

**PUBLIC DISCLOSURE AUTHORISED**

**CARIBBEAN DEVELOPMENT BANK**



Statement of Interim Financial Position (Unaudited)

For the Six Months Ended June 30, 2021

*(Expressed in thousands of United States Dollars unless otherwise stated)*

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**September 2021**



**STATEMENT OF INTERIM FINANCIAL POSITION**  
**(UNAUDITED)**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2021**

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF FINANCIAL POSITION**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

	<u>2021</u>	<u>December 31, 2020</u>
<b>Assets</b>		
<b>Cash Resources</b>		
Cash and cash equivalents	<b>\$189,104</b>	\$95,349
<b>Investments</b>		
Debt securities at fair value through OCI	<b>482,569</b>	537,986
<b>Receivables</b>		
Receivables and prepaid assets	<u>25,177</u>	<u>15,542</u>
	<u>25,177</u>	<u>15,542</u>
<b>Loans</b>		
Loans outstanding	<b>1,296,726</b>	1,332,087
<b>Receivable from members</b>		
Non-negotiable demand notes	<b>18,809</b>	21,597
Maintenance of value on currency holdings	<b>3,892</b>	3,572
Subscriptions in arrears	<u>1,954</u>	<u>2,943</u>
	<u>24,655</u>	<u>28,112</u>
<b>Derivative financial instruments</b>	<b>51,724</b>	94,288
<b>Other assets</b>		
Property and equipment	<u>18,832</u>	<u>17,984</u>
<b>Total Assets</b>	<u><b>\$2,088,787</b></u>	<u><b>\$2,121,348</b></u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF FINANCIAL POSITION**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

	<u>2021</u>	<u>December 31, 2020</u>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$11,203	\$10,857
Maintenance of value on currency holdings	156	317
Deferred income	875	875
Post-employment obligations	46,807	46,807
Borrowings	1,070,428	1,094,101
Derivative financial instruments	13,460	-
<b>Total Liabilities</b>	<u>\$1,142,929</u>	<u>\$1,152,957</u>
<b>Equity</b>		
Capital stock		
Subscriptions matured (net)	388,177	388,177
Retained earnings and reserves	557,681	580,214
<b>Total Equity</b>	<u>945,858</u>	<u>968,391</u>
<b>Total Liabilities and Equity</b>	<u>\$2,088,787</u>	<u>\$2,121,348</u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF CHANGES IN EQUITY**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

	<b>Capital Stock</b>	<b>Retained Earnings</b>	<b>Post Employment Obligations</b>	<b>Fair value Reserve</b>	<b>Other Reserves</b>	<b>Total</b>
Balance as of January 1, 2020	\$387,187	\$558,935	\$(20,448)	\$1,655	\$6,254	\$933,583
Net income for the period	-	\$37,636	-	-	-	37,636
New Capital Subscriptions	-	-	-	-	-	-
Other comprehensive(loss)/gain	-	-	-	7,951	-	7,951
Balance as of June 30, 2020	\$387,187	\$596,571	\$(20,448)	\$9,606	\$6,254	\$979,170
<b>Balance as of January 1, 2021</b>	<b>\$388,177</b>	<b>\$595,028</b>	<b>\$(29,519)</b>	<b>\$8,451</b>	<b>\$6,254</b>	<b>\$968,391</b>
<b>Net loss for the period</b>	<b>-</b>	<b>(13,978)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13,978)</b>
<b>Other comprehensive (loss)/gain</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,555)</b>	<b>-</b>	<b>(8,555)</b>
<b>Balance as of June 30, 2021</b>	<b>\$388,177</b>	<b>\$581,050</b>	<b>\$(29,519)</b>	<b>\$(104)</b>	<b>\$6,254</b>	<b>\$945,858</b>

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES  
STATEMENT OF COMPREHENSIVE INCOME  
For the Six Months ended June 30, 2021  
(expressed in thousands of United States dollars)**

	<u>2021</u>	<u>2020</u>
<b>Interest and similar income</b>		
Loans	\$24,527	\$29,175
Investments and cash balances	3,754	4,916
	<u>28,281</u>	<u>34,091</u>
<b>Interest expense and similar charges</b>		
Borrowings	12,900	13,613
Other financial expenses	(3,172)	(2,216)
	<u>9,728</u>	<u>11,397</u>
<b>Net interest income</b>	<u>18,553</u>	<u>22,694</u>
<b>Other (income)/expenses</b>		
Other income	(430)	(768)
Realised fair value gains	138	(649)
Provision for impairment on financials assets	876	-
Administrative expenses	5,856	6,721
Foreign exchange translation	(499)	263
	<u>5,941</u>	<u>5,567</u>
<b>Operating income</b>	<u>12,612</u>	<u>17,127</u>
<b>Net income before derivative and foreign denominated</b>	<u>12,612</u>	<u>17,127</u>
Derivative fair value adjustment	(55,540)	24,136
Foreign exchange gain/(loss) in translation on borrowing	28,950	(3,627)
	<u>(26,590)</u>	<u>20,509</u>
<b>Net loss/income for the period</b>	<u>(13,978)</u>	<u>37,636</u>
<b>Other comprehensive income</b>		
Unrealised fair value (loss)/gain	(8,555)	7,951
<b>Total comprehensive (loss)/income for the period</b>	<u><u>\$(22,533)</u></u>	<u><u>\$45,587</u></u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF CASH FLOWS**  
**For the Six Months Ended June 30, 2021**  
**(expressed in thousands of United States dollars)**

	<u>2021</u>	<u>2020</u>
<b>Operating activities:</b>		
Net (loss)/income for the period	\$ (13,978)	\$37,636
Adjustments:		
Depreciation	474	740
Derivative fair value adjustment	55,540	(24,136)
Interest income	(28,281)	(34,091)
Interest expense	9,728	11,397
Provision for impairment on financial assets	876	-
Foreign exchange (gain)/loss in translation	(28,950)	3,150
Foreign exchange gain in translation on Swiss Franc borrowing	-	-
Increase in maintenance of value on currency holdings	(481)	(185)
<i>Total cash flows used in operating activities before changes     in operating assets and liabilities</i>	<u>(5,072)</u>	<u>(5,489)</u>
Changes in operating assets and liabilities:		
Increase in receivables and prepaid assets	(9,665)	(1,481)
Decrease in cash collateral on derivatives	-	2,400
Increase in accounts payable and accrued liabilities	346	562
Net decrease/(increase) in debt securities at fair value through other comprehensive income	46,502	(90,354)
<i>Cash provided by/(used in) operating activities</i>	<u>32,111</u>	<u>(94,362)</u>
Disbursements on loans	(20,772)	(68,796)
Principal repayments on loans	54,753	65,123
Interest received	29,175	33,898
<i>Net cash provided by/(used in) operating activities</i>	<u>95,267</u>	<u>(64,137)</u>
<b>Investing activities:</b>		
Purchase of property and equipment	(1,323)	(1,752)
<i>Net cash used in investing activities</i>	<u>(1,323)</u>	<u>(1,752)</u>
<b>Financing activities:</b>		
Borrowings:		
New borrowings	11,444	523
Repayments on borrowings	(5,762)	(77,722)
Interest paid on borrowings	(9,647)	(11,628)
Decrease in receivables from members	3,776	11,785
<i>Net cash used in financing activities</i>	<u>(189)</u>	<u>(77,042)</u>
Net increase/(decrease) in cash and cash equivalents	93,755	(142,931)
Cash and cash equivalents at beginning of period	95,349	292,045
<b>Cash and cash equivalents at end of the period</b>	<u><u>\$189,104</u></u>	<u><u>\$149,114</u></u>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF INVESTMENTS**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

Schedule 1

	2021			
	USD	CAD	Other Currencies	All Currencies
Obligations guaranteed by				
Governments	\$255,720	\$-	\$-	\$255,720
Multilateral organisations	74,629	4,075	-	78,704
Corporations	145,409	-	-	145,409
Time deposits	-	-	759	759
Sub-total	475,758	4,075	759	480,592
Provision for Impairment	(28)	-	-	(28)
Accrued interest	1,965	40	-	2,005
Total	\$477,695	\$4,115	\$759	\$482,569

	December 31, 2020			
	USD	CAD	Other Currencies	All Currencies
Obligations guaranteed by				
Governments	\$304,851	\$-	\$-	\$304,851
Multilateral organisations	80,322	4,004	-	84,326
Corporations	145,711	-	-	145,711
Time deposits	-	-	761	761
Sub-total	530,884	4,004	761	535,649
Provision for Impairment	(18)	-	-	(18)
Accrued interest	2,315	39	1	2,355
Total	\$533,181	\$4,043	\$762	\$537,986

**RESIDUAL TERM TO CONTRACTUAL MATURITY**

	2021	2020
One month to three months	\$18,968	\$44,831
Over three months to one year	49,515	43,516
Over one year to five years	225,996	228,944
Over five years to ten years	173,911	184,770
Over ten years to twenty years	14,179	35,548

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES  
SUMMARY STATEMENT OF LOANS**

**June 30, 2021**

**(expressed in thousands of United States dollars)**

Schedule 2

Member countries in which loans have been made	Loans approved but not yet effective	Undisbursed	Loans Outstanding	Percentage of total loans outstanding
ANGUILLA	\$-	\$1,848	\$71,257	5.5
ANTIGUA AND BARBUDA	-	56,015	111,972	8.7
BAHAMAS	-	22,998	118,447	9.2
BARBADOS	-	15,444	254,146	19.7
BELIZE	21,300	57,090	117,209	9.1
BRITISH VIRGIN ISLANDS	-	28,036	90,668	7.0
DOMINICA	-	6,641	24,394	1.9
GRENADA	-	13,323	37,014	2.9
GUYANA	101,466	964	22,986	1.8
JAMAICA	-	1	109,058	8.5
ST. KITTS AND NEVIS	-	3,946	21,202	1.6
ST. LUCIA	-	34,349	79,289	6.1
ST. VINCENT AND THE GRENADINES	-	144,212	61,685	4.8
SURINAME	-	87,016	53,379	4.1
TRINIDAD AND TOBAGO	-	4,724	27,722	2.1
TURKS AND CAICOS ISLANDS	-	1,114	-	0.0
REGIONAL	-	-	7,705	0.6
PRIVATE SECTOR	-	-	82,047	6.4
Sub-total	122,766	477,721	1,290,180	100.0
Provisions for Losses			(7,882)	
Accrued Interest			14,428	
<b>Total - June 30, 2021</b>	<b>\$122,766</b>	<b>\$477,721</b>	<b>\$1,296,726</b>	
Total - December 31, 2020	\$142,147	\$475,188	\$1,332,087	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF LOANS (continued)**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

							Schedule 2 (continued)
Currencies Receivable	Loans Out- standing 2020	Net Interest Earned	Disburse- ments	Sub- Total	Repay- ments	Provision for Impairment	Loans Out- standing 2021
<b>United States dollars</b>	<b>\$1,324,161</b>	<b>\$-</b>	<b>\$20,772</b>	<b>\$1,344,933</b>	<b>\$(54,753)</b>	<b>\$-</b>	<b>\$1,290,180</b>
<b>Sub-Total</b>	<b>1,324,161</b>	<b>-</b>	<b>20,772</b>	<b>1,344,933</b>	<b>(54,753)</b>	<b>-</b>	<b>1,290,180</b>
<b>Provision for impairment</b>	<b>(7,046)</b>	<b>-</b>	<b>-</b>	<b>(7,046)</b>	<b>-</b>	<b>(836)</b>	<b>(7,882)</b>
<b>Accrued interest</b>	<b>14,972</b>	<b>(544)</b>	<b>-</b>	<b>14,428</b>	<b>-</b>	<b>-</b>	<b>14,428</b>
<b>Total - June 30, 2021</b>	<b>\$1,332,087</b>	<b>\$(544)</b>	<b>\$20,772</b>	<b>\$1,352,315</b>	<b>\$(54,753)</b>	<b>\$(836)</b>	<b>\$1,296,726</b>
Total - December 31, 2020	\$1,249,318	\$(884)	\$195,881	\$1,444,315	\$(118,102)	\$5,874	\$1,332,087

MATURITY STRUCTURE OF LOANS OUTSTANDING

January 1, 2021 to December 31, 2021	\$72,412
January 1, 2022 to December 31, 2022	119,076
January 1, 2023 to December 31, 2023	127,831
January 1, 2024 to December 31, 2024	136,509
January 1, 2025 to December 31, 2025	143,485
January 1, 2026 to December 31, 2030	551,553
January 1, 2031 to December 31, 2035	137,460
January 1, 2036 to December 31, 2040	16,251
January 1, 2040 to December 31, 2041	31
<b>Total</b>	<b>1,304,608</b>
<b>Provision for impairment</b>	<b>(7,882)</b>
<b>Total loans outstanding</b>	<b>\$1,296,726</b>

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**STATEMENT OF SUBSCRIPTION TO CAPITAL STOCK AND VOTING POWER**  
**June 30, 2021**  
(expressed in thousands of United States dollars)

Schedule 3

Member	No. of Shares	% of Total	Total subscribed capital	Callable capital	Paid-up capital	Subscriptions Matured	Voting Power		Receivable from members. Non-negotiable Demand Notes
							No. of votes	% of total votes	
<b>Regional States and Territories:</b>									
Jamaica	48,354	17.31	\$291,659	\$227,614	\$64,045	64,045	48,504	17.14	9,234
Trinidad and Tobago	48,354	17.31	291,659	227,614	64,045	64,045	48,504	17.14	6,399
Bahamas	14,258	5.10	86,001	67,115	18,886	18,886	14,408	5.09	-
Guyana	10,417	3.73	62,833	49,038	13,795	13,795	10,567	3.73	-
Barbados	9,074	3.25	54,732	42,717	12,015	12,015	9,224	3.26	-
Colombia	7,795	2.79	47,017	36,691	10,326	10,326	7,945	2.81	-
Mexico	7,795	2.79	47,017	36,691	10,326	10,326	7,945	2.81	-
Venezuela	7,795	2.79	47,017	36,691	10,326	10,326	7,945	2.81	0
Suriname	4,166	1.49	25,128	19,627	5,501	5,501	4,316	1.53	2,805
Brazil	3,118	1.12	18,807	14,687	4,120	4,120	3,268	1.15	-
Haiti	2,187	0.78	13,191	10,296	2,895	2,895	2,337	0.83	-
Belize	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	-
Dominica	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	286
St. Lucia	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	0
St. Vincent and the Grenadines	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	-
Antigua	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	296
St. Kitts and Nevis	2,148	0.77	12,956	10,109	2,847	2,847	2,298	0.81	(0)
Grenada	1,839	0.66	11,093	8,661	2,432	2,432	1,989	0.70	0
Anguilla /1	455	0.16	2,744	2,141	603	603	2,737	0.97	-
Montserrat /1	533	0.19	3,215	2,509	706	706			-
British Virgin Islands /1	533	0.19	3,215	2,509	706	706			-
Cayman Islands /1	533	0.19	3,215	2,509	706	706			8
Turks and Caicos Islands /1	533	0.19	3,215	2,509	706	706			-
	<u>180,627</u>	<u>64.65</u>	<u>1,089,494</u>	<u>850,273</u>	<u>239,221</u>	<u>239,221</u>	<u>183,477</u>	<u>64.83</u>	<u>19,029</u>
<b>Non-Regional States:</b>									
Canada	26,004	9.31	156,849	122,408	34,441	34,441	26,154	9.24	-
United Kingdom	26,004	9.31	156,849	122,408	34,441	34,441	26,154	9.24	-
Italy	15,588	5.58	94,023	73,376	20,647	20,647	15,738	5.56	-
Germany	15,588	5.58	94,023	73,376	20,647	20,647	15,738	5.56	-
China	15,588	5.58	94,023	73,376	20,647	20,647	15,738	5.56	-
	<u>98,772</u>	<u>35.35</u>	<u>595,767</u>	<u>464,944</u>	<u>130,823</u>	<u>130,823</u>	<u>99,522</u>	<u>35.17</u>	<u>-</u>
<b>Sub-total</b>	<u>279,399</u>	<u>100.00</u>	<u>1,685,261</u>	<u>1,315,217</u>	<u>370,044</u>	<u>370,044</u>	<u>282,999</u>	<u>100.00</u>	<u>19,029</u>
<b>Additional subscriptions</b>									
China			18,804	14,688	4,116	4,116			
Colombia			1,810	905	905	905			
Germany			12,546	9,681	2,865	2,865			
Italy			12,546	9,681	2,865	2,865			
Mexico			6,273	4,841	1,432	1,432			
Venezuela			1,810	905	905	905			
Haiti			2,639	2,060	579	579			
Suriname			12,564	9,814	2,750	2,750			
Brazil			9,403	7,343	2,060	2,060			
<b>Sub-total</b>	<u>-</u>	<u>-</u>	<u>78,395</u>	<u>59,918</u>	<u>18,477</u>	<u>18,477</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Gross Subscriptions - June 30, 2021</b>	<u>279,399</u>	<u>100.00</u>	<u>\$1,763,656</u>	<u>\$1,375,135</u>	<u>\$388,521</u>	<u>\$388,521</u>	<u>282,999</u>	<u>100.00</u>	<u>19,029</u>
Subscriptions Prepayment Discount						(344)			
<b>Net Subscriptions - June 30, 2021</b>						<u>388,177</u>			
Total - December 31, 2020	<u>279,399</u>	<u>100.00</u>	<u>\$1,763,656</u>	<u>\$1,375,135</u>	<u>\$388,521</u>	<u>\$388,177</u>	<u>282,999</u>	<u>100.00</u>	<u>21,818</u>

1. In accordance with Article 3 paragraph 4 of the Agreement establishing the Bank and Board of Governors Resolution No. 4/81, these territories are considered as a single member of the Bank for the purpose of Articles 26 and 32 of the Agreement.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF BORROWINGS**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

Schedule 4

	Original amounts <sup>1/</sup>	Trans- lation adjustments	Repayments to date	Currency swap agreements	Undrawn	Out- standing	Due Dates
CDB Market Borrowings:							
4.35% Loan - Yen	\$60,000	\$(1,406)	\$-	\$-	\$-	\$58,594	2030
2.75% Notes - Yen	100,000	13,132	-	-	-	113,132	2022
4.375% Bonds - US\$	300,000	-	-	-	-	300,000	2027
0.297% Bonds - CHF	151,341	5,772	-	-	-	157,113	2028
0.875% Notes - EUR	275,550	21,715	-	-	-	297,265	
Unamortized transaction costs	(17,408)	518	-	-	-	(16,890)	
Unamortized currency swap	1,189	-	-	(484)	-	705	
	<u>870,672</u>	<u>39,731</u>	<u>-</u>	<u>(484)</u>	<u>-</u>	<u>909,919</u>	
European Investment Bank							
Global Loan III - US\$	13,278	-	(4,979)	-	-	8,299	2023
Climate Action Credit - US\$	65,320	-	(3,339)	-	-	61,981	2032
Climate Action Credit 2 - US\$	115,821	-	-	-	(76,791)	39,030	2033
Unamortized transaction costs	(230)	-	-	-	-	(230)	
	<u>194,189</u>	<u>-</u>	<u>(8,318)</u>	<u>-</u>	<u>(76,791)</u>	<u>109,080</u>	
Inter-American Development Bank:							
Loan 926/OC-RG - US\$	19,347	-	(19,347)	-	-	-	2021
Loan 2798/BL-RG - US\$	14,000	-	(1,090)	-	(1,309)	11,601	2043
Loan 3561/OC - RG	20,000	-	-	-	(12,781)	7,219	2037
	<u>53,347</u>	<u>-</u>	<u>(20,437)</u>	<u>-</u>	<u>(14,090)</u>	<u>18,820</u>	
Agence Francaise de Developpment	33,000	-	(4,125)	-	-	28,875	2028
	<u>33,000</u>	<u>-</u>	<u>(4,125)</u>	<u>-</u>	<u>-</u>	<u>28,875</u>	
Sub-total	1,226,208	39,731	(107,880)	(484)	(90,881)	1,066,694	
Accrued interest	3,653	-	-	-	-	3,734	
<b>Total - June 30, 2021</b>	<b>\$1,225,817</b>	<b>\$39,731</b>	<b>\$(103,755)</b>	<b>\$(484)</b>	<b>\$(90,881)</b>	<b>\$1,070,428</b>	
Total - December 31, 2020	\$1,229,647	\$67,248	\$100,055	\$(969)	\$(101,770)	\$1,094,101	

1/ Net of cancellations and borrowings fully repaid.

**CARIBBEAN DEVELOPMENT BANK**  
**ORDINARY CAPITAL RESOURCES**  
**SUMMARY STATEMENT OF BORROWINGS (continued)**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

							Schedule 4 (continued)
Currencies repayable	Outstanding borrowings December 31 2020	Trans- lation adjust- ments	Net Interest Paid	Draw- downs	Amorti- sation	Repay- ments	Outstanding borrowings June 30 2021
United States dollars	\$451,879	\$-	\$-	\$10,889	\$-	\$(5,762)	\$457,006
Swiss Franc	164,623	(7,510)	-	-	-	-	157,113
Euro	306,861	(9,596)	-	-	-	-	297,265
Yen	185,279	(12,363)	-	-	(486)	-	172,430
Sub-total	1,108,642	(29,469)	-	10,889	(486)	(5,762)	\$1,083,814
Amortized borrowing cost	(18,194)	519	-	555	-	-	(17,120)
Accrued interest	3,653	-	81	-	-	-	3,734
<b>Total - June 30, 2021</b>	<b>\$1,094,101</b>	<b>\$(28,950)</b>	<b>\$81</b>	<b>\$11,444</b>	<b>\$(486)</b>	<b>\$(5,762)</b>	<b>\$1,070,428</b>
Total - December 31, 2020	\$1,103,190	\$48,372	\$(2,236)	\$29,294	\$(969)	\$(83,460)	\$1,094,101

MATURITY STRUCTURE OF BORROWINGS OUTSTANDING

July 1, 2021 to December 31, 2021	\$12,046
January 1, 2022 to December 31, 2022	129,757
January 1, 2023 to December 31, 2023	76,564
January 1, 2024 to December 31, 2024	73,759
January 1, 2025 to December 31, 2029	399,365
January 1, 2030 to December 31, 2034	91,041
January 1, 2035 to December 31, 2039	286,050
January 1, 2040 to December 31, 2043	1,846
<b>Total</b>	<b>\$1,070,428</b>

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 1 – NATURE OF OPERATIONS**

*Corporate structure*

The Caribbean Development Bank (“CDB” or “the Bank”) is an international organisation established by an Agreement (“Charter”) signed in Kingston, Jamaica, on October 18, 1969 and accepted and ratified by all the member countries which are signatories thereto. The Charter is an international treaty which, together with the instruments of ratification and accession by member countries, is deposited with the United Nations Secretary-General. The Charter entered into force on January 26, 1970 and CDB commenced operations on January 31, 1970. Since then other countries have become members of CDB by acceding to the Charter. The Bank’s headquarters is located in Wildey in the parish of Saint Michael in the island of Barbados.

*Purpose and objectives*

CDB is a regional financial institution established for the purpose of contributing to the harmonious economic growth and development of the member countries in the Caribbean (“Region”) and to promote economic cooperation and integration among them, with special and urgent regard to the needs of the less developed members.

Reducing poverty in the region is CDB’s main objective and it finances development projects in its Borrowing Member Countries (“BMCs”) primarily through its Ordinary Capital Resources (“OCR”) which comprises shareholders’ paid-in capital, retained earnings and reserves and borrowings. In advancing this objective, the Bank participates in the selection, study and preparation of projects contributing to poverty reduction and where necessary, provides technical assistance. The BMCs are also shareholders of the OCR and are therefore considered related parties.

*Membership*

The membership of the Bank is open to:

- (a) States and Territories of the Region;
- (b) Non-Regional States which are members of the United Nations or any of its specialised Agencies; or of the International Atomic Energy Agency.

The current membership of the Bank is comprised of twenty-three (23) regional states and territories and five (5) non-regional states (2020: 23 regional states and territories and 5 non-regional states).

**NOTE 2 – KEY EVENTS**

For the three-month period commencing April 1, 2021, the Bank’s interest rate on its variable rate loans was set at 3.40% (2020: 4.25%) in accordance with BOD approved policy based on the weighted average cost of borrowings for the previous three months plus an adjustable spread. Rates are set on a quarterly basis.

For the period under review, the Bank recorded net interest income of \$18.6mn (2020: \$22.7mn), a decrease of \$4.1mn (18.1%) primarily due to reductions in the lending rate. This resulted in a decline of \$5.8mn in interest income which was partially offset by lower interest expense costs of \$1.7mn.

**CARIBBEAN DEVELOPMENT BANK  
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**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 2 – KEY EVENTS**...continued

Operating income of \$12.6mn declined by \$4.5mn reflecting the lower net interest income and additional impairment provision charges of \$0.9mn mitigated by reductions of \$0.8mn in administrative costs.

There was a comprehensive loss of \$22.5mn (2020: income of \$45.6) driven by the negative impact of the unrealised derivative fair value adjustments of \$55.5mn, and \$8.6mn in unrealised losses on debt securities. These were the result of foreign exchange and interest rate fluctuations. These adjustments are volatile as their valuations are determined by various external factors outside the control of the Bank. In accordance with approved policy however, derivatives are held to maturity and their impacts are not used in the determination of the Bank's performance against its policy ratios and guidelines.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

This condensed interim financial report for the six months ended June 30, 2021 was prepared in accordance with IAS 34, '*Interim Financial Reporting*' and does not include all of the information and disclosures required in the audited annual financial statements. This condensed interim financial report should be read in conjunction with the Bank's audited financial statements in respect of the year ended December 31, 2020.

**Accounting policies**

Accounting policies which are specific in nature are included as part of the disclosures that are relevant to the particular item. The accounting policies that are of a general nature applied in the preparation of these financial statements are set out below.

*Foreign currency translation*

The functional and presentation currency of the Bank is the United States dollar (USD). Monetary assets and liabilities in currencies other than USD are translated at market rates of exchange prevailing at the reporting date. Non-monetary items measured at historical cost in currencies other than United States dollars are translated into USD using the prevailing exchange rates at the effective dates of the initial transactions.

Foreign currency transactions are initially translated into USD at applicable rates of exchange on the transaction dates. Any gains or losses arising as a result of differences in rates applied to income or expenses and to assets or liabilities are shown as an exchange gain or loss in the determination of net income for the year.

All policies have been consistently applied to the years presented, except where otherwise stated. Prior year comparatives have been adjusted or amended to conform with the presentation in the current year where applicable.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES ...continued**

**Classification of financial assets and liabilities**

In accordance with the IFRS 9 the Bank classifies its financial assets and liabilities at Amortised Cost (AC), Fair Value through Profit or Loss (FVPL) or Fair Value through Other Comprehensive Income (FVOCI), as follows:-

<b>Financial assets</b>		
Debt securities	Fair Value through Other Comprehensive Income	FVOCI
Receivables	Amortised cost	AC
Loans outstanding	Amortised cost	AC
Receivable from Members	Amortised cost	AC
Derivative financial instruments	Fair Value through Profit or Loss	FVPL
<b>Financial liabilities</b>		
Accounts payable	Fair value through Profit or Loss	FVPL
Borrowings	Amortised cost	AC
Derivative financial instruments	Fair value through Profit or Loss	FVPL

**New and amended standards and interpretations which are applicable to the Bank**

The Bank applied for the first time certain standards and amendments, which are effective for the reporting period. The Bank has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The nature and the impact of each new standard and amendment is described below:

***Amendments to IAS 16***

Effective for annual periods beginning on or after 1 July 2020.

***Interest Rate Benchmark Reform—Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)***

Effective for annual periods on or after 1 January 2021

The Phase 2 amendments apply only to changes required by the reform to financial instruments and hedging relationships. The amendments address the effects of the reform on a company's financial statements that arise when, for example, an interest rate benchmark used to calculate interest on a financial asset is replaced with an alternative benchmark rate.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 4 – LOANS**

**Accounting policy – classification**

In accordance with IFRS 9 - Financial instruments, the Bank's financial assets are classified at amortised cost using the effective interest rate method.

**Determination of impairment allowance**

In accordance with the adoption of IFRS 9 the Bank computes impairment using a forward-looking Expected Credit (ECL) approach. The Exposure at Default (EAD) comprises outstanding balances, loan commitments and financial guarantee contracts. The impairment allowance is based on the change in credit risk since origination. In the event of the change in credit risk not being significant the ECL is associated with the probability of default in the following twelve months from the reporting date (Stage 1). In the event of a significant increase in the credit risk the ECL is associated with the probability of default over the lifetime of the loan (Stage 2).

In the event of further deterioration the loan is classified as fully impaired with the ECL calculated in a similar manner to Stage 2 except with the probability of default set at 100%. Loans and other applicable financial assets can be reclassified between stages at each occasion of evaluation if their credit risk is changed.

*Overview of the ECL principles*

The Bank records the allowance for expected credit losses for all loans and other financial assets not held at FVPL, together with loan commitments and financial guarantee contracts (all referred to as 'financial instruments' below).

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on an individual basis.

*Determination of significant increase in credit risk*

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 4 – LOANS...continued**

Based on the above process, the Bank groups its financial assets into Stage 1, Stage 2, Stage 3 as described below:

- Stage 1: When financial assets are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 financial assets also include those assets where the credit risk has improved and the asset has then been reclassified from Stage 2. The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. These expected 12-month default probabilities are applied to a forecast exposure at default (EAD) and multiplied by the expected loss given default (LGD) and discounted by an approximation to the original EIR. This calculation is made for each of three scenarios, as explained below.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. These also include assets for which the credit risk has improved and the loan has been reclassified from Stage 3. The mechanics are similar to those outlined above for Stage 1, including the use of multiple scenarios, but Probability of Default (PD) and LGD are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- Stage 3: For loans considered credit-impaired, the Bank recognises the lifetime expected credit losses. The method is similar to that for Stage 2 assets, with the PD set at 100%.

*The calculation of ECLs*

The Bank calculates ECLs based on three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The three probability weighted scenarios comprise a base case, an optimistic scenario and a pessimistic scenario each of which is associated with different PDs, Exposure at Default [EAD]s and Loss given default [LGD]s.

The maximum period for which the credit losses is determined is the contractual life of a financial instrument unless the Bank has the legal right to call it earlier. The mechanics of the ECL calculations are outlined below:

- PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
- EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 4 – LOANS...continued**

- LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.
- PCT factor – The Preferred Creditor Treatment (PCT) factor is calculated as a mitigation of the total ECL computed in accordance with the standard formula, to reflect the status of the Bank as a preferred creditor by its sovereign borrowers. PCT treatment includes the obligation to meet the payments of all sovereign debts in full and on time, no re-negotiation or “hair-cuts” on outstanding amounts and the role of the Bank as a lender of last resort which rests in large part on the respect of PCT treatment to all institutions similar to the Bank.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market, counterparties or business model at the date of the financial statements. To reflect this, adjustments or overlays are occasionally made when such differences are significantly material. This includes taking into account the Bank’s preferred creditor treatment (PCT) afforded by its borrowing members as well as forward looking information.

*Loans outstanding, receivables from members and receivables*

The amount of the provision is the difference between the asset’s carrying value and the present value of expected cash flows including amounts recoverable from guarantees and collateral, discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income.

**Loan distribution**

The distribution of the Bank’s loans by country and the analysis of interest and related income earned for the six months ended June 30, 2021 are shown in Schedule 2.

**NOTE 5 – SEGMENT ANALYSIS**

**Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. Under Article 33.4 of the Charter, the President is the Chief Executive Officer (CEO) of the Bank, and is required to conduct, under the direction of BOD, the current business of the Bank as well as the other matters as set out in this Article. The President has set up a number of management Committees to assist with the discharge of those responsibilities.

In accordance with IFRS 8 – *Operating Segments*, the Bank has one operating segment, its Ordinary Capital Resources (“OCR”).

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 5 – SEGMENT ANALYSIS...continued**

**Segment reporting...continued**

The Bank has determined that the Advisory Management Team (AMT) is its chief operating decision maker.

The following table presents the outstanding balance of CDB’s loans (net of provision for impairment) as of June 30, 2021 and associated interest income, by countries which generated in excess of 10% of the loan interest income for the six months ended June 30, 2021.

<b>Country</b>	<b>Interest income</b>		<b>Loans outstanding</b>	
	<b>2021</b>	<b>2020</b>	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Barbados	\$4,470	\$5,758	\$256,074	\$262,073
Belize	2,262	2,832	118,866	120,152
Antigua	2,253	2,855	113,249	115,787
Other	15,542	17,730	808,537	834,075
	<b>\$24,527</b>	<b>\$29,175</b>	<b>\$1,296,726</b>	<b>\$1,332,087</b>

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 6 – CASH AND CASH EQUIVALENTS**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition:

	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Due from banks	\$123,098	\$95,349
Time deposits	66,006	-
	<b>\$189,104</b>	<b>\$95,349</b>

**NOTE 7 – RISK MANAGEMENT**

The Bank's principal financial liabilities, other than derivatives, comprise borrowings and trade and other payables, the main purpose of which is to finance the Bank's operations. The Bank also provides guarantees to its borrowers under set terms and conditions. The Bank's principal financial assets are loans, receivables, cash and short-term deposits and debt securities at fair value through profit and loss that are all derived directly from its operations. The Bank also holds derivative contracts and enters into derivative transactions when deemed necessary by senior management. All derivative activities for risk management purposes are to be undertaken by senior management in accordance with approved BOD policy which includes the provision that no trading in derivatives for speculative purposes may be undertaken.

The Bank's BOD sets the governance framework for the Bank by setting the risk and risk appetite framework, and the underlying policies and procedures. Financial risk activities are governed by the policies and procedures and financial risks are identified, measured and managed in accordance with the Bank's approved policies and risk objectives.

The ability to manage these risks is supported by an enterprise-wide risk management framework which was approved by the BOD. Operationally, CDB seeks to minimise its risks via the implementation of robust mitigating controls aimed at reducing exposure to achieve adherence to approved risk appetite portfolio limits. The Bank's risk mitigation approaches include adopting processes, systems, policies, guidelines and practices which are reviewed and modified periodically in line with the institution's changing circumstances.

The Bank's Office of Risk Management (ORM) manages, coordinates, monitors and reports on the mitigation of all risks that the Bank faces such as strategic, financial, operational, and reputational risks. The ORM also has the responsibility for recommending and implementing new or amended policies and procedures for effective risk management to the BOD for approval and to ensure that risk awareness is embedded within the Bank's operations and among the Bank's employees. CDB's risk management framework is built around its governance, policies and processes. The risk management governance structure supports the Bank's senior management in their oversight function in the coordination of different aspects of risk management.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT**...continued

The Bank's governance is built around the following committees:

- (i) The Enterprise Risk Committee (ERC);
- (ii) The Loans Committee (LC);
- (iii) The Oversight and Assurance Committee (OAC);
- (iv) The Advisory Management Team (AMT); and
- (v) The Office of Independent Evaluation (OIE)

The Office of Institutional Integrity, Compliance and Accountability (ICA) was also established to operationalise the strategic framework for integrity, compliance and accountability. ICA is responsible for managing institutional integrity, compliance, anti-money laundering practices, countering the financing of terrorism and financial sanctions, ethics, whistleblowing, and project accountability. ICA reports to the BOD through the OAC.

The Bank is exposed to market risk, credit risk, liquidity risk and operational risk which is overseen by its senior management through established committees with defined roles and responsibilities. Market risk includes currency, interest rate and price risk. The most important types of risk faced by CDB are associated with the borrowing member countries and relate to country credit risk and concentration risk.

The Bank manages limits and controls concentration of credit risk in relation to loans, debt securities, cash and investments, derivative and borrowing counterparties based upon policies approved by the BOD. These financial policies limit the amount of exposure in relation to a single borrower and to groups of borrowers, by counterparties and by type of investments and they are monitored on a monthly basis.

**Fair value of financial assets and liabilities**

***Fair value hierarchy***

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Inputs for the asset or liability for which the lowest level input that is significant to the fair value measurement is unobservable.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT...continued**

**Fair value of financial assets and liabilities**

Assets measured at fair value:

<b>June 30</b>	<b>2021</b>			
	<b>Quoted prices in active markets (Level 1)</b>	<b>Significant observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Total</b>
<i>Financial assets at fair value through profit and loss</i>				
- Derivative financial instruments	\$-	\$51,724	\$-	\$51,724
<i>Financial assets designated at fair value through other comprehensive income</i>				
- Debt securities	-	482,569	-	482,569
	<b>\$-</b>	<b>\$534,293</b>	<b>\$-</b>	<b>\$534,293</b>
<i>Financial liabilities designated at fair value through profit or loss</i>				
- Derivative financial instruments	\$-	\$13,460	\$-	\$13,460
	<b>\$-</b>	<b>\$13,460</b>	<b>\$-</b>	<b>\$13,460</b>

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT...continued**

**Fair value of financial assets and liabilities...continued**

December 31	2020			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<i>Financial assets at fair value through profit or loss</i>				
- Derivative financial instruments	\$-	\$94,288	\$-	\$94,288
<i>Financial assets designated at fair value through other comprehensive income</i>				
- Debt securities	-	537,986	-	537,986
	<b>\$-</b>	<b>\$632,274</b>	<b>\$-</b>	<b>\$632,274</b>
<i>Financial liabilities designated at fair value through profit or loss</i>				
- Derivative financial instruments	\$-	\$-	\$-	\$-
	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>

**Commitments, guarantees and contingent liabilities**

*Commitments, guarantees and contingent liabilities*

Loan commitments represent amounts undrawn against loans approved by the BOD.

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT...continued**

**Commitments, guarantees and contingent liabilities...continued**

	<b>2021</b>		
	<b>0-12 months</b>	<b>1-5 years</b>	<b>Total</b>
<b>At June 30</b>			
Loan commitments	\$170,200	\$307,521	\$477,721
Guarantees	12,000	-	12,000
	<b>\$182,200</b>	<b>\$307,521</b>	<b>\$489,721</b>
	<b>2020</b>		
<b>At December 31</b>			
Loan commitments	\$209,000	\$266,188	\$475,188
Other commitments	5,000	10,000	15,000
Guarantees	12,000	-	12,000
	<b>\$226,000</b>	<b>\$276,188</b>	<b>\$502,188</b>

**Borrowings**

It is the Bank's policy to limit borrowing and guarantees chargeable to the Bank's OCR to 100 percent of the callable capital of its investment grade non-borrowing members plus the paid in capital and retained earnings less receivables from members and other non-cash resources, general banking reserve and the re-measurement reserve.

The performance against this policy was as follows:-

	<b>June 30, 2021</b>	<b>December 31, 2020</b>
Borrowing Limit	\$1,607,104	\$1,505,018
Total outstanding and contracted borrowings	\$1,161,309	\$1,195,871
Ratio	72.3%	79.5%

**CARIBBEAN DEVELOPMENT BANK  
ORDINARY CAPITAL RESOURCES**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**

**For the six months ended June 30, 2021**

**[Expressed in Thousands of United States Dollars (US\$) unless otherwise stated]**

**NOTE 7 – RISK MANAGEMENT** ...continued

**Credit rating**

On May 20, 2021 Moody's Investors Service affirmed the Bank's long-term issuer rating at 'Aa1' and maintained the Stable outlook.

On May 24, 2021 Standard & Poor's affirmed the Bank's long-term issuer credit rating of 'AA+' and its short-term credit rating of 'A-1+', both with a Stable outlook.

On March 3, 2021 Fitch Ratings Limited affirmed the Bank's long-term issuer default rating of 'AA+' and a short-term issuer default rating of 'F1+'. The outlook was revised to negative.

**NOTE 8 – GUARANTEES**

*Guarantees*

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised as a liability in the financial statements at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee, on the date the guarantee was given. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

At its two hundred and forty-ninth meeting held on December 8, 2011, the Bank issued a guarantee in an amount not exceeding the equivalent of \$12 million with respect to Bonds issued by the Government of St. Kitts and Nevis (GOSKN) on a rolling, re-instatable and non-accelerable basis.

The guarantee contains a Counter Guarantee and Indemnity clause whereby the GOSKN undertakes irrevocably and unconditionally agrees to reimburse the Bank for any amount paid under the guarantee together with interest and other charges at a rate specified by the Bank. Where reimbursement to the Bank is not made (in whole or in part) within a period of 90 days of such amounts being paid the Bank such unreimbursed amounts shall be converted to a loan due by the GOSKN to the Bank's OCR.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**As of June 30, 2021**  
**(expressed in thousands of United States dollars)**

				<b>December 31, 2020</b>		
	<b>UNIFIED</b>	<b>OTHER</b>	<b>TOTAL</b>	<b>UNIFIED</b>	<b>OTHER</b>	<b>TOTAL</b>
<b>Assets</b>						
Cash and cash equivalents	\$18,270	\$11,577	\$29,847	\$-	\$13,142	\$13,142
Debt securities at fair value through profit or loss	288,761	14,672	303,433	333,440	13,128	346,568
Loans outstanding	610,501	20,999	631,500	593,239	21,589	614,828
<b>Receivables</b>						
Accounts receivable	199	-	199	206	-	206
	<b>917,731</b>	<b>47,248</b>	<b>964,979</b>	<b>926,885</b>	<b>47,859</b>	<b>974,744</b>
<b>Receivable from contributors</b>						
Non-negotiable demand notes (Schedule 3)	66,085	-	66,085	68,222	-	68,222
Contribution in arrears	21,679	-	21,679	22,361	-	22,361
	<b>87,764</b>	<b>-</b>	<b>87,764</b>	<b>90,583</b>	<b>-</b>	<b>90,583</b>
<b>Total assets</b>	<b>\$1,005,495</b>	<b>\$47,248</b>	<b>\$1,052,743</b>	<b>\$1,017,468</b>	<b>\$47,859</b>	<b>\$1,065,327</b>
<b>Liabilities and Funds</b>						
<b>Liabilities</b>						
Due to banks	\$-	\$-	\$-	\$11,618	\$-	\$11,618
Accounts payable	55,964	990	56,954	46,488	1,157	47,645
	<b>55,964</b>	<b>\$990</b>	<b>\$56,954</b>	<b>58,106</b>	<b>1,157</b>	<b>59,263</b>
<b>Funds</b>						
Contributed resources (Schedule 3)						
Contributions	1,384,312	38,596	1,422,908	1,324,213	38,723	1,362,936
Less amounts not yet made available	(62,074)	-	(62,074)	(2,216)	-	(2,216)
Amounts made available	1,322,238	38,596	1,360,834	1,321,997	38,723	1,360,720
Allocation to technical assistance and grant resources	(574,600)	(10,000)	(584,600)	(574,600)	(10,000)	(584,600)
	<b>747,638</b>	<b>28,596</b>	<b>776,234</b>	<b>747,397</b>	<b>28,723</b>	<b>776,120</b>
Accumulated net income (Schedule 4)	61,726	16,737	78,463	64,002	17,054	81,056
Technical assistance and grant resources	140,167	925	141,092	147,963	925	148,888
	<b>949,531</b>	<b>46,258</b>	<b>995,789</b>	<b>959,362</b>	<b>46,702</b>	<b>1,006,064</b>
<b>Total liabilities and funds</b>	<b>\$1,005,495</b>	<b>\$47,248</b>	<b>\$1,052,743</b>	<b>\$1,017,468</b>	<b>\$47,859</b>	<b>\$1,065,327</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED NET INCOME**  
**For the six months ended June 30, 2021**  
**(expressed in thousands of United States dollars)**

	2021			2020		
	UNIFIED	OTHER	TOTAL	UNIFIED	OTHER	TOTAL
<b>Interest and similar income</b>						
Loans	\$6,320	\$167	\$6,487	\$6,074	\$181	\$6,255
Investments and cash balances	(2,012)	(118)	(2,130)	10,019	286	10,305
<b>Gross income</b>	<b>4,308</b>	<b>49</b>	<b>4,357</b>	<b>16,093</b>	<b>467</b>	<b>16,560</b>
<b>Expenses</b>						
Administrative expenses	6,583	512	7,095	6,828	505	7,333
Foreign exchange translation	1	(146)	(145)	(1,254)	(16)	(1,270)
	<b>6,584</b>	<b>366</b>	<b>6,950</b>	<b>5,574</b>	<b>489</b>	<b>6,063</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>\$(2,276)</b>	<b>\$(317)</b>	<b>\$(2,593)</b>	<b>\$10,519</b>	<b>\$(22)</b>	<b>\$10,497</b>

**Accumulated Net Income**

Accumulated net income - beginning of year	\$64,002	\$17,054	\$81,056	\$55,468	\$21,242	\$76,710
Appropriations for technical assistance	-	-	-	-	(3,203)	(3,203)
Total comprehensive income for the period	(2,276)	(317)	(2,593)	10,519	(22)	10,497
<b>Accumulated net income - end of period</b>	<b>\$61,726</b>	<b>\$16,737</b>	<b>\$78,463</b>	<b>\$65,987</b>	<b>\$18,017</b>	<b>\$84,004</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND (UNIFIED)**  
**STATEMENT OF CASH FLOWS**  
**For the six months ended June 30, 2021**  
**(expressed in thousands of United States dollars)**

	<u>2021</u>	<u>2020</u>
<b>Operating activities:</b>		
Total comprehensive (loss)/income for the period	\$(2,276)	\$10,519
Adjustments for non-cash items:		
Unrealised loss/(gain) on debt securities at fair value through profit or loss	4,142	(6,533)
Interest income	(8,450)	(9,560)
Unrealised net foreign exchange loss/(gain)	46	(2,053)
<b>Total cash flows used in operating activities before changes in operating assets and liabilities</b>	<b>(6,538)</b>	<b>(7,627)</b>
Changes in operating assets and liabilities:		
Decrease/( increase) in accounts receivable	7	(6,499)
Increase/(decrease) in accounts payable	9,476	(9,210)
<b>Cash provided by/(used in) operating activities</b>	<b>2,945</b>	<b>(23,336)</b>
Disbursements on loans	(34,160)	(12,123)
Principal repayments to the Bank on loans	16,991	15,491
Interest received	8,657	9,571
Net decrease/(increase) in debt securities at fair value through profit or loss	40,238	(18,267)
Technical assistance disbursements	(7,797)	(8,262)
<b>Net cash provided by/(used in) operating activities</b>	<b>26,874</b>	<b>(36,926)</b>
<b>Financing activities:</b>		
Contributions:		
Increase in contributions to be on-lent to BMCs	195	422
Decrease in receivables from contributors	2,819	5,216
Decrease in subscriptions in advance	-	(2)
Technical assistance allocation	-	1
<b>Net cash provided by financing activities</b>	<b>3,014</b>	<b>5,637</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>29,888</b>	<b>(31,289)</b>
Cash and cash equivalents - beginning of period	(11,618)	47,137
<b>Cash and cash equivalents end of period</b>	<b>\$18,270</b>	<b>\$15,848</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND (OTHER)**  
**STATEMENT OF CASH FLOWS**  
**For the six months ended June 30, 2021**  
**(expressed in thousands of United States dollars)**

	<u>2021</u>	<u>2020</u>
<b>Operating activities:</b>		
Total comprehensive loss for the period	\$(317)	\$(22)
Adjustments for non-cash items		
Unrealised loss/(gain) on debt securities at fair value through profit or loss	197	(149)
Interest income	(246)	(318)
Unrealised net foreign exchange gain	(127)	(15)
<b>Total cash flows used in operating activities before changes in operating assets and liabilities</b>	<b>(493)</b>	<b>(504)</b>
Changes in operating assets and liabilities:		
Decrease in accounts payable	(167)	(5,463)
<i>Net cash used in operating activities</i>	<u>(660)</u>	<u>(5,967)</u>
Principal repayments to the Bank on loans	16,991	536
Interest received	246	277
Net decrease in debt securities at fair value through profit or loss	(1,742)	10,777
<i>Net cash (used in)/provided by operating activities</i>	<u>(19,325)</u>	<u>5,623</u>
<b>Financing activities:</b>		
Appropriations of retained earnings	-	(3,203)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(3,203)</b>
Net (decrease)/increase in cash and cash equivalents	(19,325)	2,420
Cash and cash equivalents at beginning of period	13,142	11,429
<b>Cash and cash equivalents at end of period</b>	<b><u>\$(6,183)</u></b>	<b><u>\$13,849</u></b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF INVESTMENTS**  
**For the six months ended June 30, 2021**  
(expressed in thousands of United States dollars)

Schedule 1

	<b>June 30, 2021</b>			<b>December 31, 2020</b>		
	<b>Market value</b>			<b>Market value</b>		
	<b>UNIFIED</b>	<b>OTHER</b>	<b>TOTAL</b>	<b>UNIFIED</b>	<b>OTHER</b>	<b>TOTAL</b>
Government and Agency Obligations	\$132,923	\$10,207	\$143,130	\$160,309	\$8,618	\$168,927
Supranationals	73,579	4,441	78,020	81,578	4,485	86,063
Corporate Bond	80,841	-	80,841	89,836	-	89,836
<b>Sub-total</b>	<b>287,343</b>	<b>14,648</b>	<b>301,991</b>	<b>331,723</b>	<b>13,103</b>	<b>344,826</b>
Accrued Interest	1,417	25	1,442	1,717	25	1,742
<b>Total</b>	<b>\$288,760</b>	<b>\$14,673</b>	<b>\$303,433</b>	<b>\$333,440</b>	<b>\$13,128</b>	<b>\$346,568</b>

**Residual term to contractual maturity**

	<b>2021</b>	<b>2020</b>
One month to three months	\$8,448	\$33,023
Over three months to one year	65,298	25,586
From one year to five years	147,681	196,271
From five years to ten years	77,254	78,871
From ten years to twenty years	4,752	12,440
From twenty years to thirty years	-	377
<b>TOTAL</b>	<b>\$303,433</b>	<b>\$346,568</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND (UNIFIED)**  
**SUMMARY STATEMENT OF LOANS**  
**As of June 30, 2021**  
(expressed in thousands of United States dollars)

Member countries in which loans have been made	Total loans approved <sup>1/</sup>	Loans approved but not yet effective	Undisbursed	Loans Outstanding	Schedule 2
					Percent-age of total loans out-standing
ANGUILLA	\$9,539	\$-	\$-	\$1,147	0.2
ANTIGUA AND BARBUDA	30,005	-	4,946	14,721	2.4
BAHAMAS	2,262	-	-	186	0.0
BARBADOS	5,687	-	-	-	0.0
BELIZE	154,552	13,000	26,579	64,089	10.6
BRITISH VIRGIN ISLANDS	18,255	-	5,000	2,772	0.5
CAYMAN ISLANDS	4,179	-	-	-	0.0
DOMINICA	127,877	-	12,643	61,297	10.1
GRENADA	159,256	-	31,001	75,490	12.4
GUYANA	224,922	10,966	29,810	120,748	19.9
JAMAICA	207,596	30,000	4,684	88,172	14.5
MONTSERRAT	10,164	-	-	3,291	0.5
ST. KITTS AND NEVIS	83,578	-	2,905	33,898	5.6
ST. LUCIA	153,894	294	29,261	72,118	11.9
ST. VINCENT AND THE GRENADINES	140,008	-	46,665	50,124	8.3
SURINAME	18,912	-	6,959	11,814	1.9
TRINIDAD AND TOBAGO	4,218	-	-	-	0.0
TURKS AND CAICOS ISLANDS	11,654	-	-	609	0.1
REGIONAL	14,173	-	-	6,876	1.1
Sub-total	1,380,731	54,260	200,453	607,352	100.0
Accrued Interest				3,149	
<b>Total - June 30, 2021</b>	<b>\$1,380,730</b>	<b>\$54,260</b>	<b>\$200,453</b>	<b>\$610,501</b>	
Total - December 31, 2020	\$1,365,210	\$72,319	\$207,261	\$593,239	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUND RESOURCES - SPECIAL DEVELOPMENT FUND (OTHER)**

**SUMMARY STATEMENT OF LOANS**

**As of June 30, 2021**

(expressed in thousands of United States dollars)

Member countries in which loans have been made	Total loans approved <sup>1/</sup>	Loans approved but not yet effective	Loans Out-standing	Schedule 2
				(continued)
				Percent- age of total loans out- standing
ANGUILLA	\$1,367	\$-	\$-	0.0
ANTIGUA AND BARBUDA	15,146	-	12,026	57.5
BAHAMAS	773	-	-	0.0
BARBADOS	1,603	-	-	0.0
BELIZE	26,633	-	3,625	17.3
BRITISH VIRGIN ISLANDS	3,836	-	-	0.0
CAYMAN ISLANDS	523	-	-	0.0
DOMINICA	11,975	-	1,165	5.6
GRENADA	4,493	-	103	0.5
GUYANA	22	-	-	0.0
JAMAICA	6,871	-	433	2.1
MONTserrat	764	-	-	0.0
ST. KITTS AND NEVIS	11,574	-	2,765	13.2
ST. LUCIA	19,550	-	162	0.8
ST. VINCENT AND THE GRENADINES	12,232	-	638	3.0
TURKS AND CAICOS ISLANDS	1,484	-	-	0.0
REGIONAL	2,519	-	-	0.0
Sub-total	121,365	-	20,917	100.0
Accrued Interest			82	
<b>Total - June 30, 2021</b>	<b>\$121,365</b>	<b>\$-</b>	<b>\$20,999</b>	
Total - December 31, 2020	\$126,478	\$-	\$21,589	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF LOANS (Continued)**

As of June 30, 2021

(expressed in thousands of United States dollars)

					Schedule 2 (continued)
Analysis by Contributor	Total Loans approved <sup>1/</sup>	Loans approved but not yet effective	Undis- bursed	Loans Out- standing	Percent- age of total loans out- standing
<b>Special Development Fund - Unified</b>					
<b>Members/Contributors</b>					
Members/Contributors	\$1,380,731	\$54,260	\$200,453	\$607,352	100.0%
<b>Sub-total</b>	<b>1,380,731</b>	<b>54,260</b>	<b>200,453</b>	<b>607,352</b>	<b>100.0%</b>
<b>Accrued interest</b>				3,149	
<b>Total - Special Development Fund - Unified</b>	<b>1,380,731</b>	<b>54,260</b>	<b>200,453</b>	<b>610,501</b>	<b>100%</b>
<b>Special Development Fund - Other</b>					
<b>Members</b>					
Colombia	8,517	-	-	-	-
Germany	14,329	-	-	81	0.4%
Mexico	8,815	-	-	1,011	4.8%
Venezuela	52,220	-	-	8,004	38.3%
<b>Sub-total</b>	<b>83,881</b>	<b>-</b>	<b>-</b>	<b>9,096</b>	<b>43.5%</b>
<b>Special Development Fund - Other</b>					
<b>Other Contributors</b>					
Sweden	4,459	-	-	21	0.1%
United States of America	33,025	-	-	11,800	56.4%
<b>Sub-total</b>	<b>37,484</b>	<b>-</b>	<b>-</b>	<b>11,821</b>	<b>56.5%</b>
<b>Accrued interest</b>				82	
<b>Total - Special Development Fund - Other</b>	<b>121,365</b>	<b>-</b>	<b>-</b>	<b>20,999</b>	<b>100%</b>
<b>Total SDF - June 30, 2021</b>	<b>\$1,502,096</b>	<b>\$54,260</b>	<b>\$200,453</b>	<b>\$631,500</b>	
<b>Total - December 31, 2020</b>	<b>\$1,491,687</b>	<b>\$72,319</b>	<b>\$207,260</b>	<b>\$614,828</b>	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**SUMMARY STATEMENT OF LOANS (Continued)**  
**For the six months ended June 30, 2021**  
**(expressed in thousands of United States dollars)**

						Schedule 2 (continued)
Currencies receivable	Loans out- standing 2020	Net Interest Earned	Disburse- ments	Sub- Total	Repay- ments	Loans out- standing 2021
<b>(a) Special Development Fund (Unified)</b>						
United States dollars	\$590,183	\$-	\$34,160	\$624,343	\$(16,991)	\$607,352
Subtotal	590,183	-	34,160	624,343	(16,991)	607,352
Accrued interest	3,056	93	-	3,149	-	3,149
<b>Total - June 30, 2021</b>	<b>\$593,239</b>	<b>\$93</b>	<b>\$34,160</b>	<b>\$627,492</b>	<b>\$(16,991)</b>	<b>\$610,501</b>
Total - December 31, 2020	\$537,444	\$67	\$87,287	\$624,798	\$(31,559)	\$593,239
<b>(b) Special Development Fund (Other)</b>						
United States dollars	\$21,503	\$-	\$-	\$21,503	\$(586)	\$20,917
Subtotal	21,503	-	-	21,503	(586)	20,917
Accrued interest	86	(4)	-	82	-	82
<b>Total - June 30, 2021</b>	<b>\$21,589</b>	<b>\$(4)</b>	<b>\$-</b>	<b>\$21,585</b>	<b>\$(586)</b>	<b>\$20,999</b>
Total - December 31, 2020	\$22,769	\$(7)	\$-	\$22,762	\$(1,173)	\$21,589

**MATURITY STRUCTURE OF LOANS OUTSTANDING**

July 1, 2021 to December 31, 2021	\$21,142
January 1, 2022 to December 31, 2022	36,019
January 1, 2023 to December 31, 2023	37,263
January 1, 2024 to December 31, 2024	37,578
January 1, 2025 to December 31, 2025	38,323
January 1, 2026 to December 31, 2030	193,435
January 1, 2031 to December 31, 2035	138,995
January 1, 2036 to December 31, 2040	92,164
January 1, 2041 to December 31, 2045	36,267
January 1, 2046 to December 31, 2047	314
<b>Total</b>	<b>\$631,500</b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF CONTRIBUTED RESOURCES**  
**As of June 30, 2021**

Schedule 3

CONTRIBUTORS	CONTRIBUTIONS					Receivable from members Non negotiable demand notes
	Total approved <sup>1/</sup>	Approved but not yet effective <sup>2/</sup>	Total contribu- tion agreed	Amounts not yet made available	Amounts made available	
<b>Special Development Fund - Unified</b>						
<b>Members</b>						
Trinidad and Tobago	\$68,093	\$-	\$68,093	\$13,295	\$54,798	\$7,784
Jamaica	67,818	12,984	54,834	-	54,834	16,223
Guyana	39,087	7,231	31,856	-	31,856	420
Bahamas	39,086	7,231	31,855	-	31,855	14,908
Barbados	35,851	10,170	25,681	-	25,681	2,833
St. Vincent and the Grenadines	9,874	1,773	8,101	-	8,101	1,441
Belize	9,861	1,773	8,088	-	8,088	3,788
St. Kitts and Nevis	9,861	4,727	5,134	-	5,134	1,494
St. Lucia	9,861	1,773	8,088	-	8,088	1,819
Dominica	9,601	1,773	7,828	-	7,828	2,065
Grenada	7,263	1,773	5,490	-	5,490	2,967
Antigua and Barbuda	5,326	2,437	2,889	-	2,889	777
Anguilla	4,119	2,074	2,045	-	2,045	571
British Virgin Islands	4,119	-	4,119	584	3,535	-
Montserrat	4,119	778	3,341	-	3,341	-
Turks and Caicos Islands	4,119	778	3,341	-	3,341	-
Cayman Islands	4,019	2,679	1,340	-	1,340	-
Haiti	4,660	3,100	1,560	-	1,560	-
Suriname	15,561	7,231	8,330	-	8,330	2,757
Colombia	37,657	3,500	34,157	-	34,157	-
Venezuela	37,125	15,142	21,983	-	21,982	-
Mexico	27,591	10,591	17,000	-	17,000	-
Brazil	5,000	-	5,000	-	5,000	-
Canada	396,279	-	396,279	20,413	375,866	-
United Kingdom	290,387	-	290,387	7,104	283,283	6,238
Germany	126,122	-	126,122	15,648	110,474	-
Italy	73,884	-	73,884	5,030	68,854	-
China	61,428	7,107	54,321	-	54,321	-
	<b>1,407,771</b>	<b>106,625</b>	<b>1,301,146</b>	<b>62,074</b>	<b>1,239,072</b>	<b>66,085</b>
<b>Other Contributors</b>						
France	58,254	-	58,254	-	58,254	-
Netherlands	24,902	-	24,902	-	24,902	-
Chile	10	-	10	-	10	-
	<b>1,490,937</b>	<b>106,625</b>	<b>1,384,312</b>	<b>62,074</b>	<b>1,322,238</b>	<b>66,085</b>
Technical Assistance Allocation	(574,600)	-	(574,600)	-	(574,600)	-
<b>Sub-total</b>	<b>916,337</b>	<b>106,625</b>	<b>809,712</b>	<b>62,074</b>	<b>747,638</b>	<b>66,085</b>
<b>Special Development Fund - Other</b>						
<b>Members</b>						
Colombia	\$5,000		\$5,000	-	\$5,000	-
Mexico <sup>3/</sup>	13,067		13,067	-	13,067	-
Venezuela	17,473		17,473	-	17,473	-
	<b>\$35,540</b>		<b>\$35,540</b>	<b>-</b>	<b>\$35,540</b>	<b>-</b>
<b>Other Contributors</b>						
Sweden	3,056		3,056	-	3,056	-
United States of America <sup>4/</sup>	-	-	-	-	-	-
	<b>3,056</b>		<b>3,056</b>	<b>-</b>	<b>3,056</b>	<b>-</b>
Technical Assistance Allocation	(10,000)		(10,000)		(10,000)	
<b>Sub-total</b>	<b>\$28,596</b>		<b>\$28,596</b>	<b>-</b>	<b>\$28,596</b>	<b>-</b>
<b>Total SDF - June 2021</b>	<b>944,933</b>	<b>106,625</b>	<b>838,308</b>	<b>62,074</b>	<b>776,234</b>	<b>66,085</b>
<b>SUMMARY</b>						
Members	\$858,711	\$106,625	\$752,086	\$62,074	\$690,012	66,085
Other contributors	86,222	-	86,222	-	86,222	-
<b>Total SDF - June 2021</b>	<b>\$944,933</b>	<b>\$106,625</b>	<b>\$838,308</b>	<b>\$62,074</b>	<b>\$776,234</b>	<b>66,085</b>
Total SDF - December 2020	\$807,306	\$28,970	\$778,336	\$2,216	\$776,120	\$68,222

1/ Net of repayments.

2/ Contributions not yet formally pledged by Governments.

3/ Net of appropriation for Technical Assistance of \$2,266,000.

4/ Contributions with fixed repayment dates.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF CONTRIBUTED RESOURCES (Continued)**  
**For the six months ended June 30, 2021**  
**(expressed in thousands of United States dollars)**

	Amounts made available 2019	Trans- lation adjust- ments	Drawdowns/ Appropri- ations from Capital <sup>1/</sup>	Sub-total	Repay- ments	Schedule 3 (continued) Amounts made available 2020
<b>(a) Special Development Fund - Unified</b>						
Euros	\$1,627	\$(51)	\$-	\$1,576	\$-	\$1,576
Pounds sterling	6,140	97	-	\$6,237	-	6,237
United States dollars	739,630	-	195	739,825	-	739,825
<b>Total - June 30, 2021</b>	<b>\$747,397</b>	<b>\$46</b>	<b>\$195</b>	<b>\$747,638</b>	<b>\$-</b>	<b>\$747,638</b>
Total - December 31, 2020	\$740,689	\$1,181	\$5,527	\$747,397	\$-	\$747,397
<b>(b) Special Development Fund - Other</b>						
Swedish kroners	\$3,183	\$(127)	\$-	\$3,056	\$-	\$3,056
United States dollars	25,540	-	-	25,540	-	25,540
<b>Total - June 30, 2021</b>	<b>\$28,723</b>	<b>\$(127)</b>	<b>\$-</b>	<b>\$28,596</b>	<b>\$-</b>	<b>\$28,596</b>
Total - December 31, 2020	\$28,335	\$388	\$-	\$28,723	\$-	\$28,723

1/ Net of conversions to United States dollars in accordance with the funding Rules of the Unified Special Development Fund.

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - SPECIAL DEVELOPMENT FUND**  
**STATEMENT OF ACCUMULATED NET INCOME**

**As of June 30, 2021**

(expressed in thousands of United States dollars)

Schedule 4

Contributors	Brought forward 2020	Net Income 2021	Appro- priations	Carried forward 2021
<b>Special Development Fund (Unified)</b>	\$64,002	\$(2,276)	\$-	\$61,726
<b>Special Development Fund (Other)</b>				
<b>Members</b>				
Colombia	1,456	(70)	-	1,386
Germany	(1,881)	(28)	-	(1,909)
Mexico	432	(88)	-	344
Venezuela	4,079	(143)	-	3,936
	\$4,086	\$(329)		\$3,757
<b>Other contributors</b>				
Sweden	\$1,607	\$52	\$-	\$1,659
United States of America	11,361	(40)	-	11,321
	12,968	12	-	12,980
	17,054	(317)	-	16,737
<b>Total Special Development Fund</b>	<b>\$81,056</b>	<b>\$(2,593)</b>	<b>\$-</b>	<b>\$78,463</b>
<b>Summary</b>				
Members	\$68,088	\$(2,605)	-	\$65,483
Other contributors	12,968	12	-	12,980
<b>Total SDF-June 2021</b>	<b>\$81,056</b>	<b>\$(2,593)</b>	<b>\$-</b>	<b>\$78,463</b>
Total SDF - December 31, 2020	\$76,710	\$7,549	\$(3,203)	\$81,056

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
STATEMENT OF FINANCIAL POSITION**

**As of June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

	<u>2021</u>	<u>December 31, 2020</u>
<b>Assets</b>		
Cash and cash equivalents	\$56,326	\$52,192
Investments at fair value through profit or loss (Schedule 1)	46,785	47,615
Loans outstanding (Schedule 2)	76,945	78,594
<b>Receivable from members</b>		
Non-negotiable demand notes	226,724	235,647
Accounts receivable	35,443	36,119
<b>Total assets</b>	<u>\$442,223</u>	<u>\$450,167</u>
<b>Liabilities and Funds</b>		
<b>Liabilities</b>		
Accounts payable	\$68	\$-
Accrued charges on contributions repayable	189	194
	<u>257</u>	<u>194</u>
<b>Funds</b>		
Contributed resources (Schedule 3)	\$51,687	52,678
Accumulated net income (Schedule 4)	69,868	68,506
	<u>121,555</u>	<u>121,184</u>
Technical assistance and other grant resources (Schedule 5)	320,411	328,789
<b>Total liabilities and funds</b>	<u>\$442,223</u>	<u>\$450,167</u>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF COMPREHENSIVE INCOME AND ACCUMULATED NET INCOME**  
**For the six months ended June 30, 2021**  
(expressed in thousands of United States dollars, unless otherwise stated)

	<u>2021</u>	<u>2020</u>
<b>Interest and similar income</b>		
Loans	\$803	\$879
Investments and cash balances	1,184	(185)
<b>Total income</b>	<u>1,987</u>	<u>694</u>
 <b>Expenses</b>		
Administrative expenses	411	478
Charges on contributions	487	456
Foreign exchange translation	(273)	1,419
<b>Total expenses</b>	<u>625</u>	<u>2,353</u>
<b>Total comprehensive income/(loss) for the period</b>	<u>\$1,362</u>	<u>\$(1,659)</u>
<hr/> <b>Accumulated net income - beginning of period</b>	<b>\$68,506</b>	<b>\$65,027</b>
Total comprehensive income/(loss) for the period	<u>1,362</u>	<u>(1,659)</u>
<b>Accumulated net income - end of period</b>	<u><u>\$69,868</u></u>	<u><u>\$63,368</u></u>

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
STATEMENT OF CASH FLOWS**

**For the six months ended June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

	<u>2021</u>	<u>2020</u>
<b>Operating activities:</b>		
Total comprehensive income/loss for the period	<b>\$1,362</b>	\$(1,659)
Adjustments for non-cash items:		
Net unrealised (gain)/loss on investments	(683)	418
Interest income	(1,304)	(1,112)
Interest expense	487	456
Net foreign exchange gains	20	(86)
<i>Total cash used in operating activities before changes in operating assets and liabilities</i>	<u>(118)</u>	<u>(1,983)</u>
Changes in operating assets and liabilities		
Decrease in accounts receivable	676	6,229
Decrease in non-negotiable demand notes	8,923	25,275
Increase in accounts payable	68	3,578
<i>Cash provided by operating activities</i>	<u>9,549</u>	<u>33,099</u>
Disbursements on loans	(1,902)	(44)
Principal repayments on loans	3,446	3,293
Technical assistance disbursements	(25,561)	(14,952)
Interest received	1,349	1,104
Net decrease in investments	1,488	2,118
<i>Net cash (used in)/provided by operating activities</i>	<u>(11,631)</u>	<u>24,618</u>
<b>Financing activities:</b>		
Interest paid	(492)	(465)
Contributions:		
Decrease in contributions to fund loans	381	-
Reimbursement of repayable contributions	(1,307)	(1,504)
Technical assistance contributions	17,183	(8,519)
<i>Net cash provided by/(used in) financing activities</i>	<u>15,765</u>	<u>(10,488)</u>
<b>Net increase in cash and cash equivalents</b>	<b>4,134</b>	14,130
Cash and cash equivalents at beginning of period	<u>52,192</u>	<u>42,931</u>
<b>Cash and cash equivalents at end of period</b>	<b><u>\$56,326</u></b>	<b><u>\$57,061</u></b>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF INVESTMENTS**

**As of June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

	2021	Schedule 1 December 31, 2020
<b>Debt securities at fair value through profit or loss</b>		
Government and Agency obligations	\$17,619	\$17,777
Supranationals	12,272	13,851
<b>Other securities at fair value through profit or loss</b>		
Mutual funds	3,893	2,961
Equity investments	12,938	12,938
<b>Sub-total</b>	<u>46,722</u>	<u>47,527</u>
Accrued interest	63	88
<b>Total</b>	<u><u>\$46,785</u></u>	<u><u>\$47,615</u></u>

**Residual Term to Contractual Maturity**

	2021	2020
1 - 3 months	\$16,894	\$15,987
3 months - 1 year	2,029	1,500
1 year - 5 years	27,862	30,128
<b>Total</b>	<u><u>\$46,785</u></u>	<u><u>\$47,615</u></u>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUND RESOURCES - OTHER SPECIAL FUNDS**  
**SUMMARY STATEMENT OF LOANS**

**June 30, 2021**

(expressed in thousands of United States dollars)

Schedule 2

Member countries in which loans have been made	Total loans approved <sup>1/</sup>	Loans approved but not yet effective	Signed agreements	Principal repaid to bank	Undisbursed	Loans Outstanding	Percentage of total loans outstanding
ANGUILLA	\$500	\$-	\$500	\$500	\$-	\$-	0.0
ANTIGUA AND BARBUDA	8,388	-	8,388	6,431	-	1,957	2.6
BAHAMAS	-	-	-	-	-	-	0.0
BARBADOS	31,933	-	31,933	22,723	4,410	4,799	6.3
BELIZE	9,309	-	9,309	9,309	-	-	0.0
BRITISH VIRGIN ISLANDS	1,894	-	1,894	1,894	-	-	0.0
CAYMAN ISLANDS	2,797	-	2,797	2,797	-	-	0.0
DOMINICA	36,426	-	36,426	22,950	-	13,476	17.6
GRENADA	31,932	-	31,932	16,005	-	15,926	20.8
GUYANA	20,656	-	20,656	18,801	-	1,856	2.4
JAMAICA	68,810	-	68,810	49,489	-	19,322	25.2
MONTSERRAT	1,213	-	1,213	1,213	-	-	0.0
ST. KITTS AND NEVIS	8,729	-	8,729	7,408	-	1,321	1.7
ST. LUCIA	37,731	-	37,731	24,837	614	12,280	16.0
ST. VINCENT AND THE GRENADINES	22,829	-	22,829	17,381	1	5,446	7.1
TRINIDAD AND TOBAGO	3,111	-	3,111	2,949	-	163	0.2
REGIONAL	2,223	-	2,223	2,223	-	-	0.0
<b>Sub-total</b>	<b>288,481</b>	<b>-</b>	<b>288,481</b>	<b>206,910</b>	<b>5,025</b>	<b>76,546</b>	<b>100.0</b>
Accrued Interest						399	
<b>Total - June 30, 2021</b>	<b>\$288,481</b>	<b>\$-</b>	<b>\$288,481</b>	<b>\$206,910</b>	<b>\$5,025</b>	<b>\$76,945</b>	
Total - December 31, 2021	\$286,556	\$-	\$286,556	\$201,453	\$6,927	\$78,594	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
SUMMARY STATEMENT OF LOANS - continued**

**June 30, 2021**

(expressed in thousands of United States dollars)

Analysis by Special Fund	Total loans approved <sup>1/</sup>	Loans approved but not yet effective	Signed agree- ments	Principal repaid	Undis- bursed	Out- standing	Schedule 2 (continued)
							Percent- age of total loans out- standing
<b>MEMBERS</b>							
Trinidad & Tobago	\$3,245	\$-	\$3,245	\$3,243	\$-	\$2	0.0
<b>OTHER CONTRIBUTORS</b>							
Caribbean Development Bank Nigeria	80,334	-	80,334	38,443	4,410	37,480	49.0
United States of America	9,635	-	9,635	7,745	-	1,890	2.5
Inter-American Development Bank	92,875	-	92,875	92,875	-	-	0.0
European Union	62,507	-	62,507	33,720	615	28,172	36.8
International Development Association	9,707	-	9,707	9,328	-	-	0.5
	30,178	-	30,178	21,556	-	8,621	11.3
<b>Sub-Totals</b>	<b>288,481</b>	<b>-</b>	<b>288,481</b>	<b>206,910</b>	<b>5,025</b>	<b>76,166</b>	<b>100.0</b>
<b>Accrued Interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>399</b>	
<b>Total - June 30, 2021</b>	<b>\$288,481</b>	<b>\$-</b>	<b>\$288,481</b>	<b>\$206,910</b>	<b>\$5,025</b>	<b>\$76,945</b>	
<b>Total - December 31, 2020</b>	<b>\$286,556</b>	<b>\$-</b>	<b>\$286,556</b>	<b>\$201,453</b>	<b>\$6,927</b>	<b>\$78,594</b>	

1/ Net of lapses and cancellations.

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
SUMMARY STATEMENT OF LOANS (continued)**

**As of June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

							Schedule 2 (continued)
<b>Currencies receivable</b>	<b>Loans Out- standing 2020</b>	<b>Trans- lation adjust- ments</b>	<b>Net interest earned</b>	<b>Disburse- ments</b>	<b>Sub- Total</b>	<b>Repay- ments</b>	<b>Loans Out- standing 2021</b>
Euros	\$520	\$(16)	\$-	\$-	\$504	\$(125)	\$379
Special Drawing Rights	7,418	(69)	-	-	7,349	(399)	6,950
United States dollars	70,237	-	-	1,902	72,139	(2,922)	69,217
<b>Sub-total</b>	<b>78,175</b>	<b>(85)</b>	<b>-</b>	<b>1,902</b>	<b>79,992</b>	<b>(3,446)</b>	<b>76,546</b>
Accrued interest	419	-	(20)	-	399	-	399
<b>Total - June 30, 2021</b>	<b>\$78,594</b>	<b>\$(85)</b>	<b>\$(20)</b>	<b>\$1,902</b>	<b>\$80,391</b>	<b>\$(3,446)</b>	<b>\$76,945</b>
Total - December 31, 2020	\$85,105	\$395	\$(2)	\$57	\$85,519	\$(6,925)	\$78,594

**Maturity structure of loans outstanding**

July 1, 2021 to December 31, 2021	\$3,848
January 1, 2022 to December 31, 2022	6,900
January 1, 2023 to December 31, 2023	6,646
January 1, 2024 to December 31, 2024	6,758
January 1, 2025 to December 31, 2025	6,303
January 1, 2026 to December 31, 2030	24,662
January 1, 2031 to December 31, 2035	14,292
January 1, 2036 to December 31, 2040	1,475
January 1, 2041 to December 31, 2045	654
January 1, 2046 to December 31, 2051	2,917
January 1, 2052 to December 31, 2054	2,490
	<u>\$76,945</u>

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF CONTRIBUTIONS**  
**As of June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

<b>Contributors</b>	Schedule 3	
	<b>Contributions</b>	
	<b>Total<sup>1/</sup></b>	<b>Amounts made available</b>
<b>Members</b>		
Canada	\$6,613	\$6,613
<b>Other Contributors</b>		
Inter-American Development Bank	148	148
<b>Contributed resources</b>	<b>6,761</b>	<b>6,761</b>
<b>Other contributors</b>		
Inter-American Development Bank <sup>1/</sup>	33,926	33,926
European Union	526	526
International Development Association	10,474	10,474
<b>Repayable contributions</b>	<b>44,926</b>	<b>44,926</b>
<b>Total -June 30, 2021</b>	<b>\$51,687</b>	<b>\$51,687</b>
Total - December 31, 2020	\$52,678	\$52,678

1/ Net of cancellations and repayments.

**Maturity structure of repayable contributions outstanding**

January 1, 2021 to December 31, 2021	\$1,373
January 1, 2022 to December 31, 2022	2,478
January 1, 2023 to December 31, 2023	2,480
January 1, 2024 to December 31, 2024	2,415
January 1, 2025 to December 31, 2025	2,348
January 1, 2026 to December 31, 2030	11,388
January 1, 2031 to December 31, 2035	8,600
January 1, 2036 to December 31, 2040	5,440
January 1, 2041 to December 31, 2045	2,965
January 1, 2046 to December 31, 2053	5,439
<b>Total</b>	<b>\$44,926</b>

**CARIBBEAN DEVELOPMENT BANK  
SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS  
SUMMARY STATEMENT OF CONTRIBUTIONS (continued)**

**As of June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

						Schedule 3 (continued)
<b>Currencies repayable</b>	<b>Contri- butions made available 2020</b>	<b>Trans- lation adjust- ments</b>	<b>Drawdowns/ Appropri- ations from Capital</b>	<b>Sub- total</b>	<b>Repay- ments</b>	<b>Contri- butions made available 2021</b>
Canadian dollars	\$1,570	\$43	\$-	\$1,613	\$-	\$1,613
Euros	680	(21)	-	659	(133)	526
Special Drawing Rights	9,282	(87)	-	9,195	(374)	8,821
United States dollars	41,146	-	381	41,527	(800)	40,727
<b>Total - June 30, 2021</b>	<b>\$52,678</b>	<b>\$(65)</b>	<b>\$381</b>	<b>\$52,994</b>	<b>\$(1,307)</b>	<b>\$51,687</b>
Total - December 31, 2020	\$54,602	\$524	\$461	\$55,587	\$(2,909)	\$52,678

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF ACCUMULATED NET INCOME**  
**As of June 30, 2021**

(expressed in thousands of United States dollars, unless otherwise stated)

	Schedule 4		
<b>Contributors</b>	<b>Brought forward 2020</b>	<b>Net Income/(loss) 2021</b>	<b>Carried forward 2021</b>
General Funds	\$57,478	\$1,154	\$58,632
European Investment Bank	(740)	(10)	(750)
European Union	2,626	(21)	2,605
Inter-American Development Bank	(2,545)	(337)	(2,882)
International Development Association	269	8	277
Nigeria	5,713	(32)	5,681
United States of America	1,932	(14)	1,918
United Kingdom	2,776	967	3,743
Venezuela	46		46
European Commission	983	(377)	606
BMZ/The Federal Republic of Germany	13	(3)	10
Agence Francaise de Developpement	(45)	27	(18)
<b>Total - June 30, 2021</b>	<b>\$68,506</b>	<b>\$1,362</b>	<b>\$69,868</b>
Total - December 31, 2020	\$65,027	\$3,479	\$68,506

**CARIBBEAN DEVELOPMENT BANK**  
**SPECIAL FUNDS RESOURCES - OTHER SPECIAL FUNDS**  
**STATEMENT OF TECHNICAL ASSISTANCE AND OTHER GRANT RESOURCES**  
**As of June 30, 2021**  
(expressed in thousands of United States dollars)

Schedule 5

Contributors	Total <sup>1/</sup>	Contributors		Net amounts available
		Amounts made available	Amounts utilised	
<b>Members</b>				
Canada	\$89,449	\$89,449	\$71,429	\$18,020
United Kingdom	308,065	308,065	85,666	222,399
Italy	522	522	522	-
China	677	677	270	407
Venezuela	586	586	586	-
Germany	499	499	503	(4)
	399,798	399,798	158,976	\$240,822
<b>Other contributors</b>				
Caribbean Development Bank	275,642	275,642	217,851	\$57,791
United States of America	1,407	1,407	1,407	-
Inter-American Development Bank	26,455	26,455	24,153	2,302
Nigeria	193	193	193	-
European Commission	40,297	40,297	30,534	9,763
EIB Climate Action Support	2,184	2,184	723	1,461
Agence Francaise de Developpment	1,135	1,135	343	792
United Nations	7,480	7,480	-	7,480
World Bank - Improve Public Invest Mgmt	320	320	320	-
Sub-total	355,113	355,113	275,524	79,589
<b>Total - June 30, 2021</b>	<b>\$754,911</b>	<b>\$754,911</b>	<b>\$434,500</b>	<b>\$320,411</b>
Total - December 31, 2020	\$737,728	\$737,728	\$408,939	\$328,789
<b>Summary</b>				
Basic Needs Trust Fund	\$199,750	\$199,750	\$170,928	\$28,822
Other Resources	555,161	\$555,161	263,572	291,589
<b>Total - June 30, 2021</b>	<b>\$754,911</b>	<b>\$754,911</b>	<b>\$434,500</b>	<b>\$320,411</b>
Basic Needs Trust Fund	\$199,750	\$199,750	\$170,928	\$28,822
Other Resources	\$537,978	\$537,978	\$238,011	\$299,967
Total - December 31, 2020	\$737,728	\$737,728	\$408,939	\$328,789

1/ Net of cancellations and resources fully utilised and expended in non-reimbursable operations.