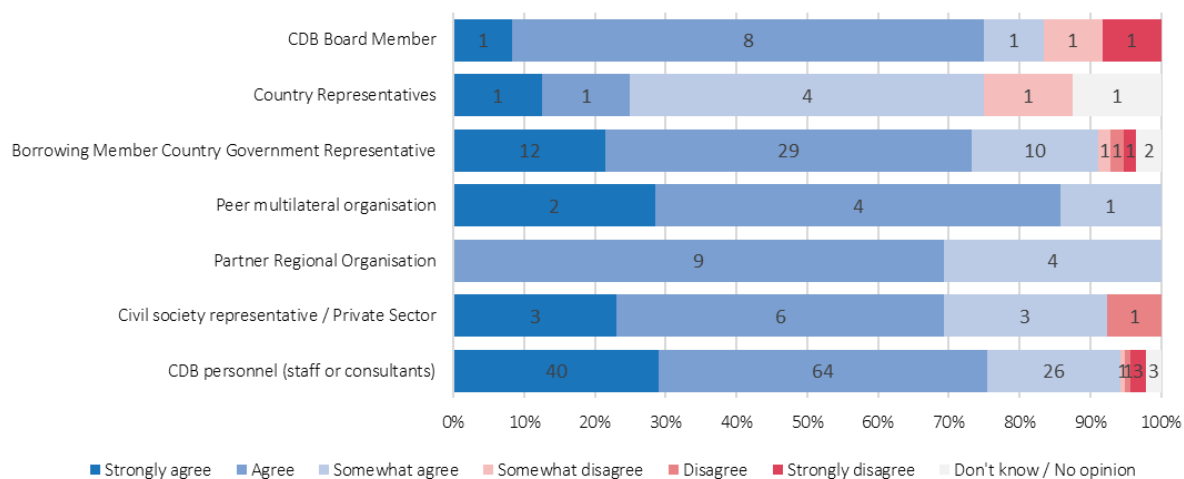


Figure 7. CDB demonstrates a clear comparative advantage in its work with borrowing member countries.

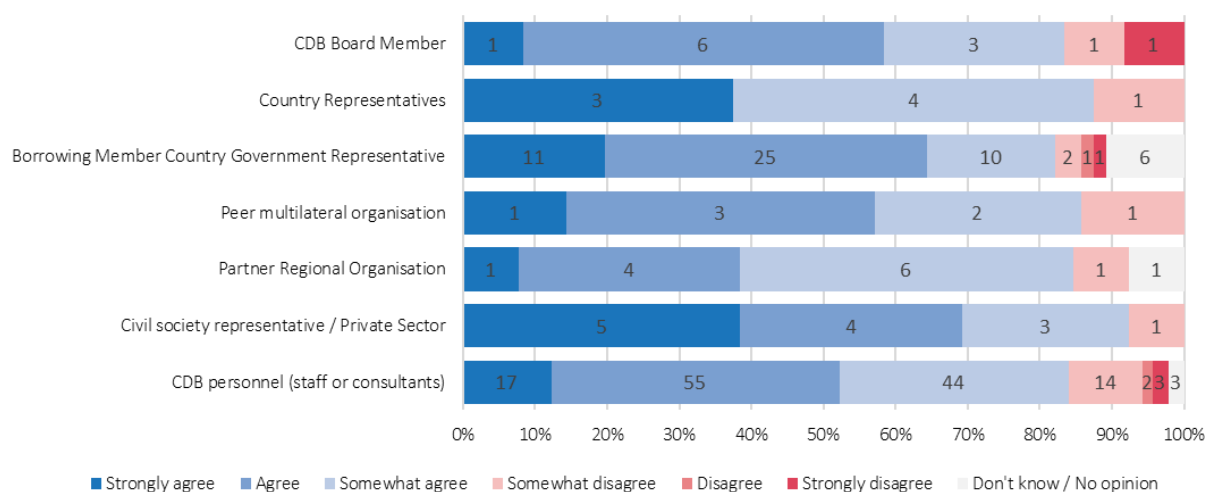


Figure 8. CDB's budgeting and resource allocation is transparent and aligned to strategic priorities.

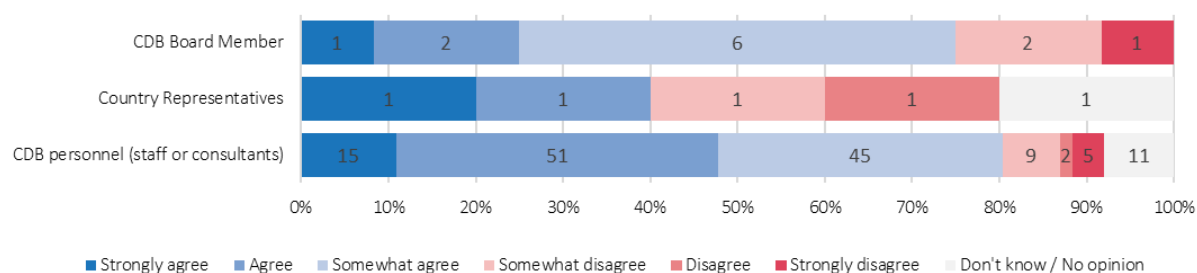


Figure 9. CDB's financial instruments respond to the evolving needs of its borrowing member countries.

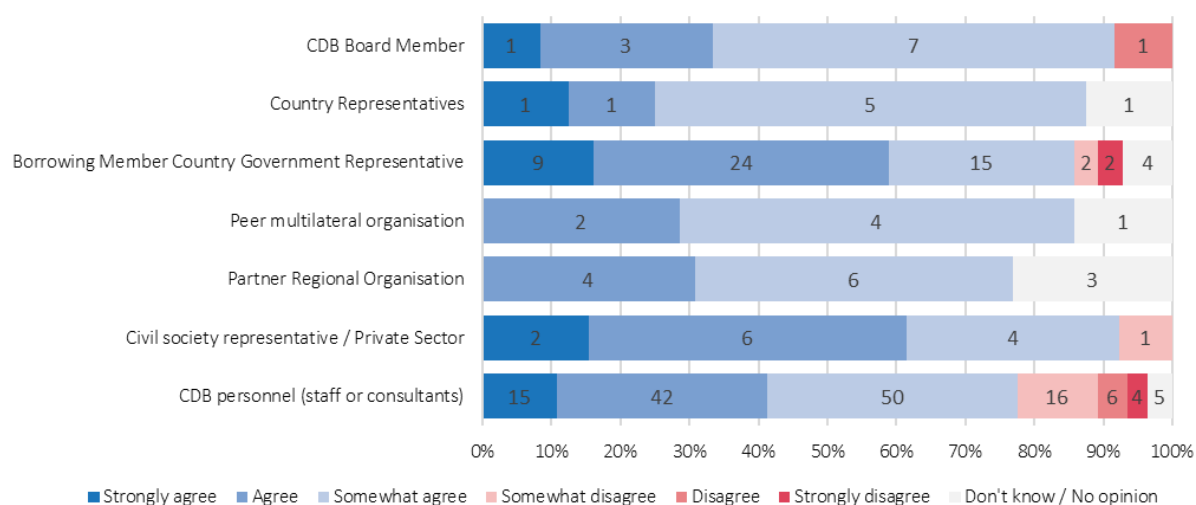


Figure 10. CDB channels concessional resources to borrowing member countries in a transparent and effective way.

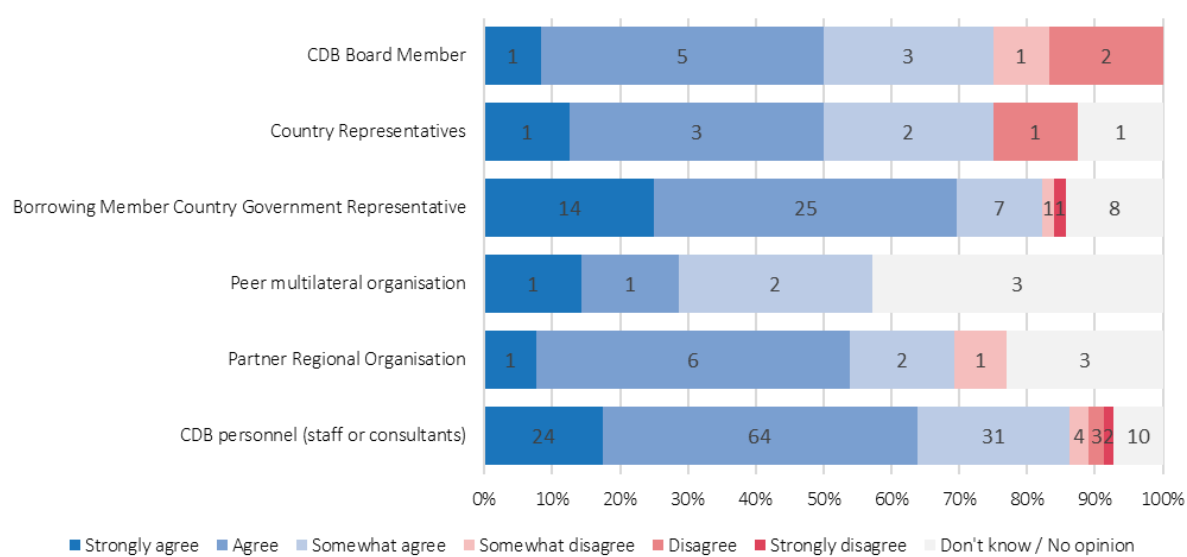


Figure 11. CDB's financial framework supports the delivery of its mandate.

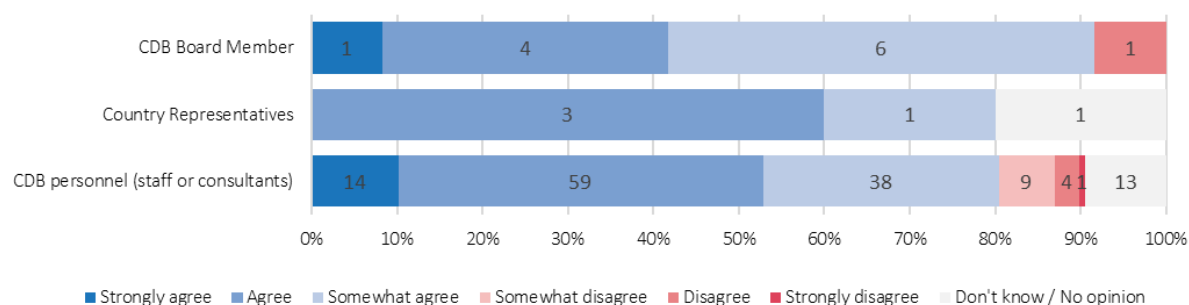


Figure 12. CDB addresses issues raised by internal control mechanisms transparently.

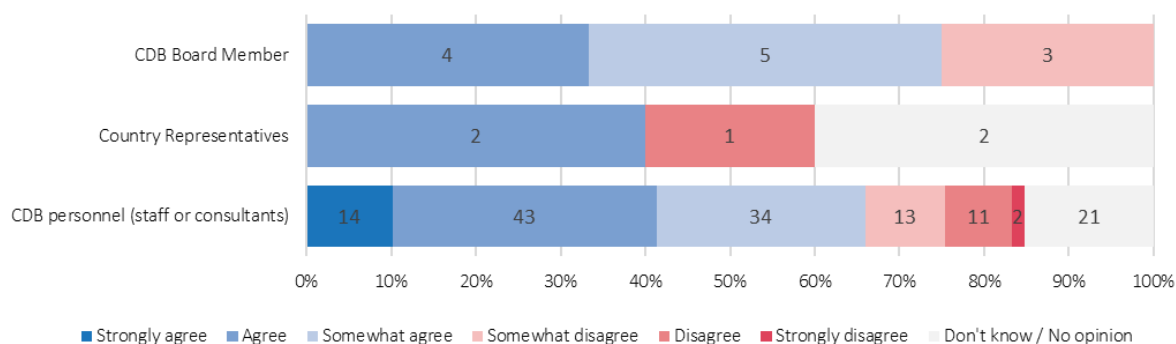
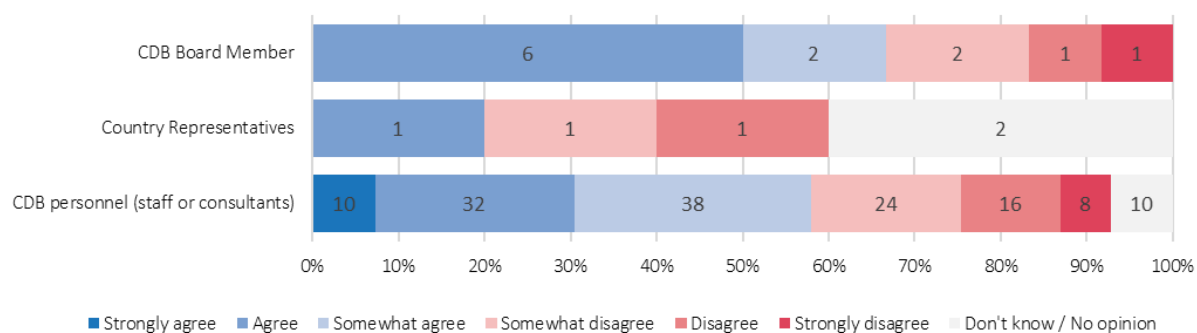


Figure 13. CDB has managed institutional change transparently and effectively.



OPERATIONAL MANAGEMENT

This section presents respondents' perspectives on how CDB manages its staff and operations.

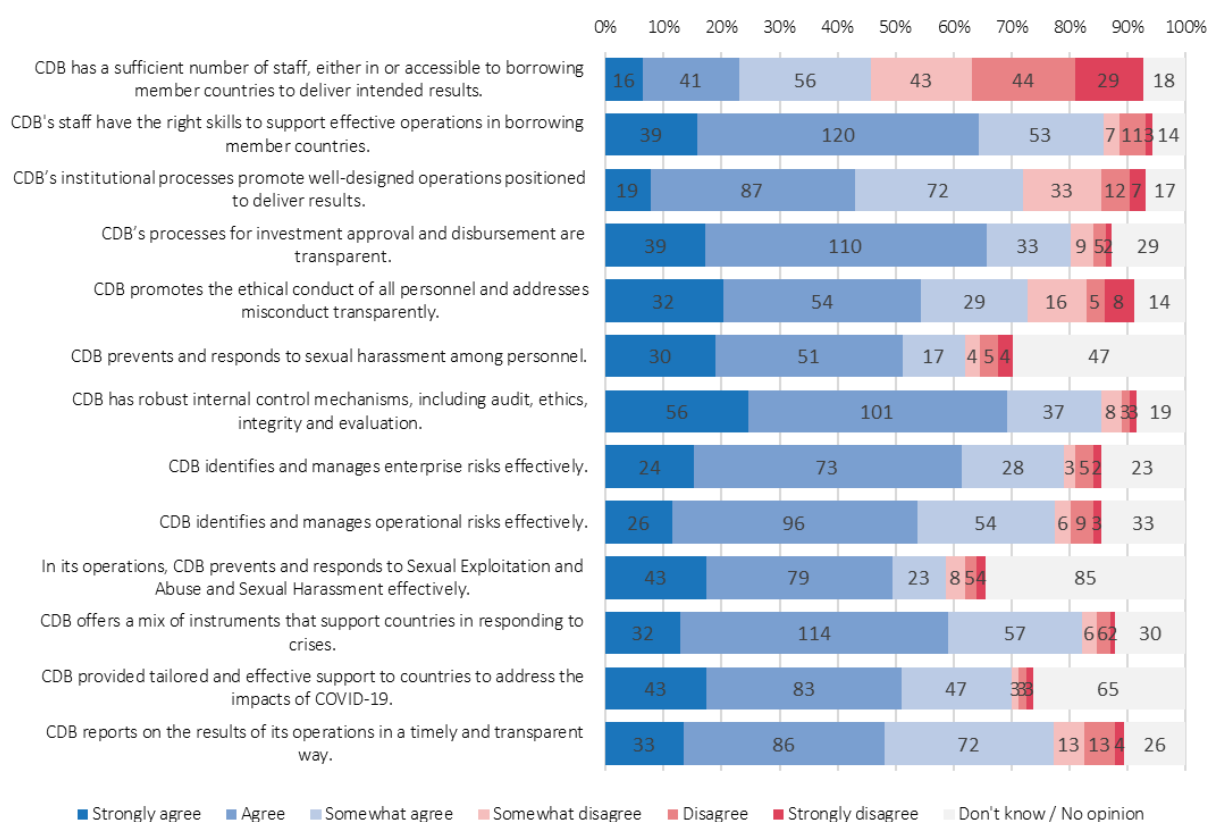


Figure 14. CDB has a sufficient number of staff, either in or accessible to borrowing member countries to deliver intended results.

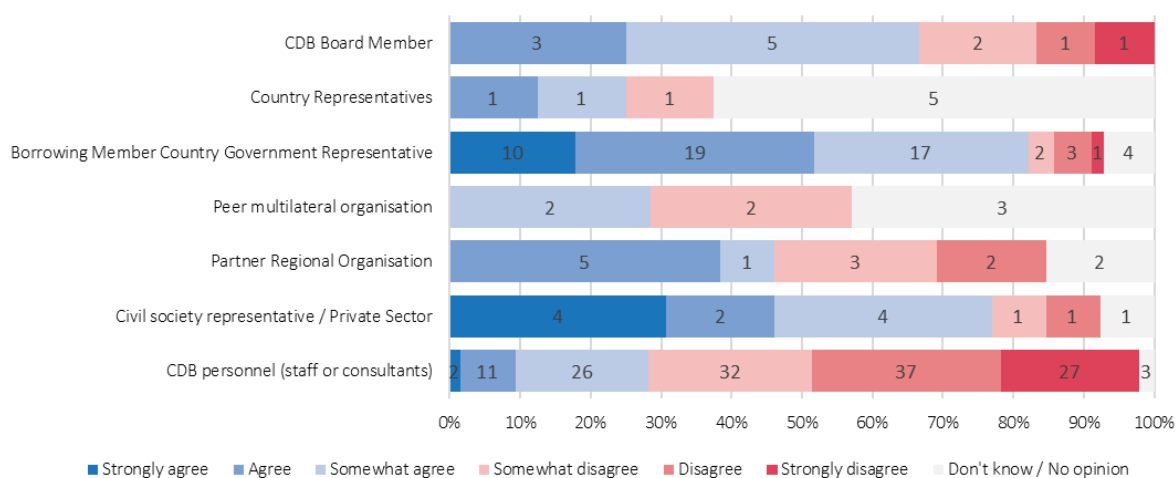


Figure 15. CDB's staff have the right skills to support effective operations in borrowing member countries.

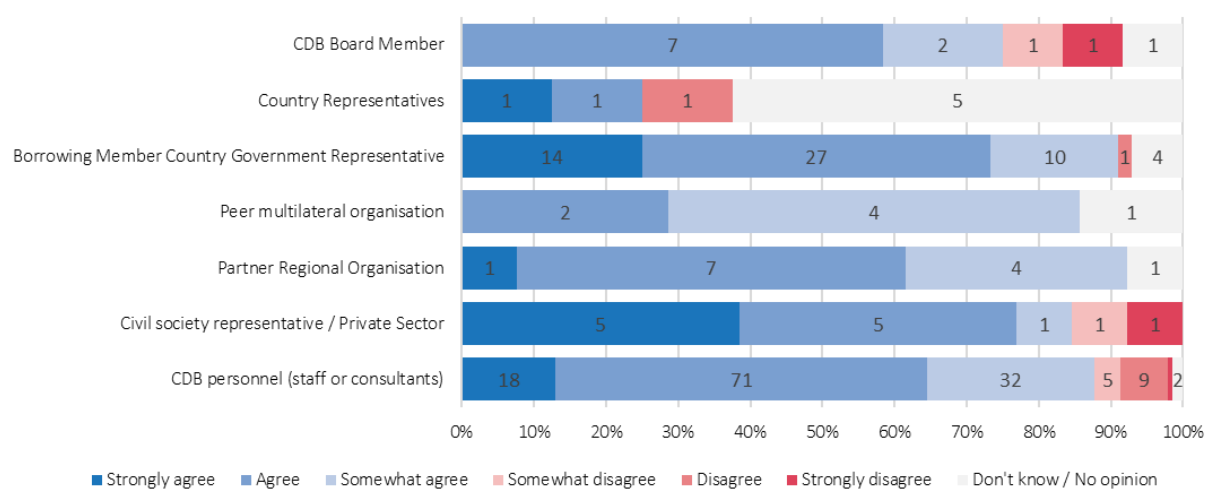


Figure 16. CDB's institutional processes promote well-designed operations positioned to deliver results.

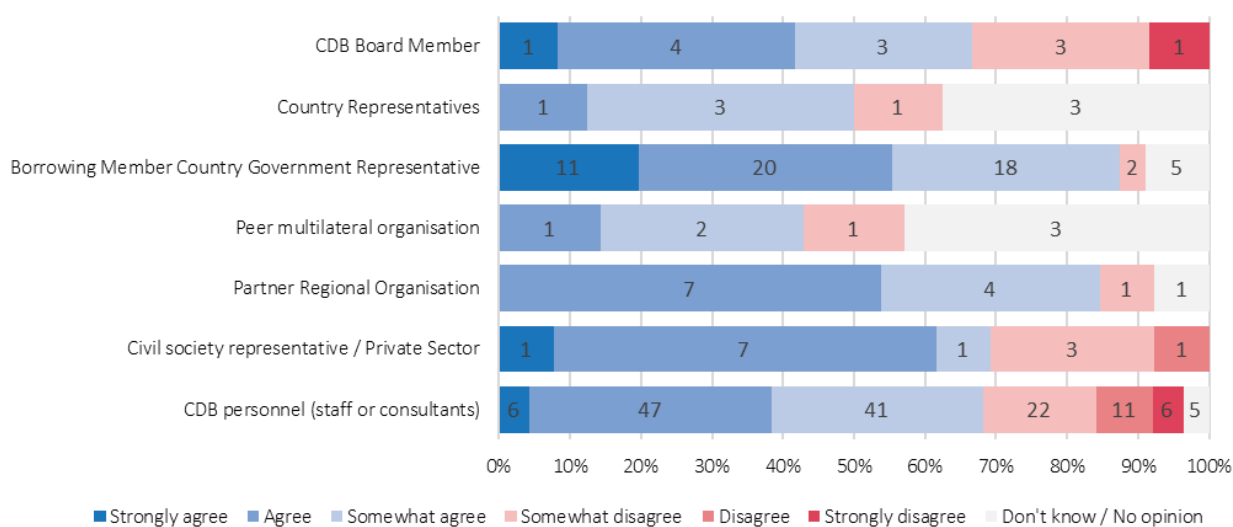


Figure 17. CDB's processes for investment approval and disbursement are transparent.

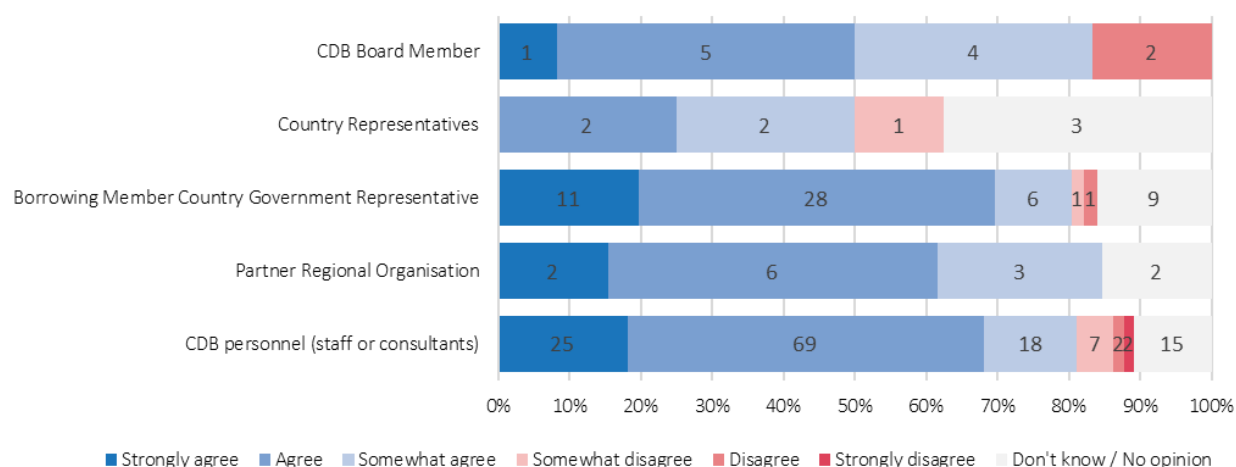


Figure 18. CDB promotes the ethical conduct of all personnel and addresses misconduct transparently.

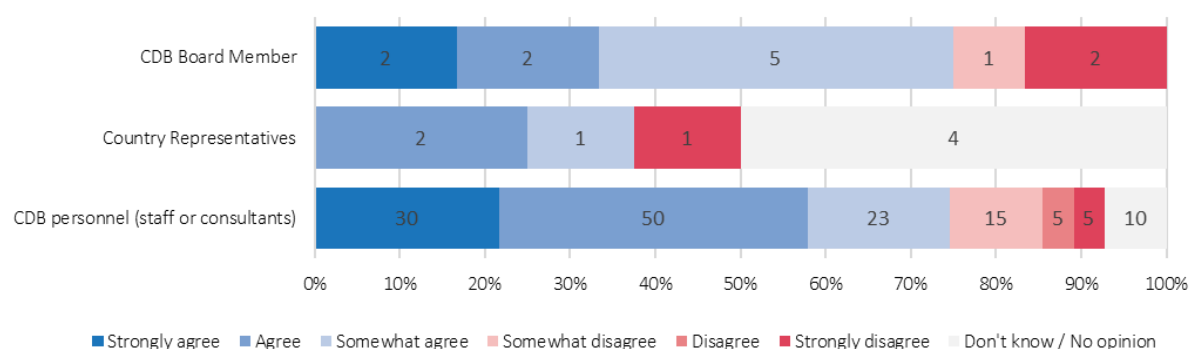


Figure 19. CDB prevents and responds to sexual harassment among personnel.

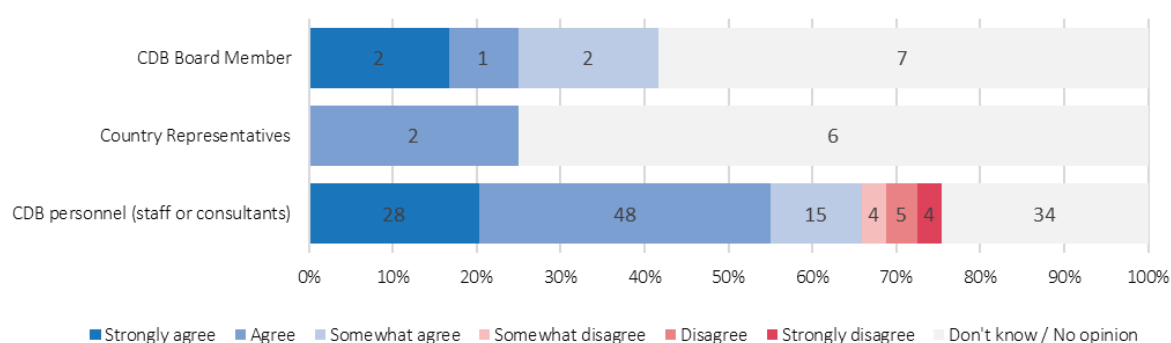


Figure 20. CDB has robust internal control mechanisms, including audit, ethics, integrity and evaluation.

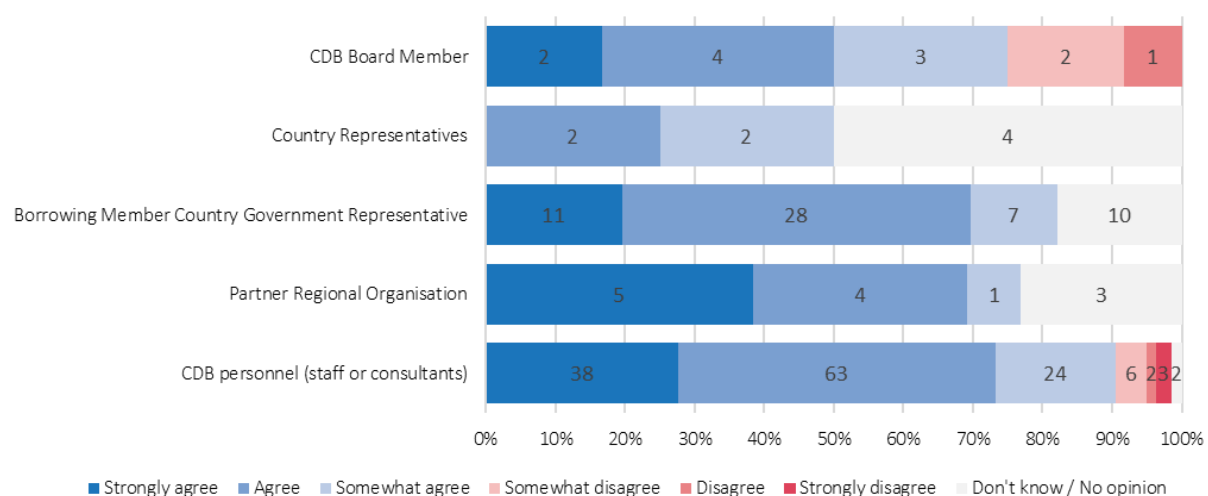


Figure 21. CDB identifies and manages enterprise risks effectively.

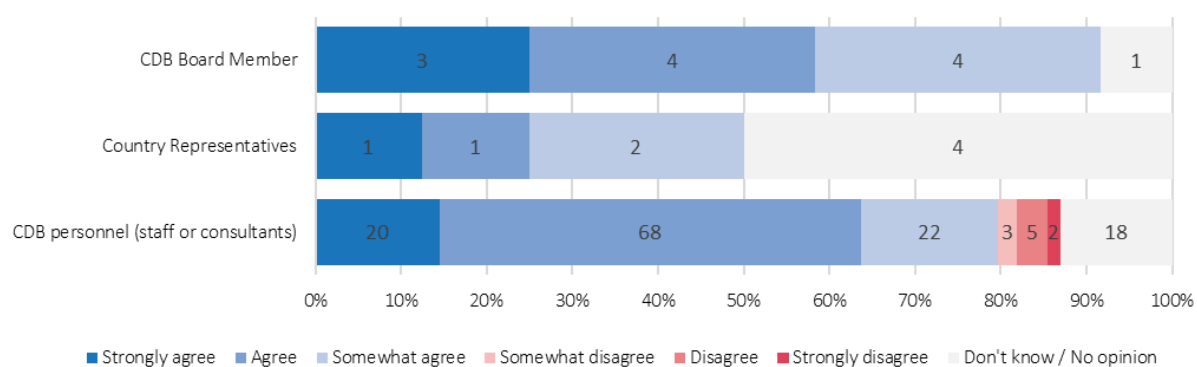


Figure 22. CDB identifies and manages operational risks effectively.

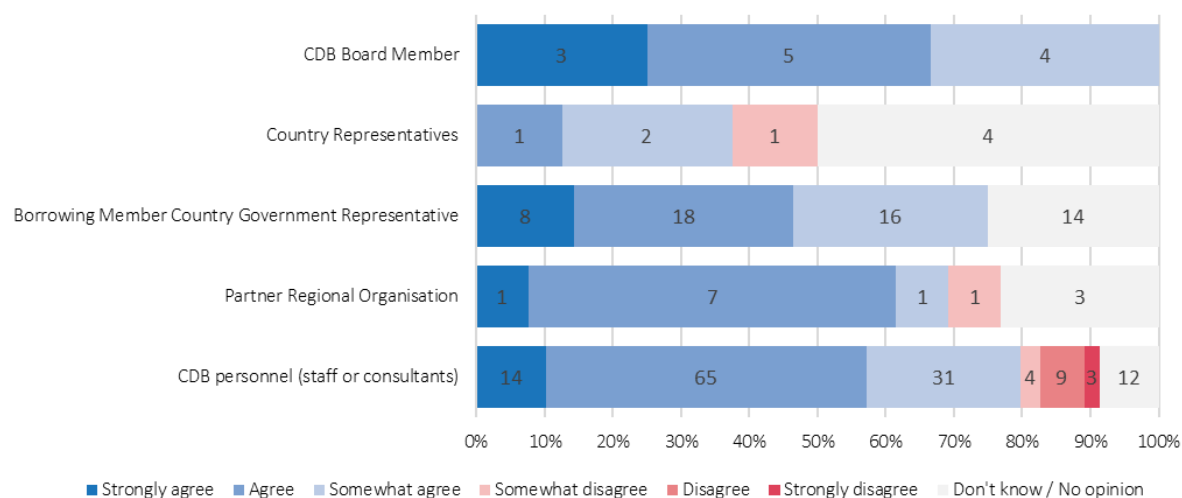


Figure 23. In its operations, CDB prevents and responds to Sexual Exploitation and Abuse and Sexual Harassment effectively.

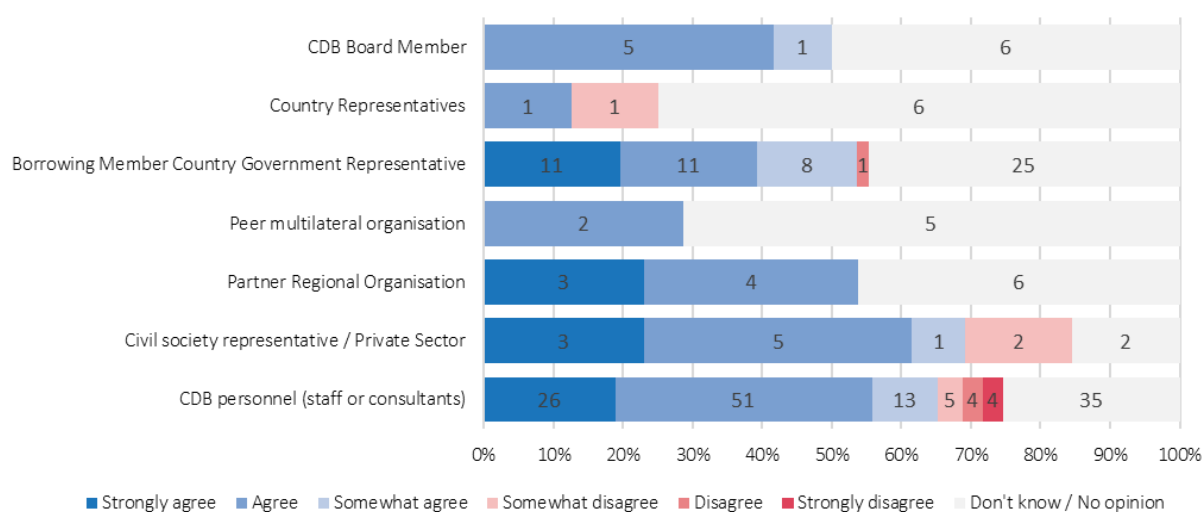


Figure 24. CDB offers a mix of instruments that support countries in responding to crises.

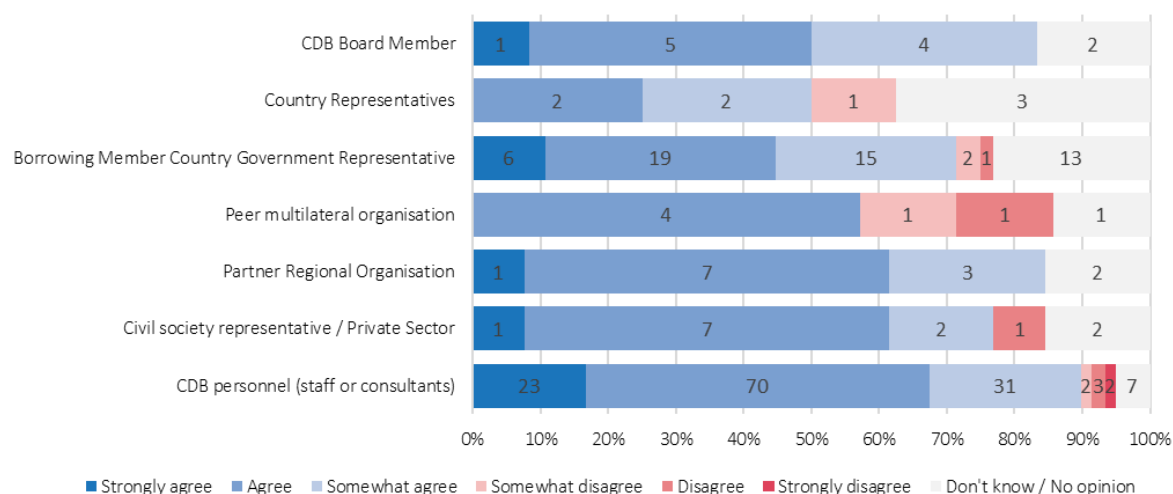


Figure 25. CDB provided tailored and effective support to countries to address the impacts of COVID-19.

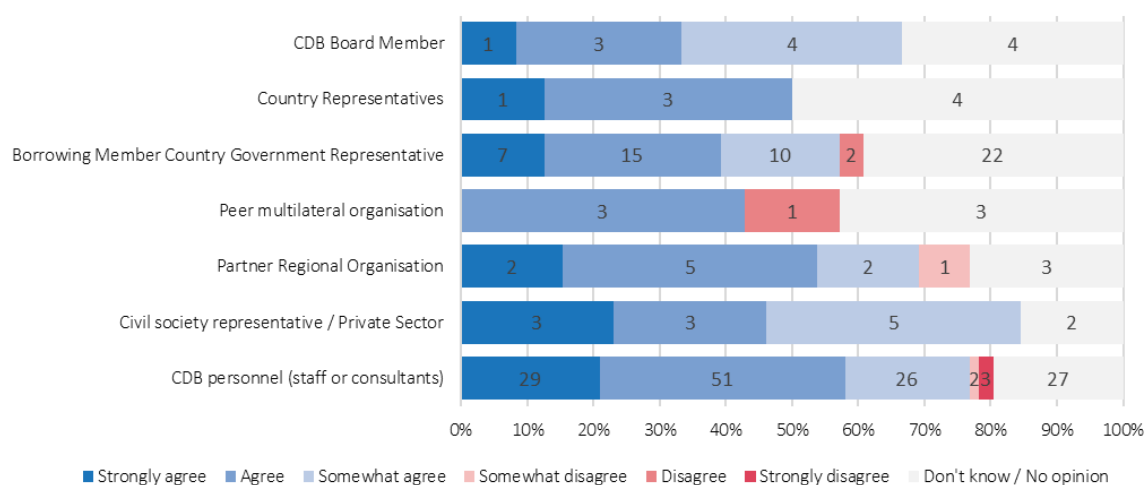
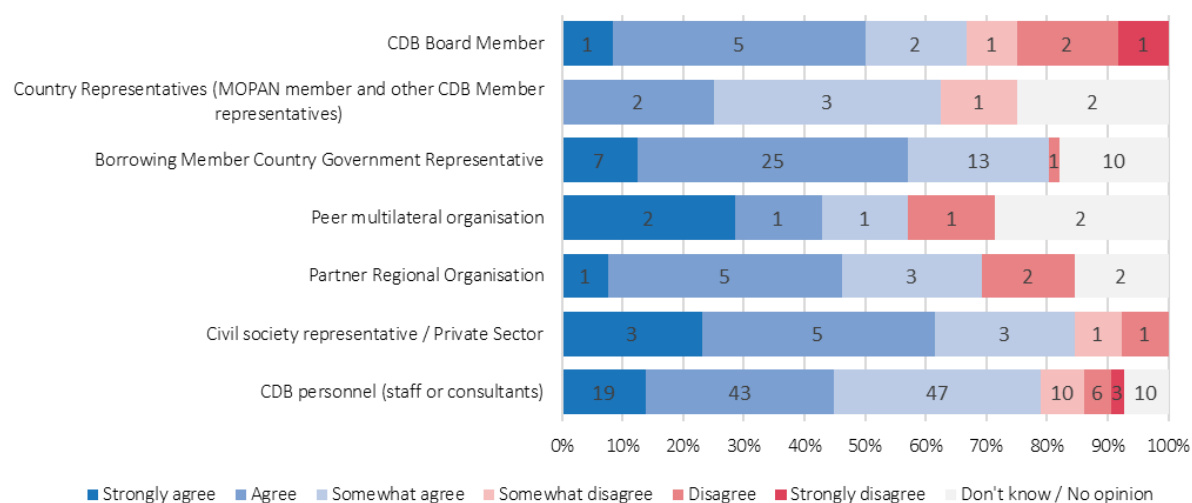


Figure 26. CDB reports on the results of its operations in a timely and transparent way.



HUMAN RESOURCES MANAGEMENT

This section presents respondents' perspectives on how CDB manages its human resources.

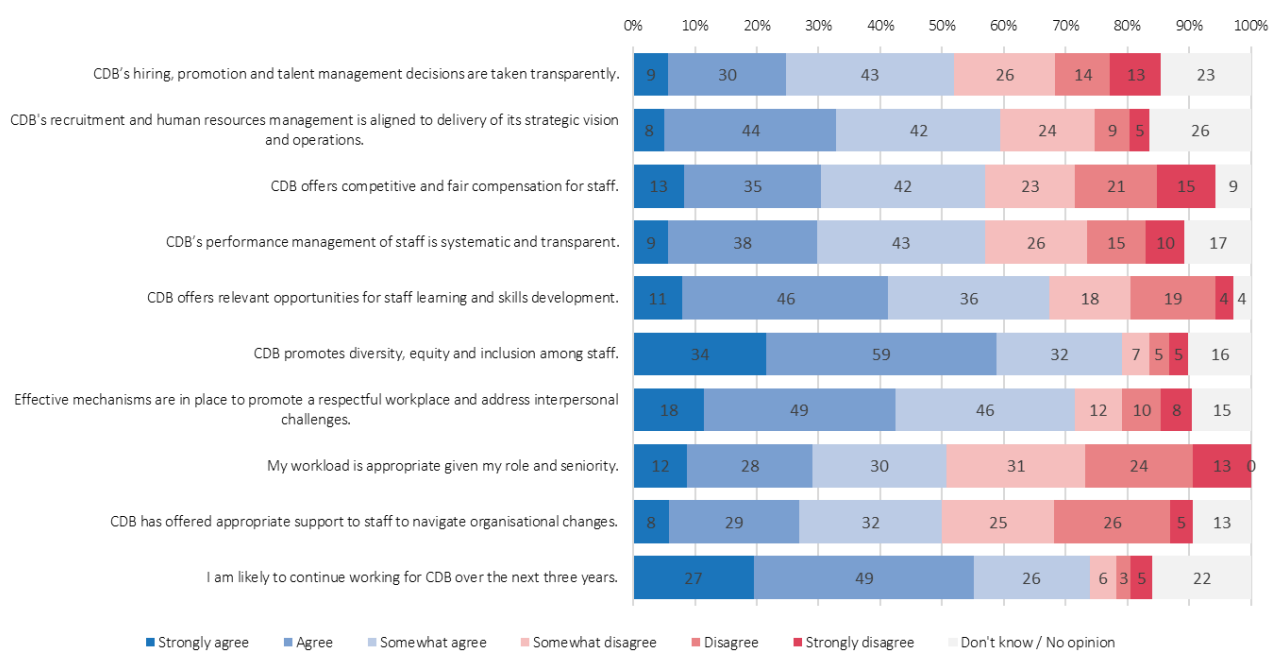


Figure 27. CDB's hiring, promotion and talent management decisions are taken transparently.

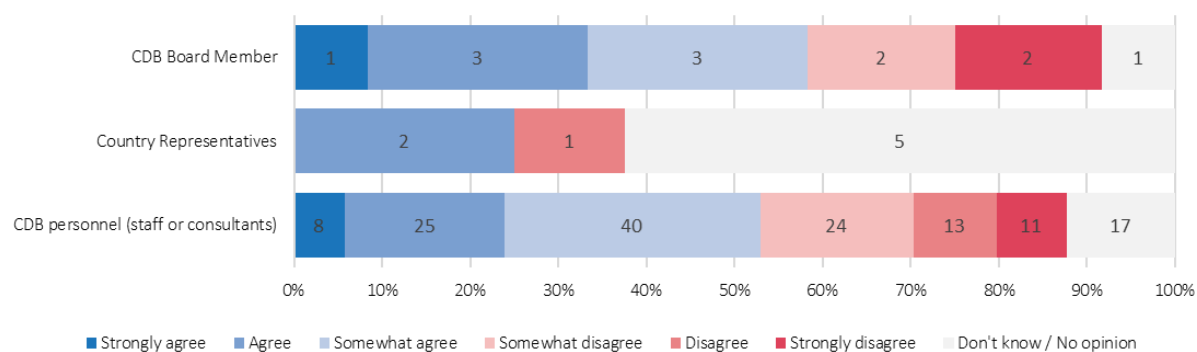


Figure 28. CDB's recruitment and human resources management is aligned to delivery of its strategic vision and operations.

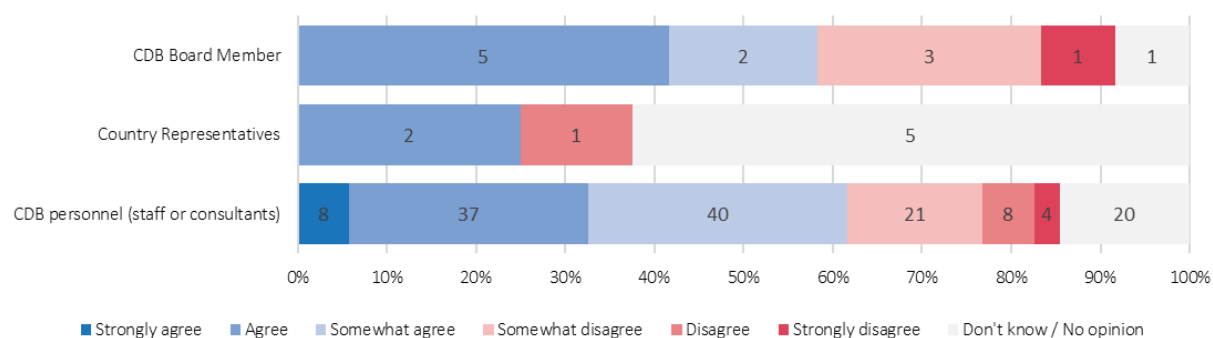


Figure 29. CDB offers competitive and fair compensation for staff.

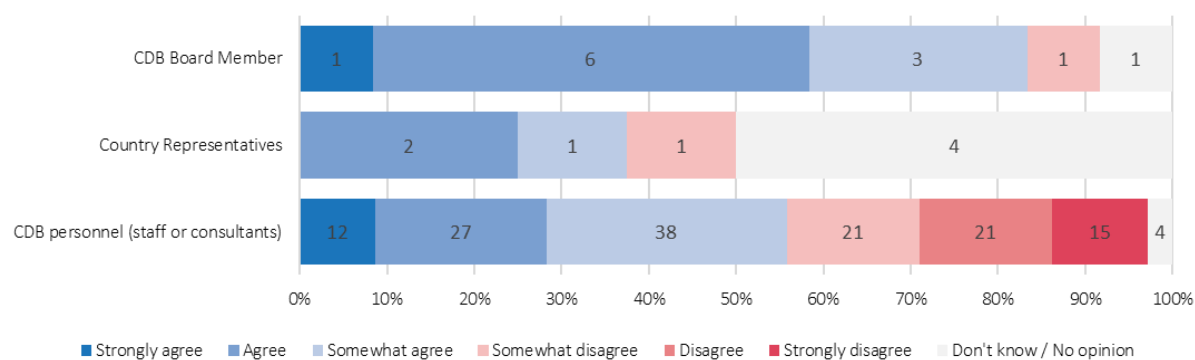


Figure 30. CDB's performance management of staff is systematic and transparent.

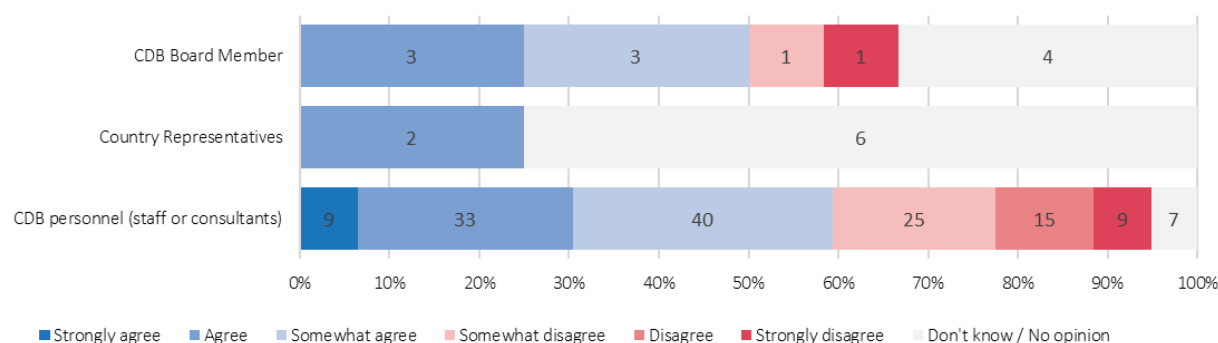


Figure 31. CDB offers relevant opportunities for staff learning and skills development.

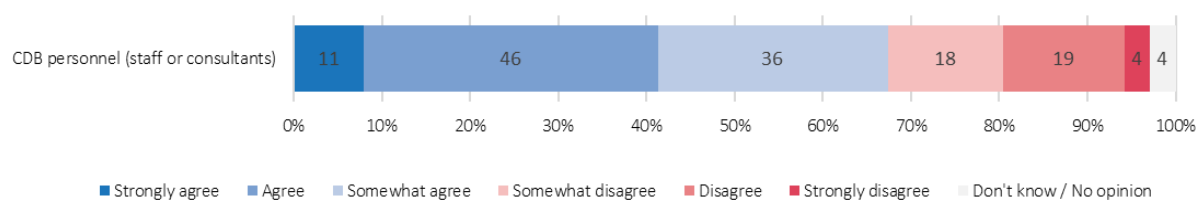


Figure 32. CDB promotes diversity, equity and inclusion among staff.

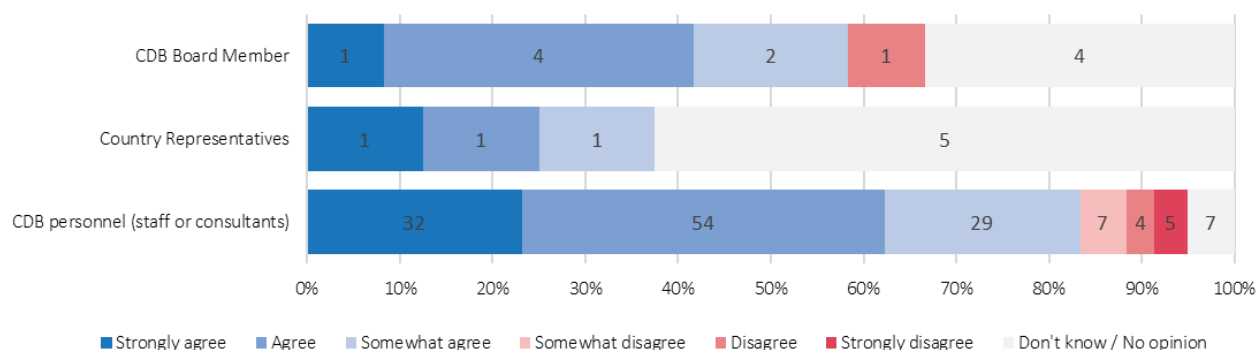


Figure 33. Effective mechanisms are in place to promote a respectful workplace and address interpersonal challenges.

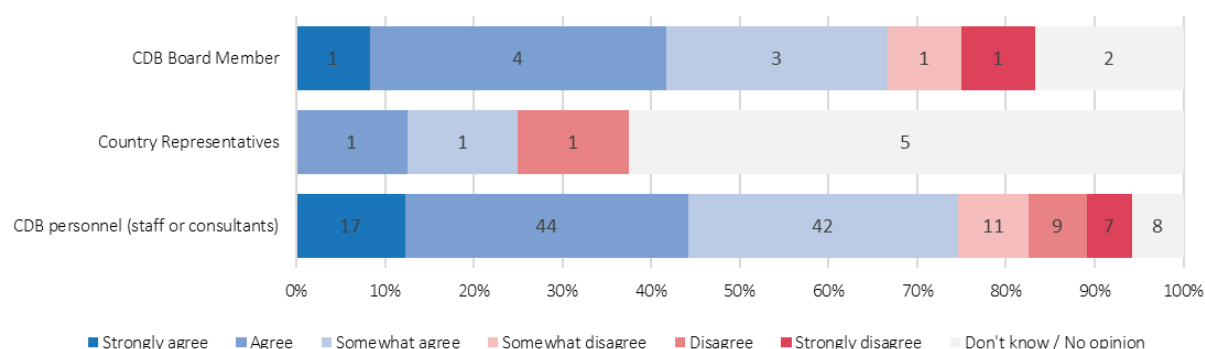


Figure 34. My workload is appropriate given my role and seniority.

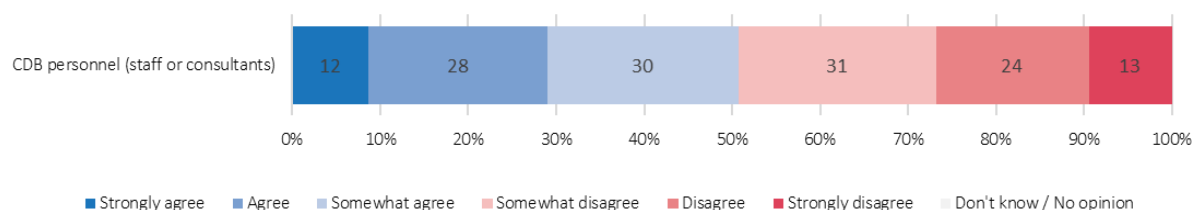


Figure 35. CDB has offered appropriate support to staff to navigate organisational changes.

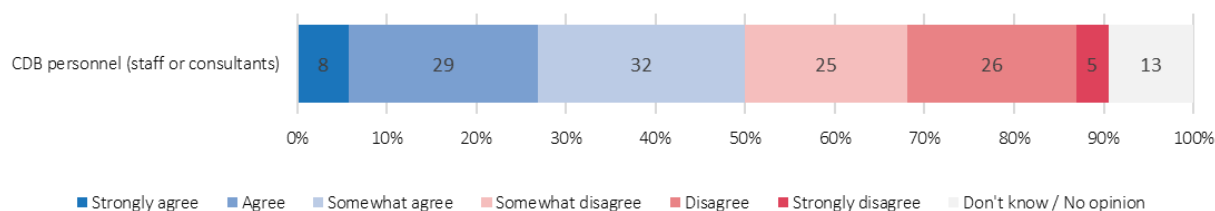
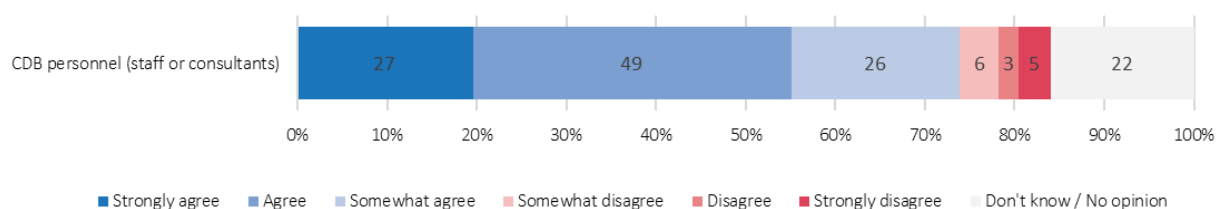


Figure 36. I am likely to continue working for CDB over the next three years.



Cross-cutting priorities

This section presents respondents' perspectives on how CDB addresses cross-cutting priorities in its work.

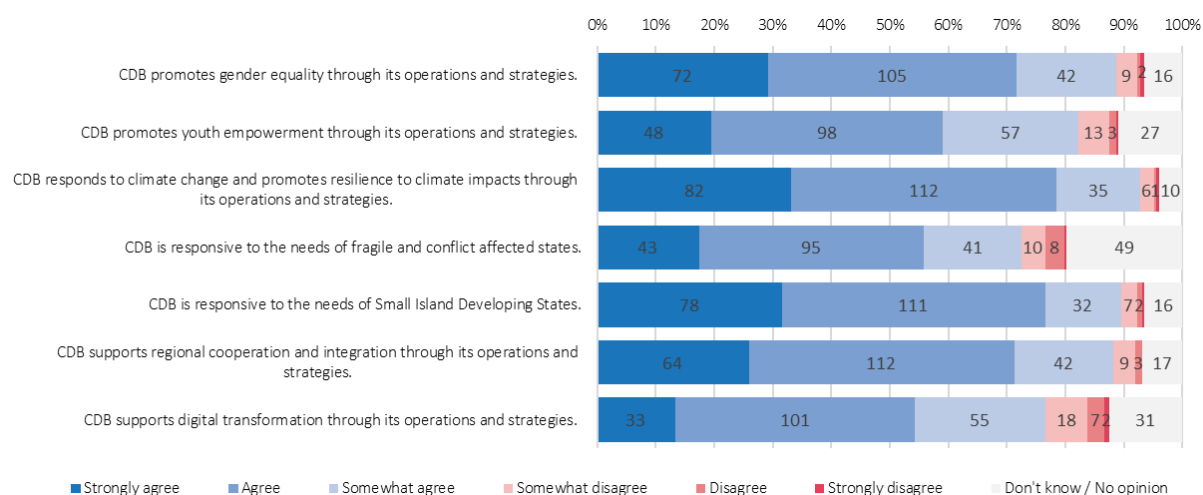


Figure 37. CDB promotes gender equality through its operations and strategies.

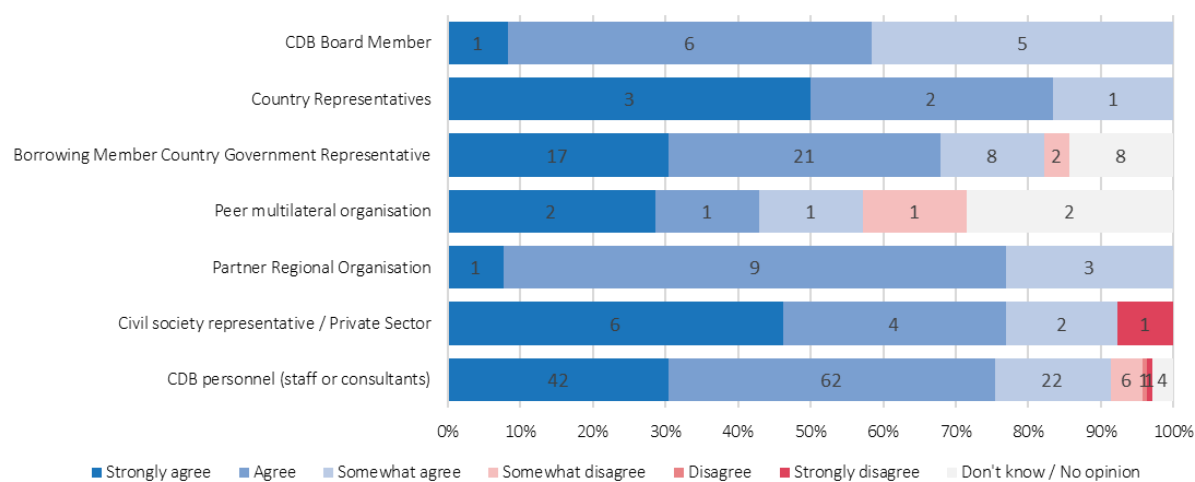


Figure 38. CDB promotes youth empowerment through its operations and strategies.

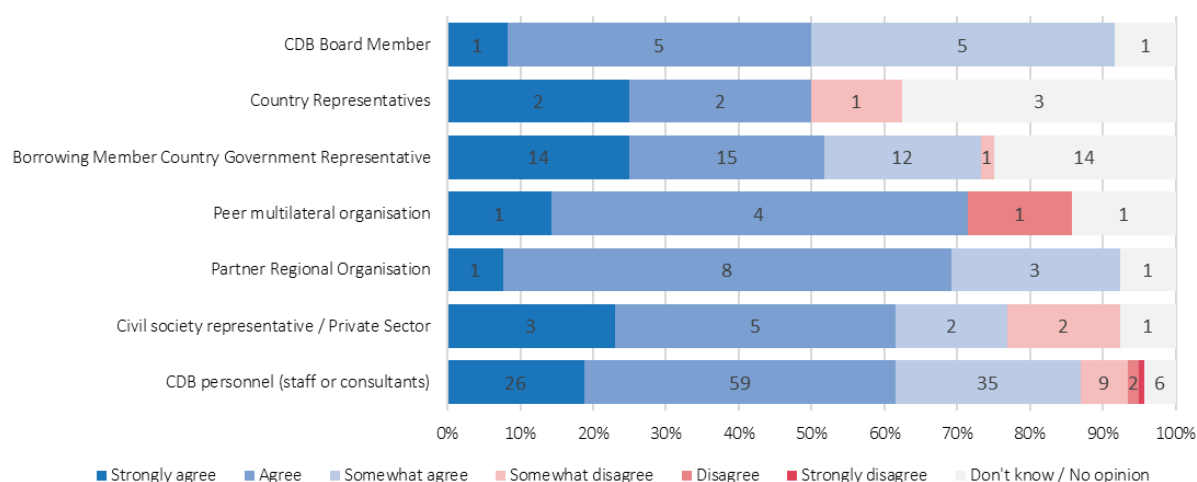


Figure 39. CDB responds to climate change and promotes resilience to climate impacts through its operations and strategies.

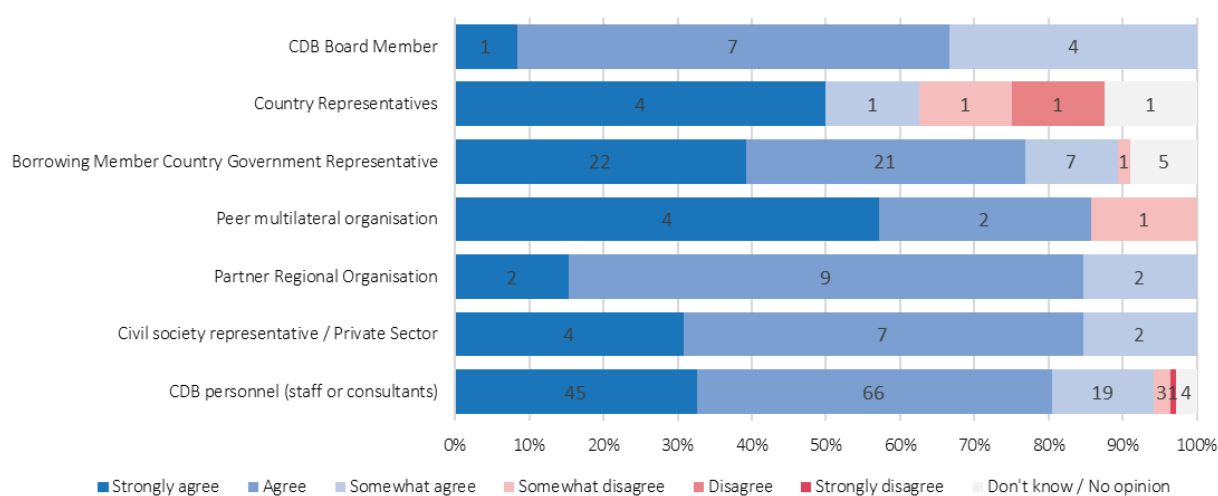


Figure 40. CDB is responsive to the needs of fragile and conflict affected states.

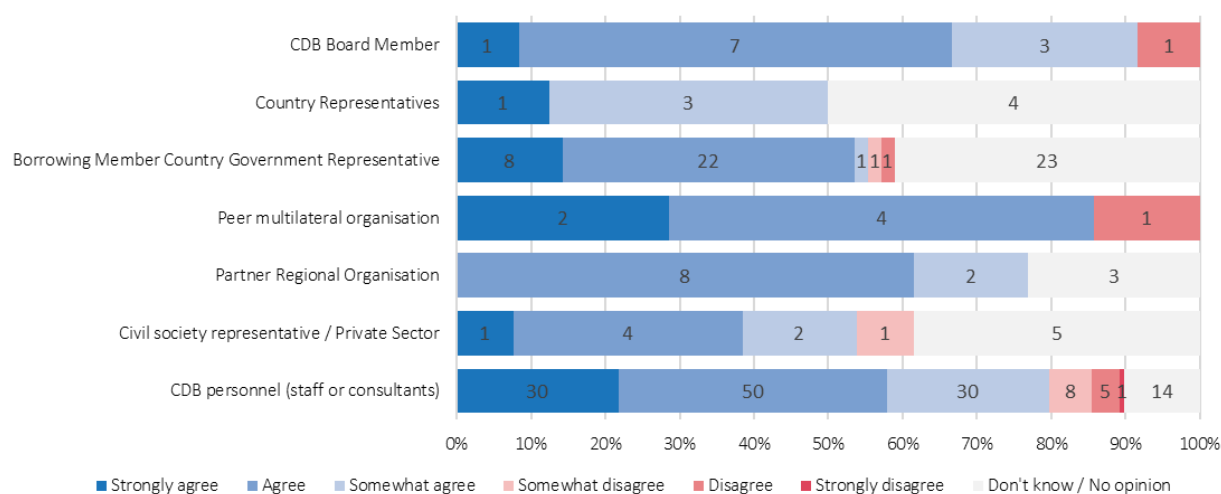


Figure 41. CDB is responsive to the needs of Small Island Developing States.

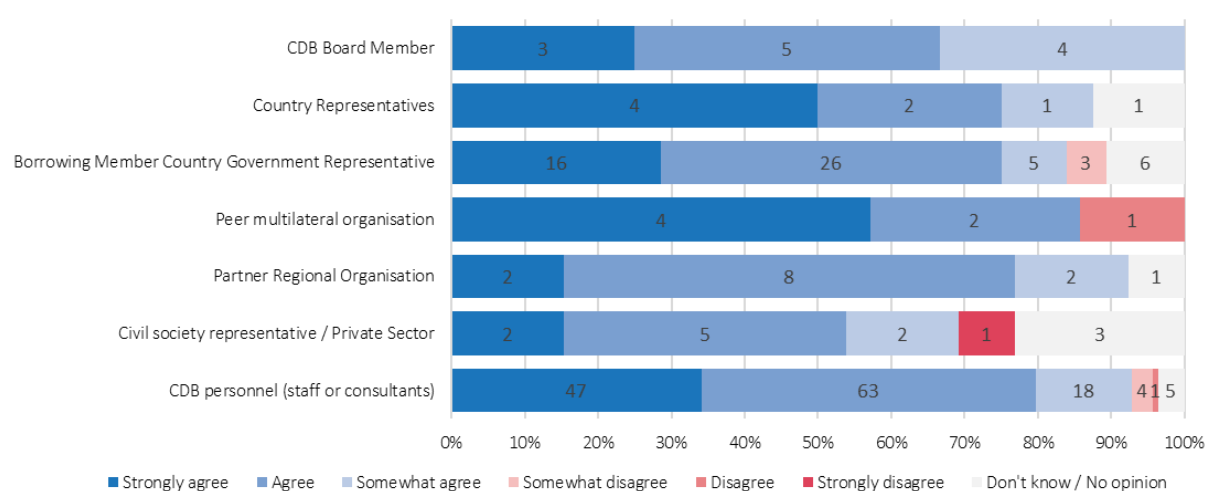


Figure 42. CDB supports regional cooperation and integration through its operations and strategies.

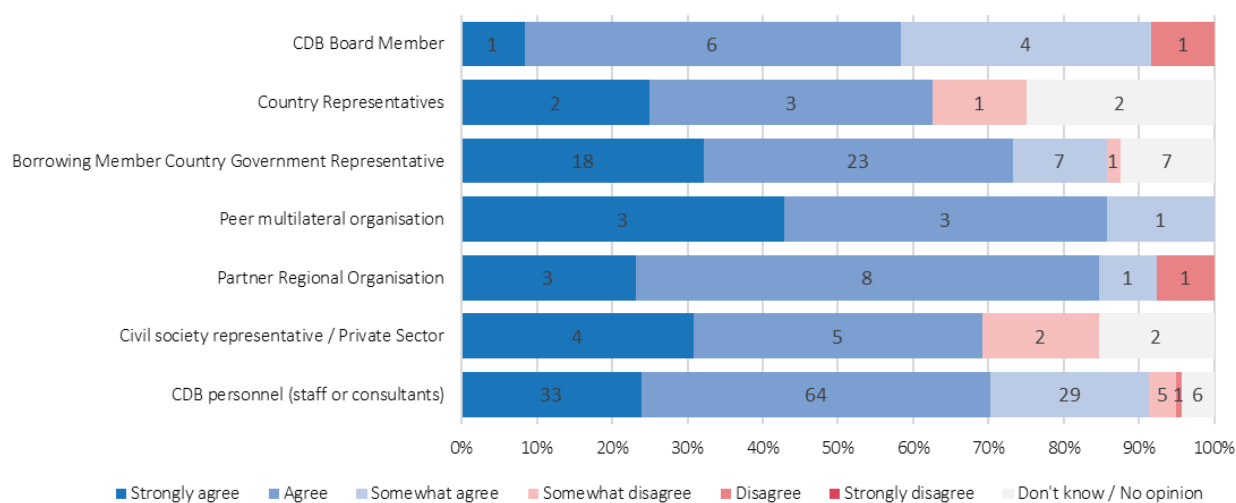
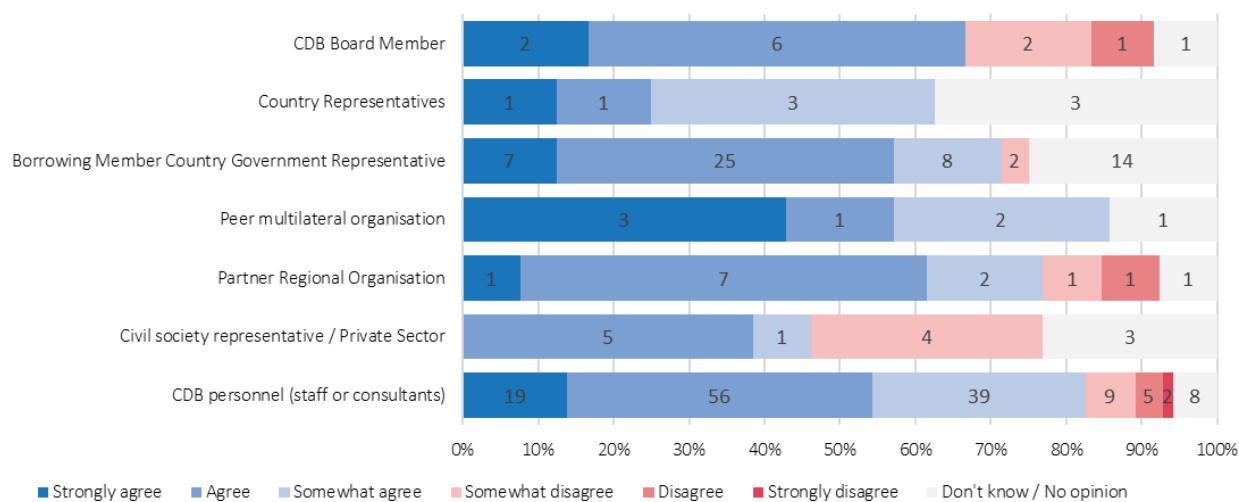


Figure 43. CDB supports digital transformation through its operations and strategies.



MANAGING RELATIONSHIP

This section presents respondents' perspectives on how CDB works with its partners and different stakeholders.

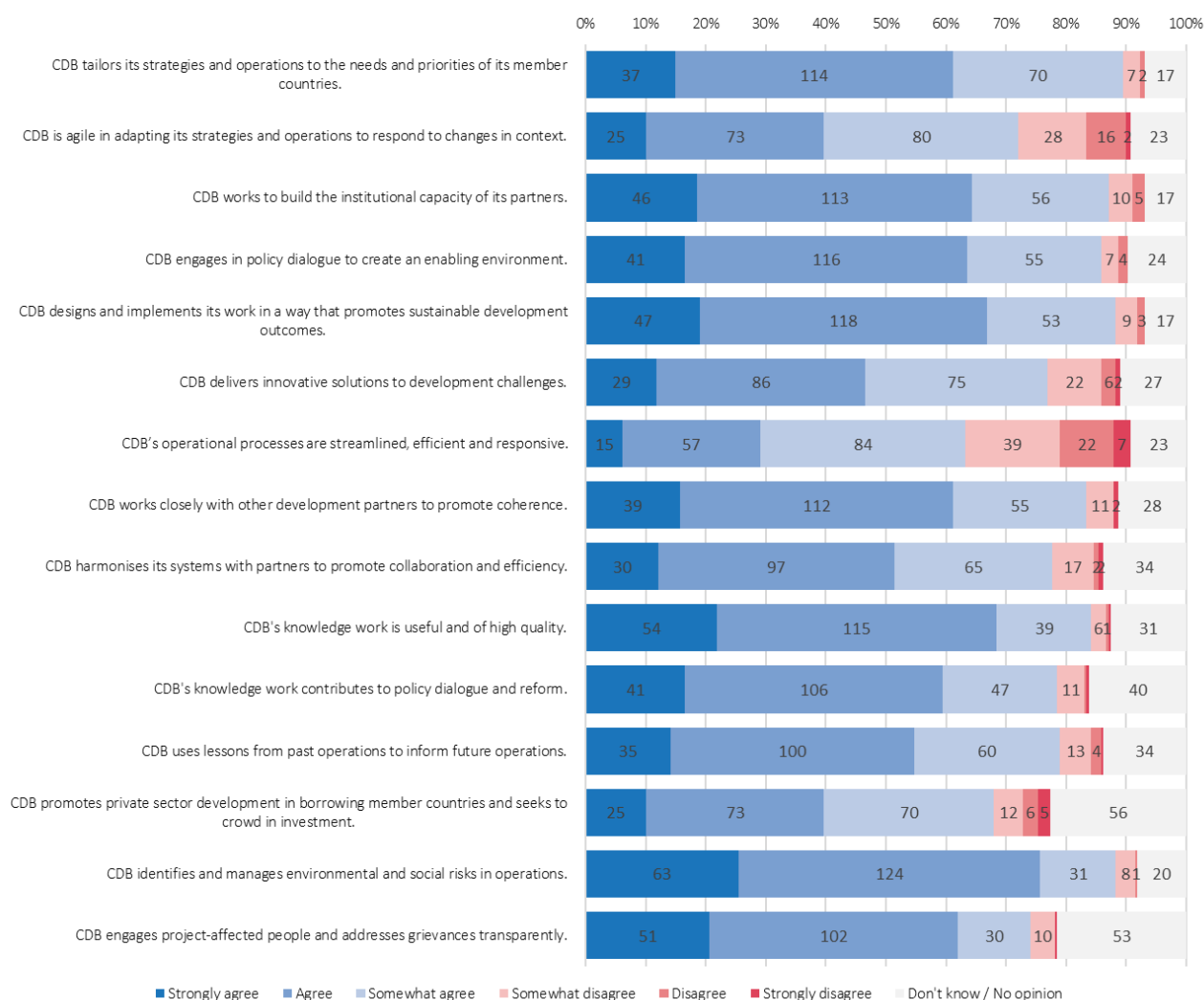


Figure 44. CDB tailors its strategies and operations to the needs and priorities of its member countries.

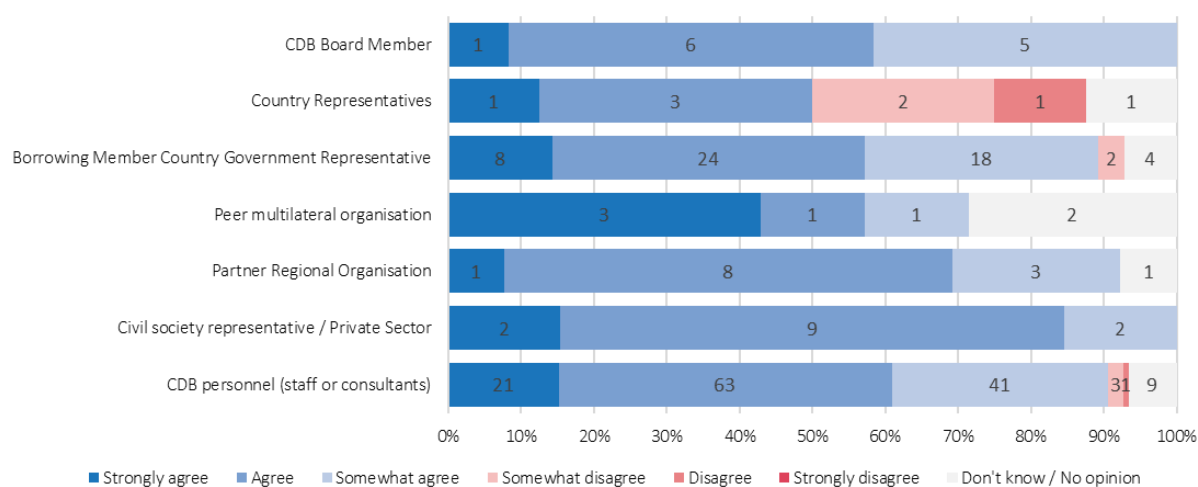


Figure 45. CDB is agile in adapting its strategies and operations to respond to changes in context.

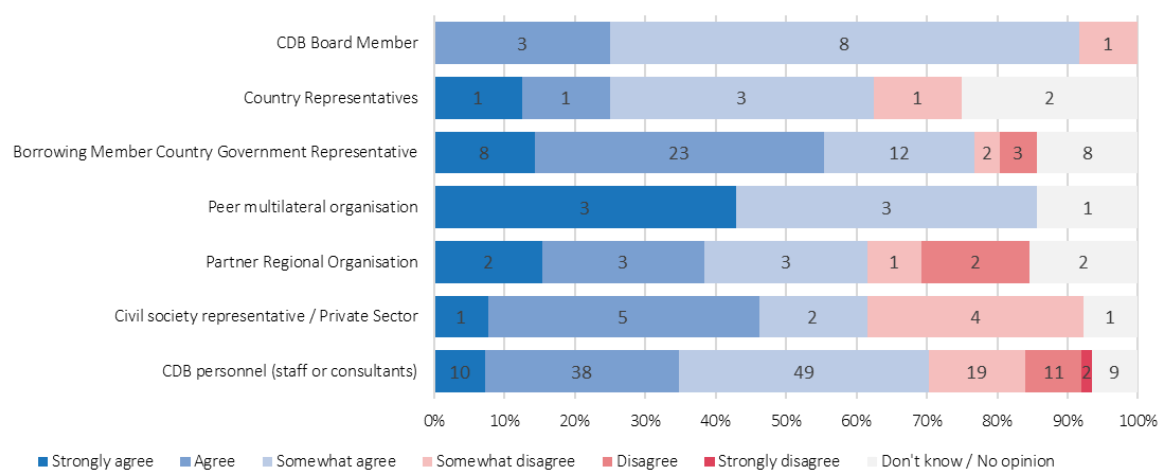


Figure 46. CDB works to build the institutional capacity of its partners.

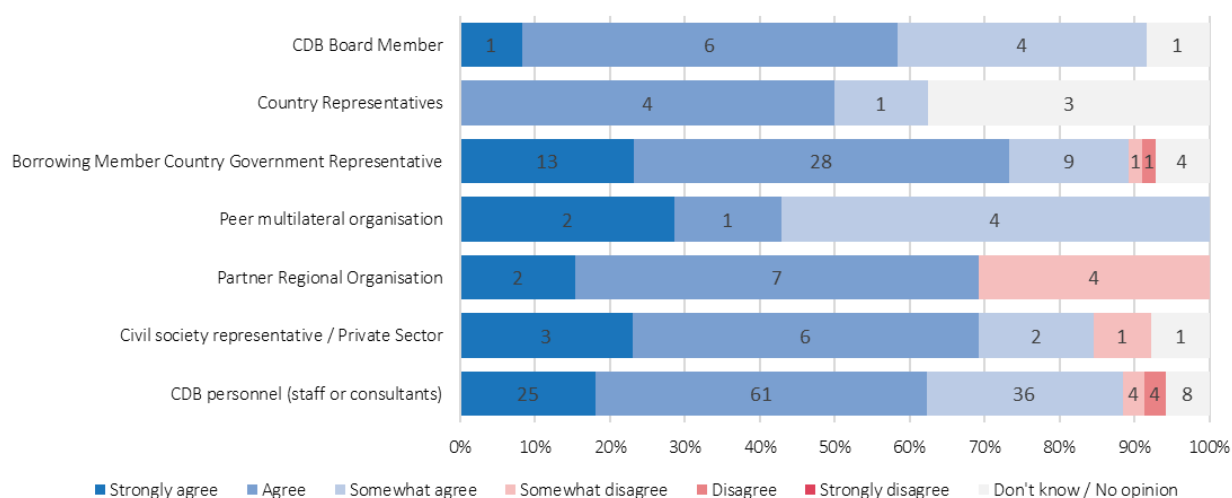


Figure 47. CDB engages in policy dialogue to create an enabling environment.

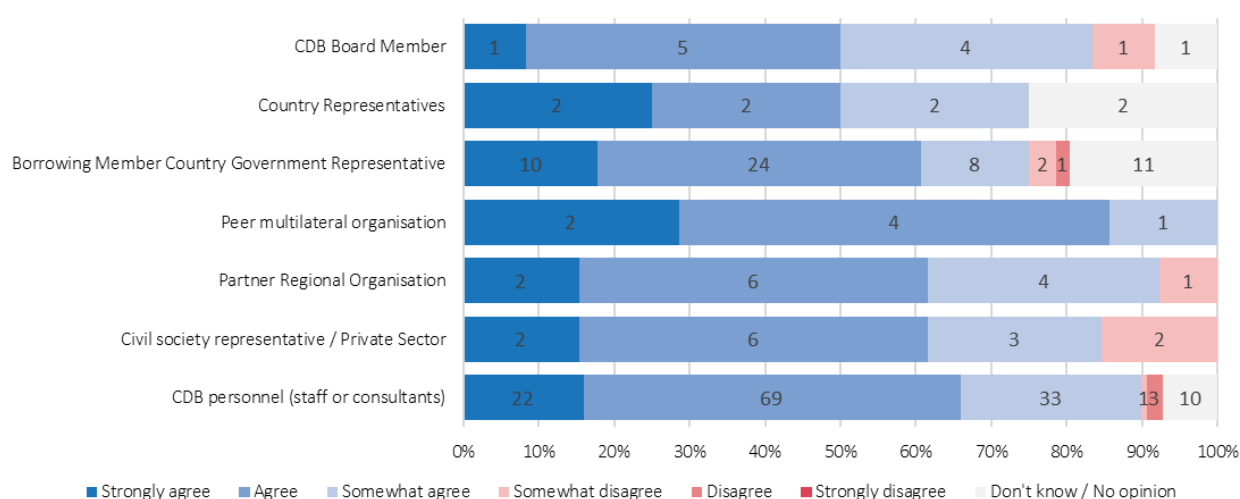


Figure 48. CDB designs and implements its work in a way that promotes sustainable development outcomes.

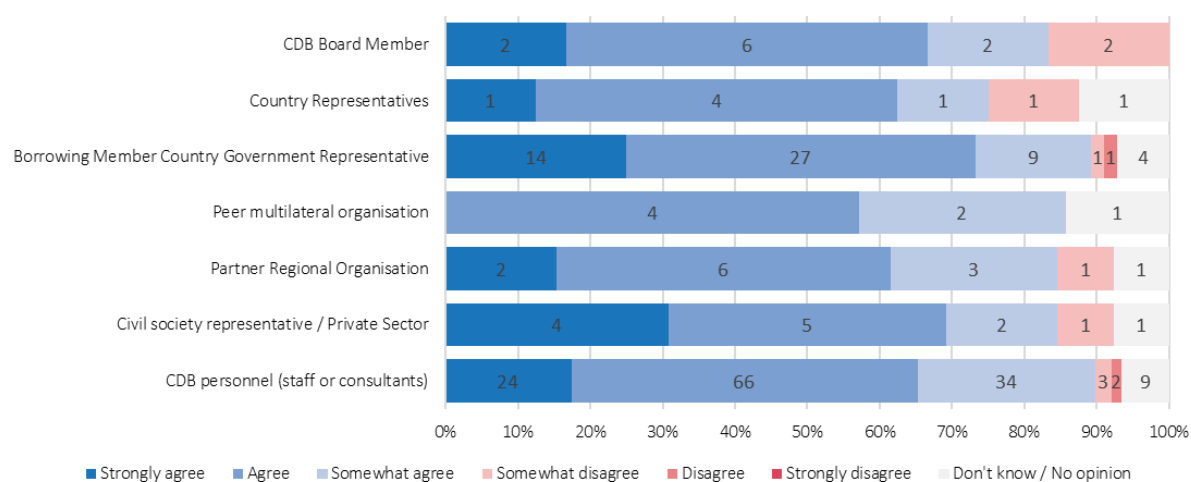


Figure 49. CDB delivers innovative solutions to development challenges.

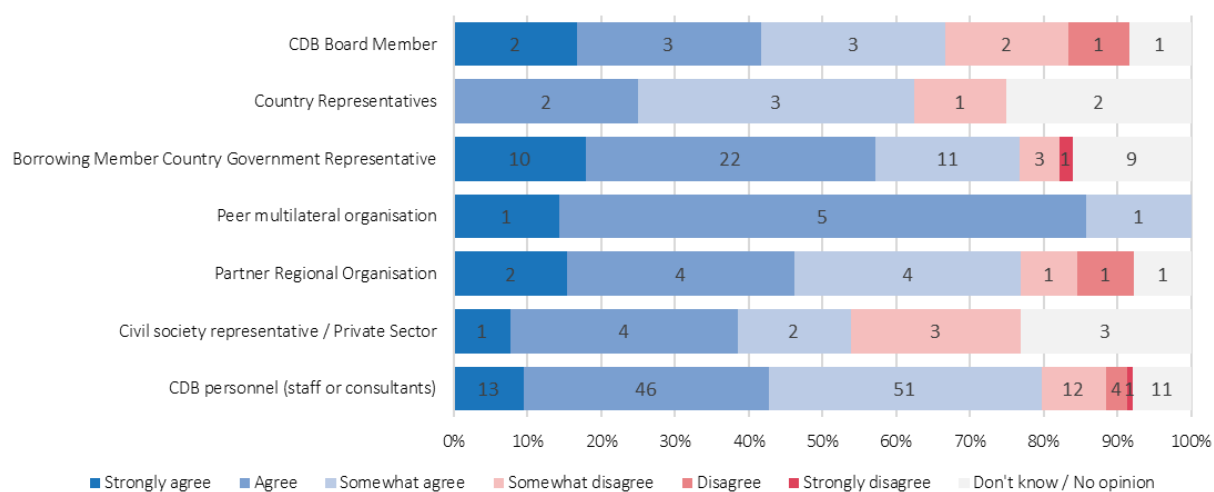


Figure 50. CDB's operational processes are streamlined, efficient and responsive.

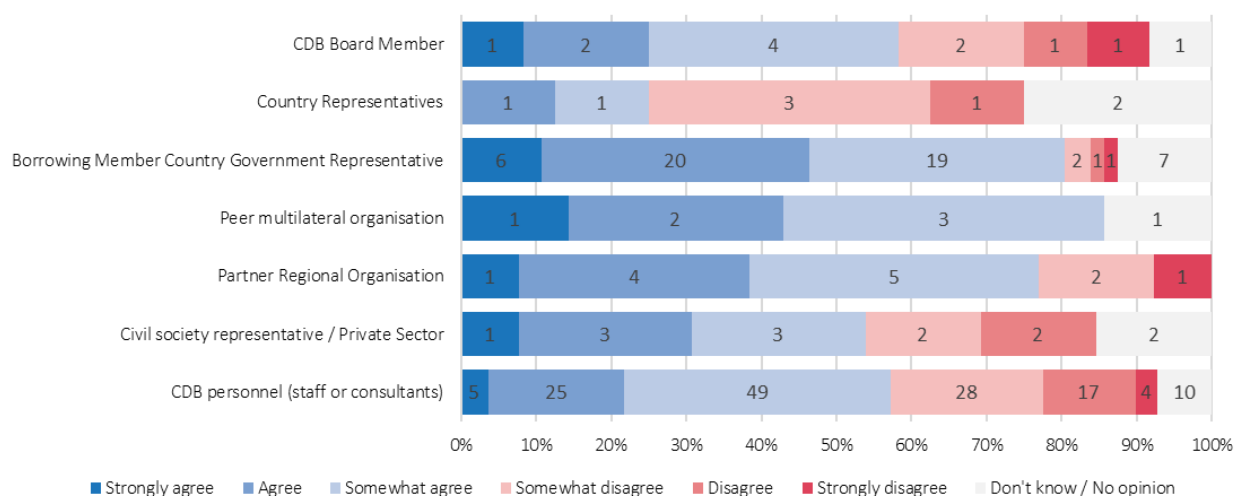


Figure 51. CDB works closely with other development partners to promote coherence.

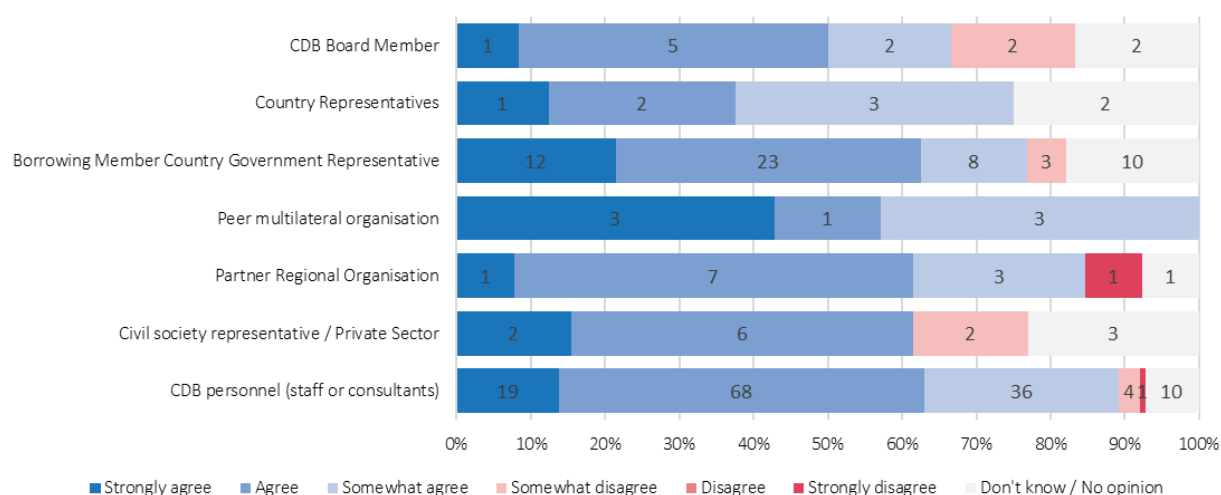


Figure 52. CDB harmonises its systems with partners to promote collaboration and efficiency.

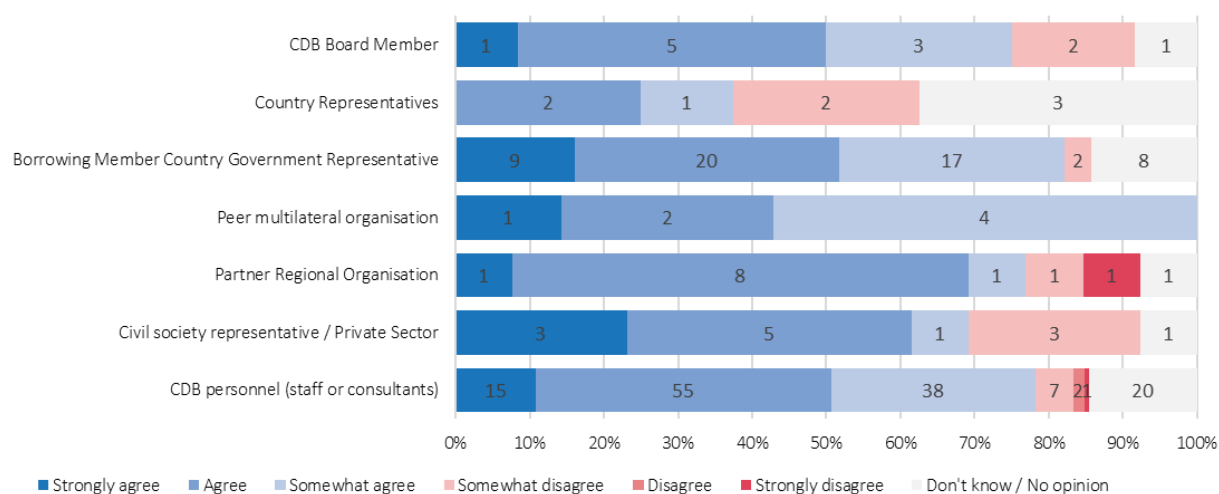


Figure 53. CDB's knowledge work is useful and of high quality.

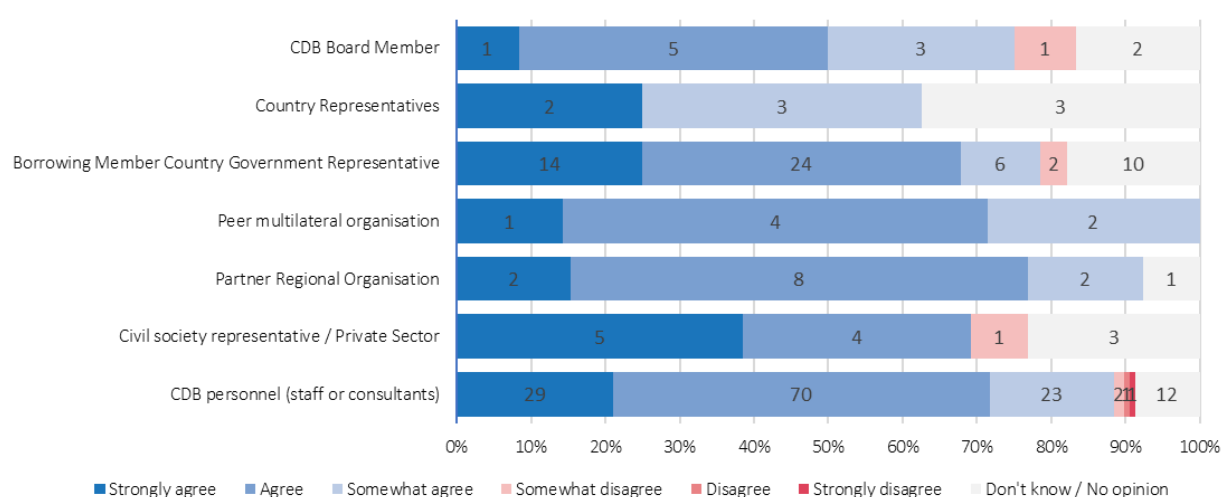


Figure 54. CDB's knowledge work contributes to policy dialogue and reform.

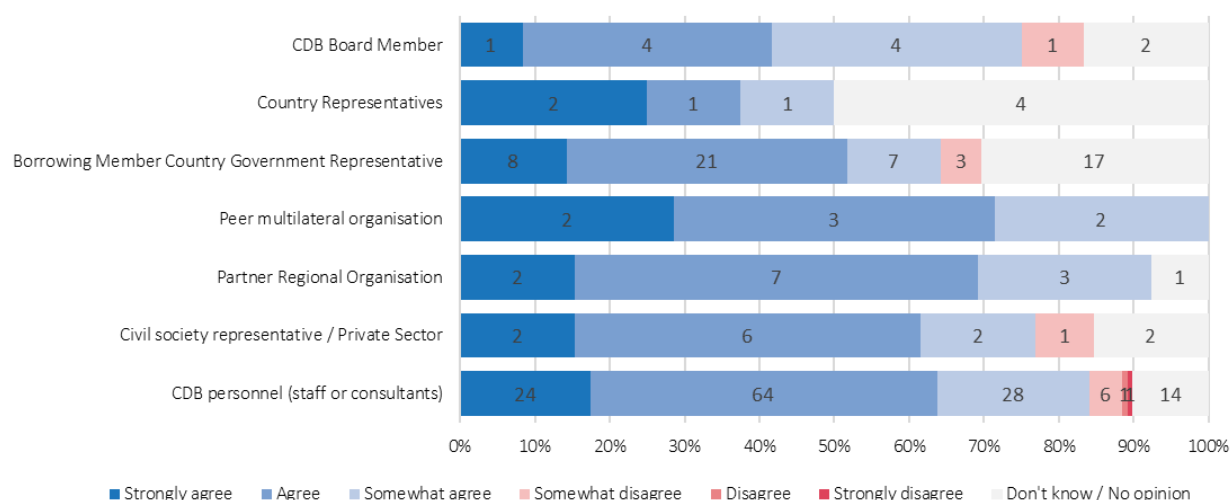


Figure 55. CDB uses lessons from past operations to inform future operations.

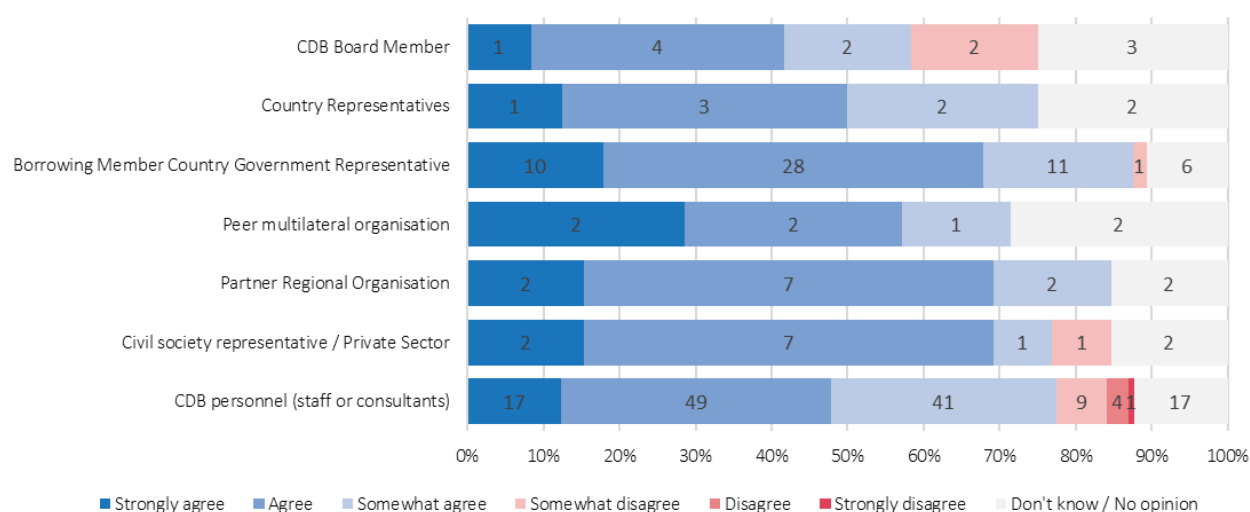


Figure 56. CDB promotes private sector development in borrowing member countries and seeks to crowd in investment.

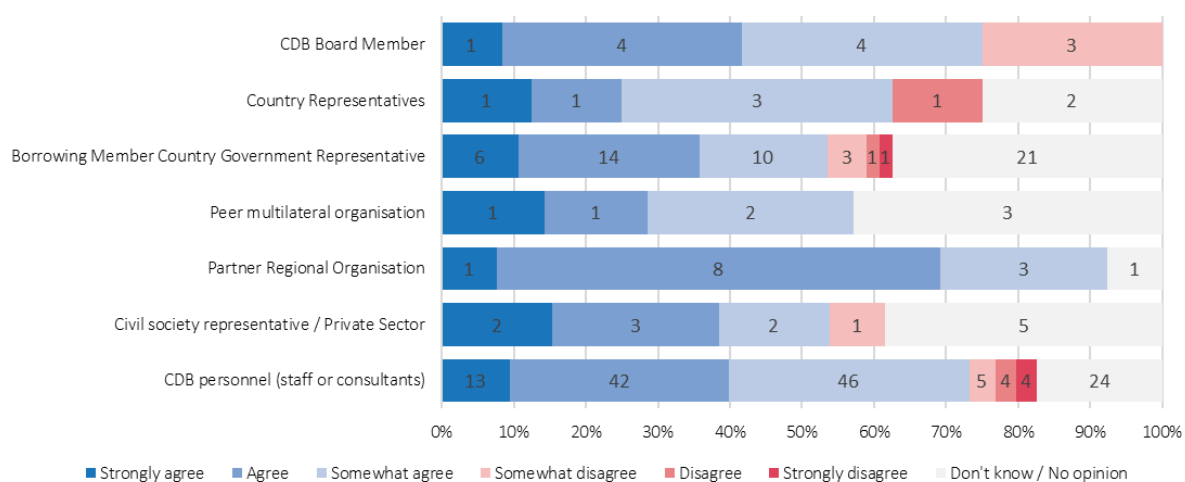


Figure 57. CDB identifies and manages environmental and social risks in operations.

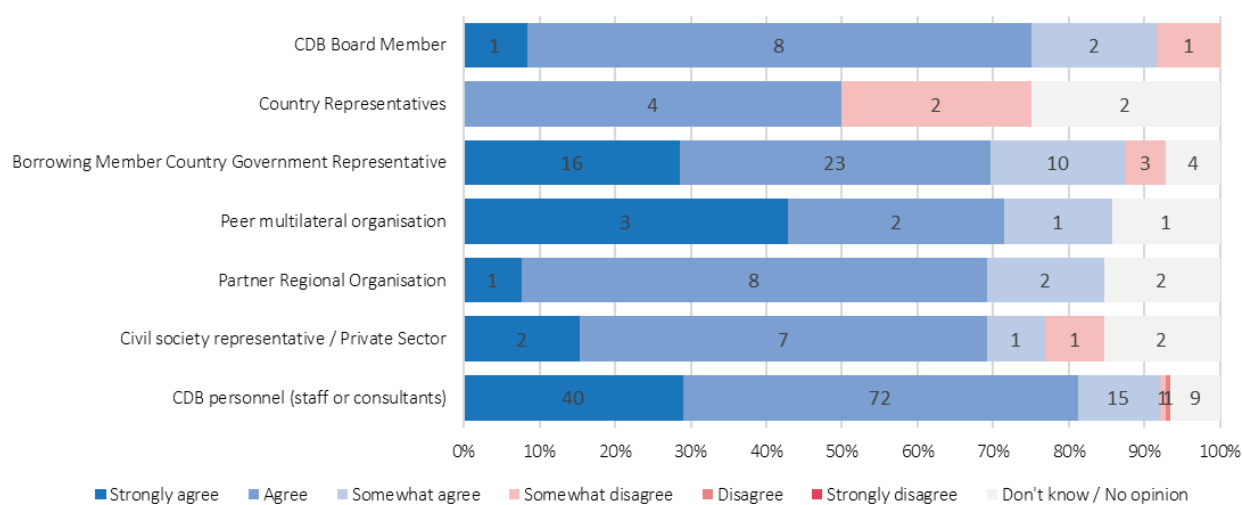


Figure 58. CDB engages project-affected people and addresses grievances transparently.

