

TRANSFORMING THE CARIBBEAN FOR RESILIENCE

THE 10-YEAR STRATEGY
2026-2035





CARIBBEAN DEVELOPMENT BANK
TRANSFORMING THE CARIBBEAN FOR RESILIENCE
THE 10-YEAR STRATEGY – 2026-2035

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	i
1. INTRODUCTION	- 1 -
2. THE CARIBBEAN CONTEXT: PROGRESS, PRESSURES, AND PATHWAYS AHEAD .-	2 -
Regional Progress over the Past Decade (2015-2024)	- 3 -
Persistent Challenges and Vulnerabilities	- 3 -
Technological Progress	- 8 -
The Green Energy Transition	- 9 -
Climate Change and Disaster Risk	- 9 -
Demographic Change	- 9 -
Geopolitical Fragmentation	- 10 -
The Changing Landscape of Development Finance	- 10 -
Erosion of Social Cohesion and Trust	- 10 -
Navigating Uncertainties	- 11 -
3. CDB'S VISION AND VALUE PROPOSITION - A BANK FOR TRANSFORMATION, RESILIENCE AND REGIONAL LEADERSHIP	- 11 -
4. THE RESILIENCE FRAMEWORK: OPERATIONALISING THE STRATEGIC PLAN.-	13 -
CDB's Vision for the Strategic Objectives	- 15 -
Social Resilience	- 15 -
Economic Resilience	- 16 -
Environmental Resilience	- 16 -
Linking the Strategic Objectives to the Bank's Mission	- 17 -
CDB's Operational Priorities	- 18 -
Investing In Youth	- 18 -
Strengthening Institutions	- 18 -
Accelerating Climate Action	- 19 -
Cross-Cutting Themes	- 20 -
Gender Equality	- 20 -
Regional Cooperation and Integration	- 21 -
Innovation And Digital Transformation	- 21 -
CDB's Strategic Support for Delivering its Strategic Objectives	- 21 -
Strategic Support for Social Resilience	- 21 -
Strategic Support for Economic Resilience	- 23 -
Strategic Support for Environmental Resilience	- 26 -
Support for Cross-Cutting themes	- 27 -
Summary	- 29 -

5.	SUPPORTING HAITI'S PATH TO STABILITY RESILIENCE.....	- 30 -
	Context: Fragility Amid Overlapping Crises	- 30 -
	CDB's Response and Engagement	- 30 -
6.	ENABLING THE STRATEGIC PLAN	- 31 -
	Operationalising CDB's Comparative Advantage.....	- 32 -
	Enhanced Country Engagement.....	- 32 -
	Deepening Partnerships	- 32 -
	Strengthening Knowledge Leadership.....	- 33 -
	Strengthening Knowledge.....	- 33 -
	Towards a client-driven, resilient product suite.....	- 34 -
	Improving the Human Resource and Budget Functions.....	- 34 -
	Workforce Planning.....	- 34 -
	Building Respect, Excellence and Accountability.....	- 35 -
	Strengthening Governance and Accountability Mechanisms	- 35 -
	Promoting a More Proactive Operational Culture Focused on Risks and Results.....	- 35 -
	Operational Efficiency	- 35 -
	Knowledge Use and Feedback.....	- 36 -
	Leveraging our Development Communications Impact	- 37 -
7.	RESOURCING THE STRATEGIC PLAN 2026-2035	- 37 -
8.	MEASURING THE BANK'S IMPACT	- 38 -
	Structure of the new RMF	- 39 -
9.	ENTERPRISE RISK MANAGEMENT PROFILE	- 41 -
	Risk Appetite Framework: Risk Appetite Statement.....	- 43 -
	Risk and Strategy: Competitive Positioning.....	- 44 -

FIGURES

- 2.1 CENTRAL GOVERNMENT DEBT RATIOS IN SELECTED BMCs (% GDP)
- 2.2 YOUTH POPULATION AND UNEMPLOYMENT RATE
- 2.3 REGIONAL CRIME AND VIOLENCE
- 2.4 ECONOMIC IMPACTS OF NATURAL HAZARDS
- 2.5 GLOBAL AND REGIONAL TRENDS SHAPING THE DECADE AHEAD
- 4.1 STRATEGIC FRAMEWORK 2026-2035
- 4.2 ALIGNMENT OF THE STRATEGIC PLAN WITH THE SDGs
- 4.3 SUMMARY OF STRATEGIC SUPPORT FOR SOCIAL RESILIENCE
- 4.4 SUMMARY OF STRATEGIC SUPPORT FOR ECONOMIC RESILIENCE
- 4.5 SUMMARY OF STRATEGIC SUPPORT ENVIRONMENTAL RESILIENCE
- 9.1 ENTERPRISE RISK GOVERNANCE ARCHITECTURE OF THE BANK
- 9.2 ENTERPRISE RISK MANAGEMENT AND RISK APPETITE

TABLES

- 4.1 RELATIONSHIP BETWEEN STRATEGIC OBJECTIVES AND FOCUS AREAS
- 4.2 EXAMPLES OF FOCUS AREAS SUPPORT FOR SOCIAL RESILIENCE
- 4.3 EXAMPLES OF FOCUS AREAS SUPPORT FOR ECONOMIC RESILIENCE
- 4.4 EXAMPLES OF FOCUS AREAS SUPPORT FOR ENVIRONMENTAL RESILIENCE
- 9.1 NON-FINANCIAL RISK CATEGORIES

APPENDICES

- 1. DEALING WITH UNCERTAINTY
- 2. STRUCTURE OF THE NEW C-RMF
- 3. PROPOSED CDB ACTIONS UNDER OPERATIONAL PRIORITIES
- 4. INDICATIVE ROADMAP FOR KEY INITIATIVES TO OPERATIONALISE THE STRATEGIC PLAN 2026-2025

LIST OF ABBREVIATIONS

[(USD) throughout refer to United States dollars]

AI	–	artificial intelligence
BMCs	–	Borrowing Member Countries
bn	–	billion
BNTF	–	Basic Needs Trust Fund
BoD/the Board	–	Board of Directors
BSO	–	Balance Sheet Optimisation
CCCCC	–	Caribbean Community Climate Change Centre
CCRIF-SPC	–	Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company
CDB/the Bank	–	Caribbean Development Bank
CDEMA	–	Caribbean Disaster Emergency Management Agency
CES	–	Country Engagement Strategies
CPAs	–	Country Poverty Assessments
CRAs	–	Credit Rating Agencies
C-RMF	–	Corporate Results Management Framework
CSME	–	CARICOM Single Market and Economy
DFI	–	Development Finance Institutions
EEA	–	Exposure Exchange Agreement
EMTN	–	Euro Medium-Term Note
ERMF	–	Enterprise Risk Management Framework
FLN		Future Leaders Network
G20 CAF	–	G20 Capital Adequacy Framework
GCF	–	Green Climate Fund
GCI	–	General Capital Increase
GDP	–	gross domestic product
GFN	–	Gross Financing Needs
HR	–	Human Resources
IDB	–	Inter-American Development Bank
MDBs	–	Multilateral Development Banks
MfDR	–	Managing for Development Results
mn	–	million
MOPAN	–	Multilateral Organisation Performance Assessment Network
MSMEs	–	Micro, Small and Medium Enterprises
MVI	–	Multidimensional Vulnerability Index
NAPs	–	National Action Plans
NSO	–	non-sovereign
OCR	–	Ordinary Capital Resources
ODA	–	Official Development Assistance
OECS	–	Organisation of Eastern Caribbean States
PA	–	Performance Area
PCG		Portfolio Credit Guarantee
RAF	–	Risk Appetite Framework
RAS	–	Risk Appetite Statement
RCI	–	Regional Cooperation and Integration
RMF	–	Results Monitoring Frameworks
RMS	–	Resource Mobilisation Strategy
SDF	–	Special Development Fund
SDGs	–	Sustainable Development Goals
SFR	–	Special Funds Resources
SIDS	–	Small Island Developing States
SOs	–	Strategic Objectives
TA	–	Technical Assistance
ToC	–	Theory of Change

EXECUTIVE SUMMARY

1. **The Caribbean region has made significant development gains in the last 55 years, since the Caribbean Development Bank (CDB/the Bank) was established.** However, the Region continues to be confronted by severe challenges such as poverty and vulnerability, inequality, lack of competitiveness, and climate change. The Caribbean remains off track to meet the Sustainable Development Goals (SDGs) by 2030. At the same time, emerging global trends, such as geopolitical fragmentation, demographic change, and changes in the development finance landscape, are reshaping the context for Caribbean development, bringing both risks and opportunities.
2. **The Bank's new Strategic Plan 2026-2035, guided by its ethos to 'Innovate. Transform. Thrive.', sets out how CDB will evolve to meet the Region's most pressing challenges.** The plan is the product of extensive regional consultation, a clear assessment of the Bank's comparative advantage, and a forward-looking scenario-based analysis to ensure institutional readiness to deal with future uncertainty. The plan signals a key reform agenda that will allow the Bank to address existing systemic and operational challenges, and therefore lay the foundations for transitioning to an optimally sized institution that provides better outcomes for the Region. CDB remains steadfast in its mission of '*Reducing poverty and transforming lives through sustainable, resilient, and inclusive development*'. The Bank's ambition aligns with major global commitments, including the G20 Triple Agenda for Multilateral Development Banks (MDBs), the Bridgetown Initiative, and the Antigua and Barbuda 2035 Agenda for Small Island Developing States (SIDS), reaffirming the Bank's role as a key partner in advancing resilience across the Caribbean.
3. **Through an integrated Resilience Framework, the Strategic Plan will be operationalised by three interdependent pillars of resilience – social, economic and environmental.** A key element of this support will be a significant increase in the provision of inclusive and climate-resilient infrastructure, in which the Bank has a strong track record of delivery. These include, but are not limited to, transportation and logistics, flood defence and coastal protection, education, water and sanitation, renewable energy, and digital infrastructure. This will support communities and help create jobs. The Bank will ensure that at least 30% of its Ordinary Capital Resources (OCR) commitments, and 35% of its Special Development Fund (SDF) commitments, support climate resilience. The Bank will also ramp up its support for social protection, help improve the business development ecosystem to increase private sector competitiveness; support increased investment and trade; and help implement measures that protect the environment.
4. **CDB's resilience push will be underpinned by a greater focus in three vital areas, for which the Bank will become increasingly recognised as a regional leader:**
 - (a) **Youth Development** will foster equity, inclusion and cohesion across communities; it will provide the skills to support increasingly competitive economies; and it will build leadership to ensure environmental sustainability for future generations.
 - (b) **Stronger Institutions** will deliver more robust and efficient development solutions, provide the necessary enabling environment for private sector growth and job creation; and ensure that new investments are environmentally sustainable.
 - (c) **Climate Action** will protect livelihoods, particularly for the most vulnerable; provide green jobs and help reduce public sector debt; and protect and restore natural capital and ecosystems, increasing communities' ability to absorb and adapt to climate-related shocks.
5. **Three cross-cutting themes will complement CDB's interventions, by boosting inclusiveness and productivity, and by improving transparency and governance:**

(ii)

- (a) CDB positions **gender equality** as a catalyst for inclusive growth, investing in systems that empower women and men to contribute equally to Caribbean transformation. The Bank will embed gender equality across all operations, leveraging its convening power, knowledge, and financing to influence policy, investment, and institutional culture.
- (b) **Innovation and Digital Transformation:** Digital tools and innovative approaches have the potential to expand access to services, improve governance, accelerate private sector growth, and strengthen connectivity. CDB will embed innovation and digital transformation systematically across its operations, and institutional culture. The Bank will work with its Borrowing Member Countries (BMCs) to enhance decision-making and preparedness for economic and climate risks. It will empower micro, small and medium-sized enterprises (MSMEs) to participate fully in the digital and green economies.
- (c) **Regional Cooperation and Integration (RCI):** In support of the objectives of the CARICOM Single Market and Economy (CSME), CDB will enhance connectivity in the Region and the competitiveness of BMCs and increase support for regional public goods such as transport, digital connectivity, the blue economy, disaster risk, and trade. The Bank will also support the harmonisation of policies and procedures to interconnect national economies.

6. **CDB recognises that Haiti's challenges require special attention and a differentiated approach.** Therefore, it will work closely with the Government and with key partners to achieve meaningful results. The Bank is upgrading its Haiti Country Office to enhance in-country presence, coordination, and responsiveness, and is expanding its knowledge base on Haiti's economy, society, and institutions to design more context-specific and impactful solutions. Resources for Haiti will be scaled up and managed carefully to ensure that assistance remains targeted and impactful.

7. **Operationalisation of the Strategic Plan will be supported by a significant reform agenda that puts in place key foundations enabling the Bank to do more, better, and faster.** This agenda will be informed by the findings and recommendations of three significant initiatives: (1) a study of implementation conditions in the Region; (2) a review of the Bank's governance arrangements; and (3) an assessment of its performance by the Multilateral Organisation Performance Assessment Network (MOPAN). The Bank has already begun making some changes, but implementing the fundamental changes necessary will have a cost. Therefore, over the first two years of the Strategic Plan period, the Bank will agree to a costed programme of fundamental key activities with its Board, which will allow it to deliver key reforms that increase the Bank's effectiveness in the longer term.

8. **CDB's operations will be anchored in a new client-centric model that involves increased engagement with BMCs to ensure that the Bank's work is always relevant and aligned with their needs.** Country focus will be embedded in Country Engagement Strategies (CES) that will be regularly reviewed. Where possible, the Bank will adopt a programmatic approach, using technical assistance (TA) to support sector studies and project preparation, and to build institutional capacity. Effective pipeline and contact management, along with improved project implementation, will ensure that the portfolio grows sufficiently quickly. The Bank will be able to measure impact through a new Results Management Framework (RMF), and it will increase regional and global awareness of its impact through enhanced communications, underpinned by a new communications strategy.

9. **The new client-centric model will be delivered by an optimally sized, motivated, engaged, and incentivised workforce, which is guided by the principles of mutual respect, service excellence and ethical accountability.** A strategic workforce analysis will identify the human resource (HR) needs to deliver the strategy, and talent acquisition will be enhanced. Staffing will be aligned with BMC

(iii)

development needs, and the key initiatives the Bank is taking to address them. Staff will benefit from enhanced knowledge management. They will receive the necessary technical and wellbeing support to fulfil their roles, ensuring that their role in scaling up the Bank's ambition to support the Region is productive and recognised.

10. **CDB will expand its private sector operations, consistent with its risk appetite.** Its new Private Sector Funding Framework will fund a pipeline of projects in sectors such as renewable energy, digital transformation, and agribusiness. A new trade facilitation programme will be developed, attracting new funding to support exports from BMCs. The Bank will also invest in private equity funds, along with regional partners, as well as continue to provide lines of credit to national and regional development finance institutions (DFIs).

11. **To meet CDB's scaled-up ambition, the Bank will increase its lending over the 10-year period. The growth in lending will be greater in the latter years, as the early-period reforms become effective.** CDB will use its capital base and employ all Balance Sheet Optimisation (BSO) options to increase its lending headroom, in line with G20 Capital Adequacy Framework (G20 CAF) report recommendations. The Bank has already implemented one Exposure Exchange Agreement (EEA), and will explore the possibility of more as its portfolio demands. The Bank is also negotiating portfolio credit guarantees (PCGs) and exploring options for introducing contingent capital and hybrid capital. CDB intends to utilise the full potential of BSO instruments and will undertake analysis of the optimal use of its resource mobilisation pillars to meet the financing needs of its BMCs while maintaining financial sustainability. The Bank will also operationalise a new Resource Mobilisation Strategy (RMS), under which its borrowing will be secured on more favourable terms, and it will raise additional concessional finance from traditional and new partners.

12. **The Strategic Plan will be accompanied by a revised Risk Appetite Framework (RAF), including Risk Appetite Statement (RAS);** which link strategic objectives to clearly defined risk thresholds, tolerances, and operational limits for all categories of risk (i.e. financial and non-financial). In addition, a new Corporate RMF (C-RMF) is being adopted. This framework will align with sector and country strategies, and with projects. It will increase the emphasis on measuring outcomes. A mid-term review of the 10-year Strategy will be conducted by 2030, to examine progress on the commitments towards achieving the strategic objectives. Throughout the strategy period, the Bank will revisit the initial planning scenarios to allow consideration of any fresh uncertainties.

1. INTRODUCTION

1.01 **CDB presents its 10-year Strategic Plan (2026–2035) at a pivotal moment for the Region.** The decade ahead presents a moment to redefine the Caribbean’s future and reshape its trajectory of growth, resilience, and transformation. After 55 years of progress in advancing the Region’s development agenda, the Bank now confronts an era of intensified uncertainty and mounting global challenges that test the very foundations of Caribbean resilience.

1.02 **The global landscape has shifted dramatically, demanding renewed focus and purpose.** Since the approval of the 2020-2024 Strategic Plan, the external environment has changed significantly. The COVID-19 pandemic disrupted progress toward the SDGs, deepened inequality, and exposed global supply chain and financing vulnerabilities. These effects were compounded by inflationary pressures, recurring climate shocks, and heightened geopolitical tensions. Fiscal constraints and shifting domestic priorities in advanced economies have led to sharp declines in Official Development Assistance (ODA)^{1/}, even as SIDS face expanding financing gaps to meet both the SDGs and their climate commitments^{2/}.

1.03 **The Caribbean faces converging pressures that demand bold and coordinated action.** The Region’s small size and openness magnify exposure to external shocks. Elevated debt burdens and limited access to concessional finance have constrained investment in resilience, productivity, and competitiveness. These pressures compound long-standing structural vulnerabilities: limited diversification, infrastructure gaps in energy, transport, and water, and persistent inequalities in access to finance, education, and decent work. Women, youth, persons with disabilities and indigenous groups remain disproportionately excluded from economic opportunity, while climate change amplifies existing risks, intensifying disasters, increasing environmental degradation, widening social inequities, and straining public finances. The confluence of these global and domestic challenges has underscored the urgency of transformation and collective response. In this context, the G20’s *Triple Agenda*^{3/} call for better coordinated action to scale development finance, tackle shared challenges and invest in global public goods is especially relevant for the Caribbean. It also reinforced the imperative for targeted, predictable, and coordinated concessional financing for SIDS to achieve sustainable and inclusive transition.

1.04 **As we strengthen coordinated action, CDB will lead more decisively over the next decade to shape the Region’s transformation.** As the only indigenous MDB serving the Caribbean, CDB is uniquely positioned to combine local insight with global partnership to deliver impact at scale. To meet the evolving needs of BMCs and rise to the moment, CDB will invest in its people, rebuild trust in institutions, deploy agile, targeted financing and innovative policy solutions that respond to existing and emerging risks and lead the Region’s transformation to resilience.

1.05 **The Strategy was developed through a rigorous, evidence-based, and iterative process designed to ensure alignment with regional priorities and global development agendas.** It combined strategic foresighting, stakeholder engagement, and institutional diagnostics to define the Bank’s long-term direction and operational priorities. The process drew on extensive analytical work, including an environmental scan of global and regional trends, a resource-needs assessment, and an Environmental, Social, and Governance materiality study, to assess the Region’s evolving context and identify emerging opportunities. A Market Perception Survey captured the perspectives of BMCs, development partners, the private sector, civil society, gender networks, and CDB staff, highlighting how the Bank can better serve the Caribbean and articulate its comparative advantage. Insights were refined through consultations with the Board of Directors (BoD/the Board) and Board of Governors, and staff engagements, the Bank’s Future

^{1/}[Cuts in official development assistance: Full Report | OECD](#)

^{2/}In 2024, fewer than 20% of the UN SDGs were on track globally. Source: [UN Sustainable Development Goals Report 2024](#)

^{3/}[Strengthening Multilateral Development Banks: The Triple Agenda | Center For Global Development](#)

Leaders Network (FLN), and strategic dialogues with other MDBs, aligning the Bank’s future role with the evolving multilateral reform agenda. Scenario planning and institutional diagnostics tested the robustness of the strategy under alternative futures.

1.06 Resilience is at the heart of the Bank’s long-term strategy. Through a Resilience Framework, the Bank advances three strategic objectives: building social, economic, and environmental resilience, which, for the Bank, defines the foundation for sustainable development in the Caribbean. CDB will focus on deepening its impact by translating these objectives into action through three operational priorities: Investing in Youth, Strengthening Institutions and Accelerating Climate Action, supported by three cross-cutting themes: gender equality, innovation and digital transformation, and regional integration.

1.07 The 10-year horizon reflects the scale and long-term commitment required to drive the Region’s transformation. Building social, economic, and environmental resilience requires sustained, multi-phase investments and institutional reforms. This extended horizon enables the Bank to align its strategic ambitions with regional and global frameworks, including the *Antigua and Barbuda Agenda for SIDS (2024)*, the *Bridgetown Initiative on Reforming the Global Financial Architecture (2022)*, the *SDGs (2030)*, and the *CARICOM Vision 2050*. The Strategy positions the Bank to play a more catalytic role in accelerating the Region’s transformation by:

- **Shaping the regional and global agenda**, leading policy dialogues, innovation and action to forge coherent, future-focused development pathways that align regional ambitions with global imperatives;
- **Partnering with BMCs to co-create solutions** that drive inclusive, climate-resilient, and sustainable growth; and
- **Mobilising capital and leveraging knowledge and influence** to unlock new sources of finance, scale innovation, and deliver measurable impact across sectors, societies and generations.

1.08 CDB’s evolution is part of a broader commitment to regional renewal. This Strategy embodies the Bank’s resolve to reimagine its development model, expand its influence, and deepen collaboration across the multilateral system to deliver greater scale, speed and impact for the people of the Caribbean. The 2026–2035 Strategy reaffirms CDB’s unwavering commitment to realise the Rebirth Vision, anchored in its ethos to *Innovate. Transform. Thrive*.

1.09 The Strategic Plan moves from context to action, charting a bold path for the decade ahead. The following section, Section 2, reviews the current regional context and the global and regional trends that will shape the decade ahead. Section 3 sets out CDB’s vision, mission, and value proposition. Section 4 outlines the Resilience Framework, which includes the Bank’s strategic objectives and operational priorities, along with the cross-cutting themes. Section 5 discusses Haiti, and Sections 6 to 9 describe how CDB will strengthen its operations, mobilise finance, track results through the RMF, and monitor risks.

2. THE CARIBBEAN CONTEXT: PROGRESS, PRESSURES, AND PATHWAYS AHEAD

2.01 Over the past decade, the Region has made tangible gains in economic recovery, social progress, and climate adaptation, supported by stronger policy frameworks and regional cooperation. Yet, these advances coexist with significant challenges that continue to test the Region’s capacity for sustained transformation. The following section first highlights the progress achieved over the

past 10 years, examines the current realities shaping development prospects, and then explores the global and regional megatrends that will define the Caribbean's trajectory in the decade ahead.

Regional Progress over the Past Decade (2015-2024)

2.02 The Caribbean is largely classified as a middle to high-income Region. Despite multiple external shocks, from hurricanes and the COVID-19 pandemic to commodity and climate crises, countries have demonstrated resilience, pursuing ambitious reform agendas that strengthened fiscal frameworks, expanded renewable energy, and scaled up public investment to support climate adaptation and growth. Additionally, progress in key social indicators reflects steady improvement in living standards.

2.03 Human development across the Caribbean has advanced over the past decade, with all BMCs except Haiti recording improvements in their Human Development Index scores. The Region enjoys a relatively high level of human development by global standards, reflected in strong life expectancy, income, and educational attainment. Poverty has declined in some cases, but rural communities, youth, and female-headed households continue to be disproportionately affected. Social protection systems have expanded through conditional cash transfers and non-contributory pensions, helping to reduce poverty, albeit unevenly across communities.

2.04 Economic performance over the past decade has been marked by resilience amid multiple shocks. After experiencing the sharpest contraction in modern history during the COVID-19 pandemic, the Region rebounded strongly, led by the rapid recovery of tourism and Guyana's oil-driven expansion, which has far outpaced both regional and global growth averages. Recent infrastructure upgrades across the Region including transportation networks, ports, and public facilities, have supported economic recovery, improved connectivity and enhanced quality of life.

2.05 Fiscal and debt positions have improved since the pandemic, supported by prudent management, stronger institutions, and innovative mechanisms such as debt-for-climate and debt-for-nature swaps that are freeing fiscal space for investment in resilience and sustainability. Jamaica, The Bahamas, Barbados and Belize are among the countries that have pioneered such approaches, using savings to fund marine conservation and climate-resilient infrastructure.

2.06 The Caribbean has also made some progress in advancing environmental sustainability and climate resilience. Countries are integrating climate change, disaster risk reduction, and biodiversity considerations into national planning, are investing in renewable energy, and are advocating for reforms to global financial frameworks through initiatives such as the Bridgetown Initiative. Innovative approaches to climate financing, like Guyana's Low Carbon Development Strategy with its sale of carbon credits and Jamaica's Green, Social, Sustainability, and Sustainability-linked (GSS+) Bond platform, signal emerging regional leadership in mobilising high-integrity climate finance, reflecting regional efforts to attract sustainable investment, and channel resources towards inclusive, low-carbon, and climate-resilient development. Adaptation and mitigation initiatives are being implemented in key sectors such as transport, energy, water, and agriculture.

Persistent Challenges and Vulnerabilities

2.07 Despite the gains made, the Caribbean faces a complex development landscape shaped by persistent global and regional challenges. Ongoing global instability, economic uncertainty, and weak growth prospects continue to hinder progress. Structural constraints such as small market size, limited economic diversification, high public debt, and high exposure to climate change and natural hazards further exacerbate the Region's vulnerability. Haiti contends with additional burdens including widespread citizen insecurity, deep poverty, and political instability. These challenges and constraints have contributed to

slow and uneven progress toward the SDGs, with only 25% of measurable SDG targets currently on track for 2030⁴. Development progress has been slower than desired and has varied across countries.

2.08 Economic potential has halved over the past few decades, and productivity growth is now close to zero⁵. Low productivity in the Caribbean is driven by reliance on external markets, underdeveloped digital and physical infrastructure, significant skills gaps, a challenging business environment with limited access to finance, inadequate regional integration, and barriers to women's participation⁶. The Region is also still heavily dependent on costly imported fossil fuels, which inflate production costs and erode competitiveness. The Caribbean has some of the highest energy costs globally, averaging around \$0.25 per kWh - more than twice the United States average.

2.09 Digital and physical connectivity constraints also remain significant. Connectivity barriers such as access, affordability, digital skills, and quality of service persist, continuing to drive the digital divide. Governments of the Region have paid more attention to articulating digital transformation goals and strategies; however, investments in digital infrastructure (such as interoperable systems) have lagged in the Region and more integrated and unified activities across governments are still needed.

2.10 The Caribbean's economic potential is also impacted by trade and logistics constraints. As a small market, the Region struggles from weak competitiveness and limited engagement in international value chains, diminishing its influence in trade agreements. BMCs are disproportionately affected by supply chain shocks, due to heavy reliance on imports. Logistical barriers prevent the seamless movement of commodities within and outside the Region. Furthermore, the private sector continues to face high operational costs, limited access to finance, skills gaps, and an uneven policy environment that restricts growth and innovation.

2.11 Persistent implementation deficits have also constrained the Region's ability to translate strategies and investments into tangible results. While most BMCs have well-articulated development plans and access to concessional resources, the pace of execution has often been slow. Institutional fragmentation, limited project management capacity, procurement bottlenecks, and weak coordination among agencies frequently delay implementation and reduce the impact of public investment.

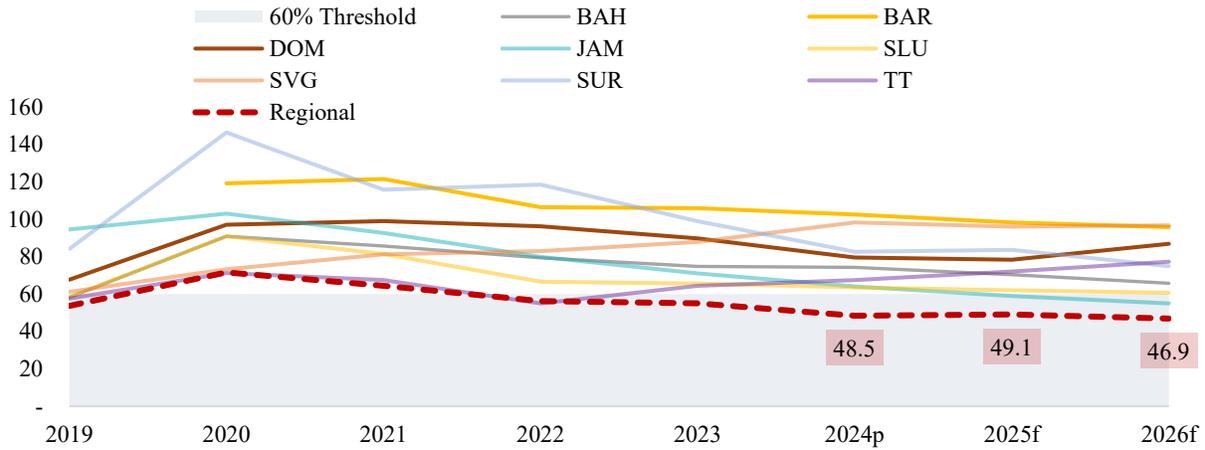
2.12 The ability to respond to those challenges is constrained by limited fiscal space and high debt levels. Many countries operate with minimal fiscal buffers and volatile revenue streams, while nearly half of BMCs exceed debt-to-gross domestic product (GDP) ratios of 60%. For some BMCs, achieving sustainable debt levels will therefore require significant fiscal effort and policy discipline. Despite progress in strengthening fiscal institutions, gaps in fiscal frameworks and expenditure controls continue to weaken overall resilience. At the same time, declining ODA places additional pressure on member governments seeking concessional financing.

⁴Source: <https://caribbean.un.org/en/229018-halfway-2030-latin-america-and-caribbean-progress-and-recommendations-acceleration>

⁵IMF (2025), The Caribbean Challenge: Fostering Growth and Resilience Amidst Global Uncertainty. <https://www.imf.org/en/News/Articles/2025/06/10/dmd-clarke-cdb-speech-june-10>.

⁶OECD/IDB (2024), Caribbean Development Dynamics, OECD Publishing, Paris. <https://doi.org/10.1787/a8e79405-en>.

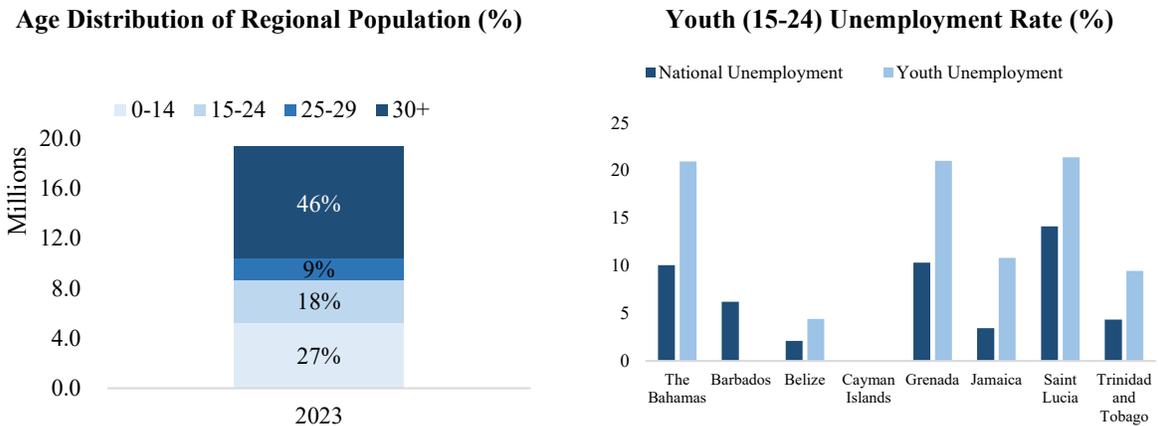
FIGURE 2.1: CENTRAL GOVERNMENT DEBT RATIOS IN SELECTED BMCs (% GDP)



Sources: Central Banks, Ministries of Finance, Statistical Offices, CDB; Note: “p” indicates preliminary data and “f” indicates a forecast

2.13 **Multidimensional poverty remains widespread**, with large disparities among member states^{7/}. Key drivers include poor-quality employment, low financial literacy, limited health and housing insurance coverage, and digital exclusion. Multidimensional deprivation is evident among the Region’s youths, who face systemic unemployment, underemployment, and social exclusion. Approximately half (46%) of the Caribbean’s population is under 30, with youth (15–24) making up 18%^{8/}. In 2024, youth unemployment across the Caribbean (excluding Haiti) was 17.6% and is even higher for young women despite better qualifications^{9/}. The indicator for youth not in education, employment or training (NEET) paints another stark picture – 24% of Caribbean youth aged 15-24 (excluding Haiti) are not in education, employment, or training. NEET rates reflect a lack of opportunities for young people and are associated with disengagement, alienation, and anti-social coping strategies.

FIGURE 2.2: YOUTH POPULATION AND UNEMPLOYMENT RATE



Sources: National Statistical Offices, United Nations World Population Prospects.

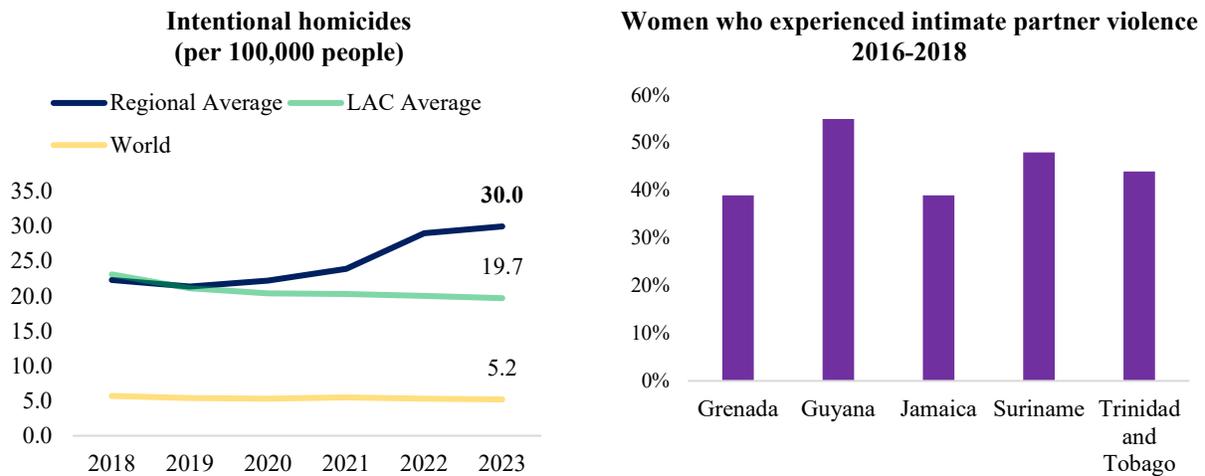
^{7/}Source: CDB-Organisation of Eastern Caribbean States (OECS) Enhanced Country Poverty Assessment Project

^{8/}2023 data. [World Population Prospects](#)

^{9/}[A Generation in transition: Rethinking youth employment in the Caribbean | International Labour Organization](#)

2.14 **Rising crime and citizen insecurity are one of the Region’s most urgent social challenges, rooted in youth alienation, poverty, and eroding social values, while increasingly manifesting as an organised, profit-driven system of violence sustained by substantial resources and coordination in some countries.** The Region continues to grapple with the high incidence of crime, in part driven by some of the issues discussed above, and also by the transnational drug and gun trade. In 2023, the Region’s homicide rate averaged 30 per 100,000, well above global averages, with young men disproportionately involved as both perpetrators and victims^{10/}. High crime imposes heavy socioeconomic costs, undermining security, deterring investment, and straining public services. Gender-based violence and gender inequalities continue to persist. The Caribbean Women Count: Ending Violence Against Women and Girls^{11/} revealed that almost half of the women surveyed across five Caribbean countries have faced at least one form of gender-based violence in their lifetime. On average, the findings from the prevalence study surveys covering the period 2016 to 2018, revealed that nearly 1 out of 2 or 46% of ever-partnered women aged 15 to 64 have experienced one or more of the four types (physical, sexual, psychological and economic violence) of intimate partner violence in their lifetime.

FIGURE 2.3: REGIONAL CRIME AND VIOLENCE



Source: United Nations Office on Drugs and Crime, United Nations Women, CDB

2.15 **Youth outcomes are closely tied to education.** Secondary level performance is weak, with the Caribbean Examinations Council pass rates for Mathematics ranging from 37–39% (2021–2025)^{12/}. Enrolment in Tertiary-level programmes is less than 25%, far below the Latin America and the Caribbean

^{10/}There is no question that it is a social problem why 90% of persons involved in crime are males, and speaking for Jamaica, 90% of victims of homicides are males.’ [Keynote Address | Dr the Most Honourable Andrew Holness, ON, PC, MP | Prime Minister of Jamaica | Chairman of CARICOM | 49th Regular Meeting of the Conference of CARICOM Heads of Government| 6 July 2025 – CARICOM](#)

^{11/}A central repository of knowledge on the prevalence of the different forms of intimate partner violence and non-partner sexual violence from Grenada, Guyana, Jamaica, Suriname, and Trinidad and Tobago. The tool is based on national surveys conducted between 2016 and 2019 that were done in collaboration between governments, United Nations Entity for Gender Equality and the Empowerment of Women, United Nations Development Programme, United States Agency for International Development, CDB, and the Inter-American Development Bank (IDB)

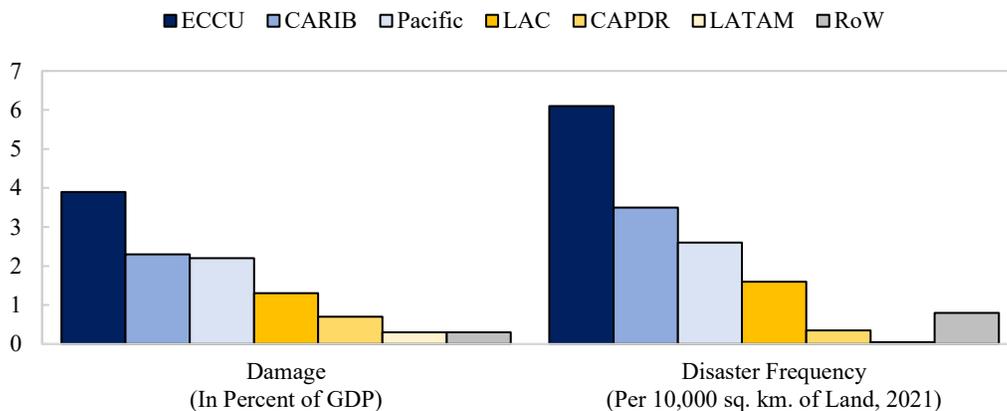
^{12/}The pass rate is the proportion of all students taking the mathematics exam in May/June of a particular year, who obtain a passing grade at levels 1, 2 or 3. Data Sources: Caribbean Examinations Council Annual Reports and Press Releases

average of 52%, and among the lowest in the hemisphere^{13/}. Compounding these challenges is the outward migration of skilled labour. Up to 70% of tertiary-educated individuals leave the Region, contributing to persistent skills shortages and constraining innovation and productivity in both the public and private sectors. This pattern reflects, in part, the limited opportunities available to highly skilled workers within the Region.

2.16 **While youths represent a significant share of the Caribbean population**, the Region is also experiencing a rise in ageing populations, further straining already overburdened social systems. Ageing populations in the Region have implications for labour markets, elderly care provision, and pension liabilities^{14/}.

2.17 **Climate change and natural hazards are major threats to Caribbean development.** Major disasters from natural hazards cost an average of 2% of GDP per year in Caribbean countries, and twice that in the Eastern Caribbean^{15/}, damaging infrastructure, slowing growth, and worsening debt as governments borrow to finance recovery. Countries with insurance protection gaps are particularly exposed. Key sectors such as agriculture, fisheries, tourism, water, energy, and health are increasingly vulnerable to droughts, rising sea levels, saltwater intrusion, and extreme weather events, which disrupt production, degrade ecosystems, and threaten food and water security.^{16/} Tourism and coastal infrastructure face mounting risks from sargassum, coastal erosion, coral bleaching, and storms. Additionally, energy systems are challenged by supply disruptions even as opportunities grow for transitioning to renewable sources such as solar, wind, and geothermal power. The Region’s rich biodiversity is also under threat, including coral reef bleaching, declining fish stocks, and forest degradation.

FIGURE 2.4: ECONOMIC IMPACTS OF NATURAL HAZARDS



Source: IMF^{17/}

^{13/}Beckles and Richards-Kennedy (2021): Accelerating the Future into the Present: Re-imagining Higher Education in the Caribbean

^{14/}In Caribbean SIDS, the share of the population over the age of 65 will increase from 11% in 2025 to 17% in 2040. Source: [World Population Prospects](#)

^{15/}International Monetary Fund (2025). [The Caribbean Challenge: Fostering Growth and Resilience Amidst Global Uncertainty](#)

^{16/}Climate Studies Group Mona (Eds.). 2020. “The State of the Caribbean Climate”. Produced for CDB

^{17/}Chen, S., Siegel, S. and Tovar Mora, C. (2025) ‘Fiscal sustainability and natural disaster risks in the ECCU’, IMF Selected Issues Papers 2025

2.18 **Environmental degradation and weak infrastructure compound these risks**, leaving many communities exposed to multiple natural hazards and extensive pollution, and waste management deficiencies. Limited fiscal and institutional capacity constrain the integration of climate considerations into planning and investment, heightening vulnerability. Meanwhile, climate risks are intensifying. Many populations live in vulnerable areas with weak infrastructure, and economies depend on climate-sensitive sectors like tourism and agriculture.

2.19 **These persistent structural challenges define the Region’s current reality.** Yet the coming decade will unfold amid powerful external forces that could worsen these vulnerabilities or create new opportunities for building resilience.

2.20 **The next 10 years will be defined by a confluence of global and regional forces that reshape the Caribbean’s development landscape, often in unpredictable ways.** CDB’s thematic research and the development of future scenarios consider how certain factors might impact the Region. These factors are already transforming how societies and economies function and will continue to influence the Region’s development trajectory. These forces of change bring risks and opportunities to achieving resilience for the Region. Hence, understanding and responding to them is critical to ensure that CDB remains relevant, helping the Region not only adjust to change, but thrive. The following discussion highlights the most significant forces influencing the Region’s trajectory to 2035.

FIGURE 2.5: GLOBAL AND REGIONAL TRENDS SHAPING THE DECADE AHEAD



Technological Progress

2.21 **Rapid advances in digital technologies, including artificial intelligence (AI) and Quantum Computing, automation and robotics are reshaping how people live, and work while redefining industries, and labour markets worldwide.** In 2025, the global average ICT Development Index score was 78, up from 76, indicating progress towards more universal and meaningful connectivity. This digital transformation is opening new frontiers for productivity, and innovation, while exposing persistent gaps in skills, infrastructure, and regulation. Digital technologies are now directly linked to around 70% of the SDGs, including those related to climate action, poverty reduction, education, and water and sanitation. Strengthening digital public infrastructure has therefore become a necessary and urgent imperative for fostering innovation and open digital ecosystems that accelerate progress toward the SDGs.

The Green Energy Transition

2.22 **The global shift toward renewable and low-carbon energy is reshaping patterns of production, consumption, investment, and trade.** For the Caribbean, which remains highly dependent on fuel imports despite vast renewable energy potential, this transition presents both vulnerability and opportunity. Increased investments in renewable energy are set to improve energy security, while Guyana's emergence as a major oil producer is reshaping regional energy dynamics and creating opportunities for reinvestment in sustainable infrastructure in that country. Yet, high upfront costs for renewables, and regulatory and institutional bottlenecks, continue to constrain progress toward the transition. By 2035, scaling renewable energy investments, modernising grids, and strengthening regional energy cooperation and interconnection will be essential to advancing resilience and achieving climate goals.

Climate Change and Disaster Risk

2.23 **Climate change and escalating natural hazard risks have become structural features of global development.** For the Caribbean, they represent not only a recurring development constraint but a threat that will shape the next decade, as rising temperatures, extreme weather events and coastal degradation continue to erode livelihoods and damage infrastructure. Looking ahead, global temperatures are likely to remain at or near record highs in 2025–2029^{18/}, raising the probability of more frequent and intense natural hazard events. By 2035, the Caribbean's development trajectory will hinge on its ability to turn vulnerability into resilience: socially, economically, and environmentally. The next decade will require scaling and integrating resilience efforts across sectors, linking climate intelligence, early-warning systems, and regional recovery mechanisms with fiscal and investment planning that embeds climate and disaster risk.

Demographic Change

2.24 **Global demographic patterns are shifting, as fertility rates fall and populations age across both advanced and developing economies.** The world's population is now expected to peak earlier than previously anticipated, leading to shifting population age structures across the world^{19/}. These transitions are reshaping labour markets, and social protection systems worldwide. The Caribbean is no exception, as the demographic profile will continue to evolve toward an older population by 2035, marked by slower labour force growth, and increased fiscal pressures from higher pension and healthcare costs, driven by declining fertility rates and rising life expectancy.

2.25 **At the same time, continued outward migration, particularly of skilled workers, is likely to further constrain productive capacity.** However, the Region's move toward full free movement within CARICOM^{20/} offers opportunities to expand access to skills and deepen regional labour markets. These demographic shifts nonetheless open new avenues for transformation. As technology and remote work redefine where and how people contribute, the Caribbean can position itself to benefit from global talent mobility. By developing social and economic policies that anticipate demographic realities, investing in reskilling and lifelong learning, and leveraging its diaspora networks, the Region can turn demographic pressures into opportunities.

^{18/}[WMO_GADCU_2025-2029_Final.pdf](#)

^{19/}[World Population Prospects 2024: Summary of Results](#)

^{20/}[Barbados, Belize, Dominica and St. Vincent and the Grenadines Ready for Full Free Movement on 1 October 2025 – CARICOM](#)

Geopolitical Fragmentation

2.26 **The resurgence of nationalism is driving a more fragmented and multipolar global order.** As countries turn inward and compete for influence, multilateral systems have weakened, trade protectionism has increased and geopolitical tensions have intensified, disrupting traditional alliances and cooperation mechanisms. The resulting instability has far-reaching implications, including weakened supply chains, and volatility in commodity and financial markets. For small Caribbean economies, these dynamics create greater vulnerability to global instability. Yet, the evolving landscape also offers opportunities to diversify partnerships, attract new investment, strengthen regional cooperation and strengthen alliances with other developing regions, such as Africa and Latin America, to advance shared priorities.

The Changing Landscape of Development Finance

2.27 **Global shifts in debt, interest rates, and concessional finance are reshaping how countries fund development.** Although global rates are beginning to ease from their recent peaks, financing conditions remain tighter and more risk-sensitive than in the decade before the pandemic. At the same time, advanced economies' fiscal retrenchment and inward-looking policies are contributing to declining official ODA and more competitive access to concessional finance. This tightening of traditional financing avenues is further compounded by a major geopolitical shift, with the United States withdrawing from more than 60 international organisations central to climate action, sustainable development, and multilateral cooperation. This retreat introduces significant uncertainty for global governance and the financing frameworks on which developing countries depend. For the Region, this translates into navigating a more fragmented and less predictable international financing landscape, while also creating pathways to strengthen existing partnerships and forge new ones to support development funding.

2.28 **Caribbean nations face unique vulnerabilities and challenges, prompting the need for innovative strategies.** However, efforts to address these challenges are constrained, as high-income countries remain largely excluded from concessional resources despite high climate exposure. However, the global G20-led reform agenda for MDBs^{21/}, aimed at making these “bigger, better and more effective”, along with the emergence of a wider range of multilateral and bilateral development partners available to BMCs, offers new opportunities for financing and stronger institutional collaboration. In this evolving landscape, MDBs like CDB will have to play a pivotal role in scaling up concessional and blended financing and strengthening institutional capacity to manage and deploy resources effectively for resilience building. By 2035, resilience will depend on how effectively the Region adapts to this evolving financial landscape, mobilising private capital, leveraging blended and innovative instruments such as resilience-linked financing, and strengthening fiscal governance and debt management.

Erosion of Social Cohesion and Trust

2.29 **Social cohesion is weakening globally as inequality and polarisation deepen divisions within societies.** These dynamics are mirrored in the Caribbean, where inequality persists. By 2035, social cohesion will depend on the Region's ability to ensure equitable access to opportunity, and create safer, more inclusive communities. Left unaddressed, deepening social fragmentation could slow the Caribbean's progress toward sustainable development. If managed proactively, however, it can become a catalyst for renewal, empowered by a new generation of citizens using digital platforms and civic movements to demand greater transparency, justice, and participation. Meeting these expectations will require decisive action to strengthen safety and justice systems, tackle inequality, and ensure that growth is inclusive.

^{21/}<https://www.iadb.org/document.cfm?id=EZIDB0000565-150387113-355>

Navigating Uncertainties

2.30 **The forces of change shaping the decade ahead ensure that the Caribbean’s development path will not be linear**, and global and regional forces are shifting at a pace that necessitates flexibility and constant adaptation. For small, open, and highly vulnerable Caribbean economies, this uncertainty is not a peripheral concern; it is the central condition under which development must now occur.

2.31 **Acknowledging the inherent uncertainty of the global and regional environment, informed by rigorous research, the Bank developed a set of forward-looking scenarios** to explore how different combinations of economic, environmental, social, and geopolitical forces might shape the Caribbean’s development trajectory. These scenarios test the robustness of CDB’s strategy under varying conditions, ranging from constrained financing and climate shocks to new opportunities for regional cooperation.

2.32 **Whether navigating constrained financing, geopolitical fragmentation, or accelerated reform-driven renewal, the CDB’s 10-year strategy is designed to be adaptable.** It prioritises flexibility in operations, a stronger regional financing architecture, and expanded investment in youth, institutions, and climate action, positioning the Bank to anticipate shocks, seize emerging opportunities and remain agile in delivering results, regardless of how the next decade unfolds.

3. **CDB’S VISION AND VALUE PROPOSITION - A BANK FOR TRANSFORMATION, RESILIENCE AND REGIONAL LEADERSHIP**

3.01 **Since its establishment in 1970, CDB has been the Caribbean’s leading DFI, created to promote the harmonious economic growth and development of its BMCs and to ensure that no country or community is left behind.** The Bank emerged during a period of profound transformation, as Caribbean countries were asserting greater autonomy and deepening cooperation to shape their collective future. Conceived as a vehicle for collective action, rooted in regional solidarity yet globally connected, the Bank was mandated to promote harmonious economic growth and development of its BMCs and to promote economic cooperation and integration among them, with special and urgent regard to the needs of the less developed members. Over the past 55 years, the Bank has financed transformative investments that have strengthened infrastructure, expanded education, advanced gender equality, modernised public institutions, deepened regional cooperation, and supported climate action and the transition to low-carbon economies.

3.02 **This 10-year Strategy builds on a strong record of delivering development impact and standing with the Region through its most pivotal moments.** CDB has supported recovery, stability, and transformation in times of crisis and change. CDB helped strengthen financial systems in the Eastern Caribbean and restore confidence in regional markets following the 2011-2013 banking failures. In the wake of devastating natural hazards such as Hurricanes Irma and Maria in 2017, the Bank mobilised rapid financing and reconstruction support to rebuild communities and infrastructure. When the COVID-19 pandemic struck, CDB responded swiftly, deploying emergency resources for health and education systems, social protection, and citizen security, while extending critical financing and TA to MSMEs to protect jobs and livelihoods, through the Region’s financial intermediaries.

3.03 **Throughout these defining moments, the Bank has also supported the Region’s sustainable energy advancements** through novel investments in geothermal development and other low-carbon solutions that strengthen energy security and long-term resilience. Through collaboration with development partners, the Bank has strengthened public sector procurement, built institutional capacity, and promoted trade and regional cooperation. It has been a leading voice globally, advocating for vulnerability-based financing, debt reform, and climate justice. It stands alongside larger MDBs as a champion for innovation in small-state resilience and as a model for tailored, people-centred development.

3.04 As the Region's sole indigenous MDB, CDB understands the nuances of small-island development and the lived realities of Caribbean people. The Bank's comparative advantage lies in its ability to act simultaneously as a **regional change agent, development catalyst and a knowledge leader** for the Caribbean. The Bank's value proposition is built on a set of mutually reinforcing pillars:

- **A trusted regional partner with a mandate to serve the entire Caribbean.** Founded in the era of the Caribbean's Independence Movement, CDB is inseparable from the Region's identity and evolution, one of the first regional institutions created to give shape to the Caribbean's shared vision of progress. CDB remains the only institution with the mandate and reach to drive change across the entire Caribbean.
- **Regional proximity and institutional credibility,** enabling rapid, adaptive, and people-centred responses, and positioning the Bank to advance activities that promote regionality; and
- **A convenor and a knowledge-driven institution.** CDB plays an important role as a convenor for development partners, an important bridge with BMCs, helping to align policy dialogue, financing, and implementation across the Region. In addition, drawing on its country engagement and implementation experience, the Bank functions as a generator of SIDS-relevant knowledge, using research, data, analytics, and digital tools to deliver evidence-based solutions and impact.

3.05 The Bank's core business is providing finance and TA for high-quality investments and development projects. Its products include comprehensive, blended financial instruments from concessional lending and policy-based operations to TA, grants, and guarantees. The Bank ensures that these are tailored to the needs of its BMCs.

3.06 CDB is part of the global system of MDBs and is actively contributing to the G20 Triple Agenda, the collective effort to modernise MDBs for greater scale, agility, and development impact. The Bank is translating this global agenda into the Caribbean context by deepening collaboration with other development partners to deliver integrated, high-impact solutions tailored to small states. CDB effectively partners with its MDB peers to mobilise resources, harmonise approaches, and expand the reach of development finance across the Region.

3.07 CDB plays a catalytic role in mobilising resources for the Region. It pursues this mandate by leveraging its capital base and by attracting private and alternative investment. Through Special Funds Resources (SFR), it provides much-needed concessional finance to BMCs and the private sector while deploying its OCR to finance transformative investments in climate-resilient infrastructure, energy, social protection, and innovation. CDB's analysis of and advocacy for the Caribbean Multidimensional Vulnerability Index has been key in making the case for more concessional financing for the Region. The Bank has also mobilised resources from the Green Climate Fund (GCF) and other partners to expand financing for climate resilience and sustainable infrastructure. The Bank's support for local financial institutions has also extended access to financial services for small enterprises and entrepreneurs, with a strong focus on empowering women-led businesses.

3.08 The Bank's strong financial foundation, supported by prudent capital management and AA+ rating, enable it to leverage private capital markets and crowd in co-financing from partners. This makes it a highly effective channel for development finance. Building on this strength, CDB recently expanded its lending capacity for BMCs through signing the first EEA with other MDBs. This innovative arrangement, endorsed under the G20's MDB BSO Programme, allows MDBs to free up capital through

the reduction of concentration risks. This initiative forms part of CDB's BSO and translates directly into greater lending capacity for its BMCs for sustainable development.

3.09 CDB has been at the heart of the Region's integration journey, having provided early support for the CSME and the Caribbean Court of Justice. The Bank acts as a financier and convenor, bringing together governments, private investors, and civil society to address cross-border SIDS challenges and foster a shared Caribbean future. Increasingly, CDB also serves as a leader in knowledge as a trusted source of TA support, generating and disseminating insights on small-state resilience, disaster and climate risk management, education, gender equality, and inclusive growth. The Bank co-creates opportunities and solutions by adapting its approach to each country's priorities. The Bank complements its infrastructure investments with a high level of expertise in multi-sector policy and in key areas of economic governance, including macroeconomic management, domestic resource mobilisation and public financial management.

3.10 CDB is a champion for the Caribbean's resilience, a catalyst for inclusion, and a driver for transformation. The Bank recently led distinctive regional platforms for transforming the delivery of education and elevating the focus on full rights and dignity for persons with disabilities. With its deep Caribbean roots, global partnerships, and renewed institutional ambition, CDB is positioned to help transform the Caribbean to shape its own destiny as one of the most resilient, dynamic, and forward-looking regions in the world.

4. THE RESILIENCE FRAMEWORK: OPERATIONALISING THE STRATEGIC PLAN

4.01 The CDB enters its next decade with a bold vision of Rebirth, based on the ethos to "Innovate. Transform. Thrive." This vision translates the Bank's determination to accelerate the Caribbean's transformation, to champion resilience and inclusion to position the Region as a model of sustainable, climate-smart development. It recognises both the urgency of the challenges facing the Caribbean and the unprecedented opportunity to reimagine its future through partnership, shared purpose, and excellence. CDB's mission, "*Reducing poverty and transforming lives through resilient, sustainable, and inclusive development*", remains the North Star of the Bank.

4.02 The central question shaping this Strategy is simple: What do BMCs expect of their Bank? Through extensive consultation, CDB has listened closely to its BMCs. The Bank's operations will remain deeply aligned with BMCs' needs, complementing national efforts and maximising development impact. Given the scale of Caribbean needs and CDB's finite resources, strategic selectivity in country engagement is essential, complementing other development support.

4.03 To ensure robustness and future-readiness, the Strategy was stress-tested against three plausible futures for the Region, as described in Section 2. Each scenario affirmed the need for CDB to operate at a greater scale and ambition. The first scenario, '*Funding without Future*', underscored the imperative of accelerated climate action to safeguard lives and livelihoods. The second scenario, '*AfriCari*', highlighted the urgency of deepening RCI to unlock shared prosperity. The third scenario, '*Roots of Resilience*', emphasised transparent governance and community-driven development as foundations for self-reliance and growth. Across all scenarios, the role of the private sector and increased focused on youth emerged as critical drivers of transformation and innovation in the Caribbean economy.

4.04 Delivering the Strategic Plan demands resources that match the scale of the Region’s challenge. Testing against the scenarios confirmed the Strategy as ‘robust’, albeit in need of additional resources, given the scale of the Bank’s ambition. The Caribbean stands at a crossroads, and to meet this moment, CDB will implement measures that strengthen its financial capacity and operational agility. The Strategic Plan, therefore, discusses the importance of BSO measures to increase its lending headroom, as well as raising capital, as part of the additional resources needed, and unlocking new channels of public and private finance. This expansion will magnify CDB’s catalytic role and enable it to scale investment in the Region.

4.05 Therefore, to operationalise the Strategic Plan, the Bank is adopting a resilience Framework to translate the Bank’s ambition into measurable impact. This integrated model aligns the Bank’s work across three Strategic Objectives, three Operational Priorities, and three Cross-Cutting Themes into one coherent approach to Caribbean resilience. Together, these elements provide a coherent framework for advancing resilience in the Caribbean, while preserving country ownership and responsiveness to national development priorities.

4.06 CDB’s Strategic Objectives are what the Bank seeks to achieve. The Bank’s three Strategic Objectives—Social Resilience, Economic Resilience, and Environmental Resilience—define the long-term development outcomes the Bank aims to support in its BMCs. Together, they describe the changes the Bank will contribute to improving the lives, economies, and natural and built environments across the Region.

4.07 Operational Priorities describe where the Bank will concentrate its effort. The Bank has identified Youth, Institutions, and Climate Action as its three Operational Priorities. These priorities reflect the areas in which the Bank will concentrate investment, expertise, and partnership efforts to deliver the Strategic Objectives, and where the Bank seeks to be known for its impact over the next decade. There is no one-to-one relationship between Strategic Objectives and Operational Priorities. Each Operational Priority contributes to all Strategic Objectives, and collective impact is achieved through their interaction. The Strategic Objectives represent the destination; Operational Priorities are the main engines through which progress is pursued.

4.08 Cross-Cutting Themes are lenses through which investments are designed and delivered. The Bank’s three Cross-Cutting Themes—Gender Equality, Innovation and Digital Transformation, and RCI—are design and delivery principles applied across all Bank operations. The Cross-Cutting Themes do not usually constitute standalone programmes or additional priorities. Rather, they ensure that Bank-supported activities are inclusive, forward-looking, and capable of delivering results at scale. For example, RCI guides the Bank to consider, where appropriate, whether regional or collective approaches—such as shared systems, harmonised standards, or cross-border solutions—can enhance impact beyond what can be achieved through purely national interventions.

FIGURE 4.1: STRATEGIC FRAMEWORK 2026-2035



CDB's Vision for the Strategic Objectives

Social Resilience

4.09 **Social resilience refers to the ability of individuals, households, and communities to anticipate, withstand, adapt to, and recover from economic, social, and environmental shocks, while maintaining or improving well-being, equitable access to essential services and opportunities for inclusion.** In the Caribbean, social resilience is shaped by persistent poverty and inequality, uneven access to quality education and health services, exposure to climate and disaster risks, and demographic pressures such as youth unemployment and outward migration. Strengthening social resilience is therefore central to safeguarding human capital, promoting social cohesion, and ensuring that development gains are inclusive and durable. It benefits all, including the most vulnerable groups such as women, youth, persons with disabilities, and indigenous groups, and is the foundation for a more equitable and prosperous Caribbean.

4.10 **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.** Caribbean societies protect and support their most vulnerable members through responsive and inclusive social protection systems, safe and connected communities, and essential services that enable individuals and households to manage shocks and transitions with dignity.

Economic Resilience

4.11 **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.** In the Caribbean, economic resilience is shaped by small market size, high exposure to external shocks, concentration in a narrow range of sectors, vulnerability to climate impacts, and persistent constraints on productivity and private investment. Strengthening economic resilience is therefore essential to reducing volatility, expanding opportunity, and supporting long-term prosperity.

4.12 **By 2035, the Bank envisions a more diversified, competitive, and adaptable Caribbean, supported by modern, climate-resilient infrastructure and stable macroeconomic and financial systems.** This vision reflects a decisive shift toward economic diversification, private sector dynamism, and regional approaches that strengthen self-reliance while deepening global integration. It includes a competitive private sector operating in greener, innovation-driven economies. Food systems will be more integrated and resilient, and the cultural industries are more significant. Macroeconomic and fiscal frameworks will be strong, infrastructure will be reliable and resilient, and the Region will be digitally connected such that technology, data, and innovation strengthen competitiveness, productivity, and economic participation.

Environmental Resilience

4.13 **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.** It reflects the Caribbean's ability to thrive within its ecological limits, protecting its people, economies, and ecosystems from escalating environmental, disaster and climate risks. Environmental resilience is shaped by high exposure to climate change and natural hazards, dependence on climate-sensitive sectors, constrained fiscal space for recovery and adaptation, and growing pressures on land, water, and coastal ecosystems.

4.14 **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.** In this future, the Region is better prepared for environmental shocks, with more resilient infrastructure, stronger environmental management, and greater capacity across institutions and communities. The Bank's vision is of a Caribbean that is nature-positive, climate-resilient, low-carbon, and socially inclusive, where environmental stewardship supports shared prosperity and equitable development. Progress toward environmental resilience will be reflected in lower climate-related losses, more resilient systems, and enhanced protection of the Region's natural assets.

Linking the Strategic Objectives to the Bank’s Mission

4.15 Together, the three Strategic Objectives define the development outcomes the Bank seeks to achieve in pursuit of its mission to promote sustainable and inclusive development in its BMCs. Social, economic, and environmental resilience are deeply interconnected: progress in one area reinforces progress in the others, while weaknesses in any one area can undermine overall development outcomes. Advancing these objectives in an integrated way positions the Bank to help countries reduce vulnerability, expand opportunity, and achieve lasting development gains over the long term. The Strategic Objectives are well aligned with the SDGs, as shown below.

FIGURE 4.2: ALIGNMENT OF THE STRATEGIC PLAN WITH THE SDGs



CDB's Operational Priorities

4.16 **To advance its Strategic Objectives over the strategy period, the Bank will concentrate its efforts through three Operational Priorities: Youth, Institutions, and Climate Action.** Each Operational Priority contributes to all three of the Strategic Objectives – they act as complementary engines of delivery, enabling the Bank to catalyse collective impact across its portfolio while remaining responsive to country contexts and development priorities.

4.17 **The Operational Priorities do not replace country demand.** The Bank will continue to invest in traditional sectors, such as transport, energy, water and sanitation, and education, based on the needs and priorities of its BMCs. However, the Operational Priorities will provide strategic focus across these sectors, guiding how the Bank organises its efforts and allocates attention to deliver greater coherence, scale, and effectiveness.

Investing In Youth

4.18 **With more than half of the population under 30 years old, the Caribbean's demographic profile represents a powerful opportunity for growth and renewal.** Yet, this potential remains underutilised. Persistent youth unemployment, underemployment, and social exclusion continue to constrain productivity and weaken resilience. The cost of exclusion is high, reflected in lost economic output, widening inequality, and the social toll of insecurity, crime, and migration.

4.19 **At the same time, ageing populations, evolving labour markets, and the accelerating digital and green transitions demand new skills, and approaches to human development.** Without strategic investment in human capital, these shifts risk deepening divides and eroding competitiveness. By investing in youth, CDB will help build the adaptive, innovative, and inclusive societies needed to sustain long-term development. Strengthening the human systems that underpin resilience, will empower Caribbean citizens to innovate, transform and thrive in a rapidly changing world.

Link to Strategic Objectives

4.20 **Investing in youth contributes to the achievement of all three Strategic Objectives.** By strengthening human capital, inclusion, and opportunity, youth investments support social resilience, enabling individuals and communities to better withstand and adapt to shocks. By expanding skills, entrepreneurship, and pathways to productive participation, youth investments support economic resilience, contributing to more adaptable and competitive economies. By building future-oriented skills, leadership, and innovation capacity, investing in youth also supports environmental resilience, by building skills, and leadership for climate adaptation and sustainable resource management, and empowering youth to become active stewards of a low-carbon, climate-secure future.

Strengthening Institutions

4.21 **Resilient societies depend on strong, capable, and accountable institutions.** When institutions function effectively, they deliver essential services, manage public resources transparently, and build citizens' trust in government. However, when institutional systems are weak, the consequences affect all dimensions of development, including slower project implementation, and inefficient use of scarce resources. Weak fiscal management can constrain public investment; fragmented procurement systems can delay delivery; and inadequate governance can undermine inclusion, public trust, competitiveness, and environmental stewardship.

4.22 Across the Caribbean, institutional capacity remains uneven and often stretched by limited fiscal space, small public administrations, and competing development priorities. Many governments face challenges in ensuring the timely execution of capital projects, and mobilising finance to meet their development needs. CDB recognises that without strong institutions, neither human development, economic transformation, nor climate resilience can be sustained. Strengthening the capacity, governance, and efficiency of public institutions is therefore essential to achieving the Bank's Rebirth Vision.

Link to Strategic Objectives

4.23 Institutional strengthening contributes to the achievement of all three Strategic Objectives by improving the capacity of governments and public systems to plan, deliver, and sustain development outcomes. Stronger institutions support social resilience by enabling inclusive service delivery and effective social protection. They support economic resilience by strengthening policy frameworks, fiscal management, and the enabling environment for investment. They also support environmental resilience by integrating climate and environmental considerations into planning, regulation, and risk management over the long term.

Accelerating Climate Action

4.24 The Caribbean's resilience and ability to thrive hinge on its capacity to anticipate, absorb, and adapt to climate change. A resilient Caribbean depends on societies, institutions, and ecosystems that are prepared for increasingly frequent and severe natural hazards. Development interventions must therefore consider the gamut of environmental and social risks in protecting livelihoods and safeguarding the natural and economic capital that reinforces the region's long-term prosperity.

4.25 The Region requires approximately \$14 billion (bn) annually to address climate impacts, yet it currently mobilises less than 10% of this amount. Without strategic investment on a scale, adaptation and mitigation will remain woefully inadequate and advance at a pace slower than that needed for incremental adaptation. This will leave communities, infrastructure, and economies exposed and vulnerable to exogenous shocks. Investing in disaster preparedness and adaptation will reduce/avoid disaster losses, protect livelihoods, and secure sustainable development.

4.26 Investing in climate action enables BMCs to achieve obligations and targets under the Paris Agreement and the Antigua and Barbuda Agenda for SIDS. This will enable BMCs to implement adaptation and mitigation priorities set out in Nationally Determined Contributions, National Action Plans (NAPs), National Biodiversity Strategies and Action Plans, as well as complementary strategies and plans for achieving goals related to SDGs, Sendai Framework for Disaster Risk Reduction, Financing for Development and Kunming-Montreal Global Biodiversity Framework.

4.27 By investing in nature-positive, low-carbon, and socially inclusive solutions, the Caribbean can unlock green jobs, expand renewable energy, and foster sustainable industries. Targeted investments in climate-resilient infrastructure, such as resilient transport, water, energy, agriculture and coastal defence, will reduce vulnerability to climate shocks, safeguard critical assets, and ensure the continuity of essential economic and social activities. Integrating climate risk, social safeguards, and gender considerations into every stage of planning ensures that development gains are resilient and sustained. Strategic climate investments by CDB will contribute to strengthening the Caribbean region's ability to innovate, transform, and thrive.

Link to Strategic Objectives

4.28 **Climate action contributes to the achievement of all three Strategic Objectives by reducing exposure to climate and environmental risks that undermine development outcomes.** It supports:

- (a) social resilience by protecting lives, livelihoods, and access to essential services from climate-related shocks;
- (b) economic resilience by safeguarding productive assets, public finances, and investment from climate risks; and
- (c) environmental resilience by strengthening the capacity of natural and built systems to adapt to and withstand climate and environmental pressures over the long term.

4.29 Table 4.1 below provides examples of the relationship between the three Operational Priorities and the three Strategic Objectives.

TABLE 4.1: RELATIONSHIP BETWEEN STRATEGIC OBJECTIVES AND FOCUS AREAS

	SOCIAL RESILIENCE	ECONOMIC RESILIENCE	ENVIRONMENTAL RESILIENCE
YOUTH	<ul style="list-style-type: none"> • Inclusion and cohesion across communities. • Empowered youth and vulnerable groups. 	<ul style="list-style-type: none"> • Skills to participate in and shape an innovative Caribbean economy. 	<ul style="list-style-type: none"> • Youth to become active stewards of a low-carbon, climate-secure future.
INSTITUTIONS	<ul style="list-style-type: none"> • Public institutions able to deliver quality services, improving equity, access, and citizen trust. 	<ul style="list-style-type: none"> • Strengthening policy and fiscal framework. • Enabling environment for private sector growth and competitiveness. 	<ul style="list-style-type: none"> • Building institutional capacity for climate governance, risk management, and environmental stewardship.
CLIMATE	<ul style="list-style-type: none"> • Bolstering the adaptive capacity of people and social systems • Safeguarding livelihoods and reducing vulnerability. 	<ul style="list-style-type: none"> • Reducing the impacts of climate-related shocks • Alleviating pressures on public finances • Green, productive jobs. 	<ul style="list-style-type: none"> • Protecting and restoring natural capital and ecosystems. • Enhancing ecosystem services.

Cross-Cutting Themes

4.30 In addition to its Strategic Objectives and Operational Priorities, the Bank will apply three cross-cutting themes, Gender Equality; Innovation and Digital Transformation; and RCI, as core design and delivery principles across its operations.

Gender Equality

4.31 **Gender equality is a driver of economic resilience, social cohesion, and climate action.** Persistent inequalities, unequal access to finance and assets, gender-based violence, and limited leadership representation continue to constrain the Region’s full potential. CDB therefore positions gender equality as a catalyst for inclusive growth, investing in systems that empower women, men, and youth to contribute equally to Caribbean transformation.

4.32 Integrating gender equality enhances project outcomes, boosting productivity, expanding market access, and fostering inclusive development. It positions the Bank as a regional leader in gender-responsive development finance, leveraging partnerships with CARICOM, United Nations Women, IDB, and the World Bank to harmonise standards and scale innovation.

Regional Cooperation and Integration

4.33 CDB's Charter mandates the Bank to promote economic cooperation and integration among its BMCs as a means of fostering inclusive growth, stability, and poverty reduction. This commitment continues to guide its long-term approach. As a cross-cutting theme, RCI strengthens all three pillars of resilience. It supports social resilience by promoting shared systems for education, health, and data; advances economic resilience by expanding markets, improving connectivity, and enhancing competitiveness through economic union; and reinforces environmental resilience by enabling collective approaches to disaster risk management, climate finance, ecosystem protection, and sustainable energy. By embedding RCI across its operations, the Bank can achieve larger-scale, longer-lasting results, addressing shared challenges that no single country can easily solve alone.

Innovation And Digital Transformation

4.34 Innovation and digital transformation are powerful enablers of resilience and competitiveness. They enhance productivity, transparency, and inclusion. When integrated deliberately, digital tools and innovative approaches expand access to services, improve governance, accelerate private sector growth, and strengthen connectivity. Across the Caribbean, digital adoption is accelerating, but progress remains uneven, constrained by limited infrastructure, fragmented systems, capacity gaps in both public and private sectors, and underdeveloped innovation and digital ecosystems. Without strong leadership and coordination, this transformation risks exacerbating inequalities and widening the digital divide.

CDB's Strategic Support for Delivering its Strategic Objectives

Strategic Support for Social Resilience

4.35 To advance its Social Resilience objective, CDB will direct its support toward strengthening human capital, improving the effectiveness of social systems, and enhancing the resilience of communities to climate and disaster risks. These actions will focus on reducing poverty and inequality, and safeguarding access to essential services, while enabling individuals and households to better manage shocks and transitions.

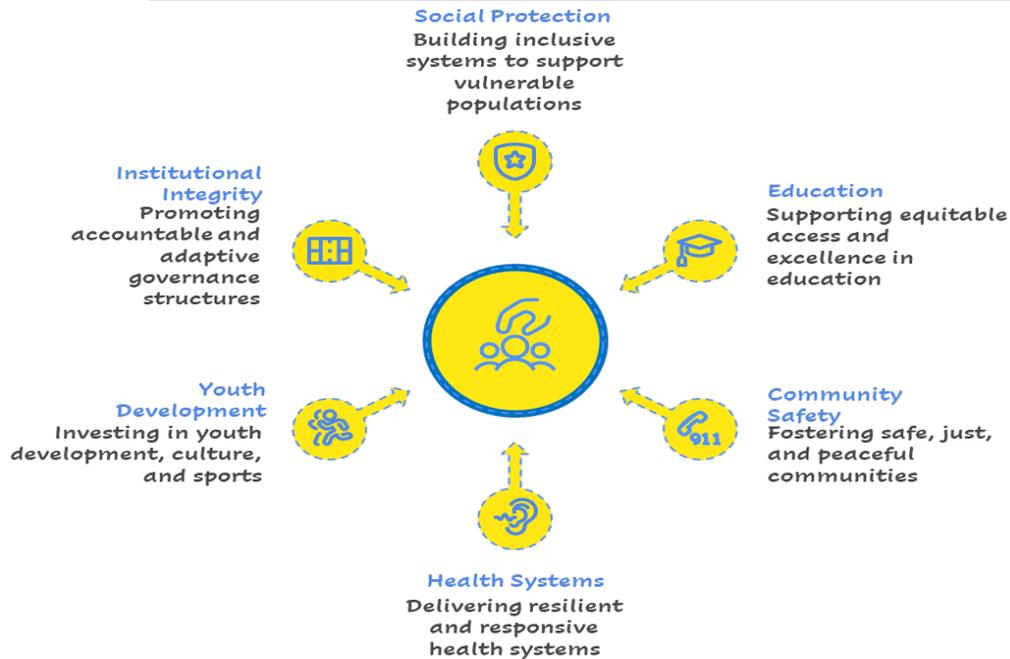
4.36 The Bank will continue to address structural drivers of vulnerability through targeted investments and policy engagement. This includes expanding the Basic Needs Trust Fund (BNTF), the Bank's flagship poverty reduction initiative, and strengthening evidence-based policymaking through more frequent Country Poverty Assessments (CPAs) and improved data systems that track multidimensional poverty, strengthen targeting, and enhance accountability. At the same time, demographic change, evolving labour markets, and the digital and green transitions underscore the need for sustained investment in human development to prevent widening disparities and erosion of social cohesion.

4.37 When supporting interventions aimed at strengthening social resilience, the Bank will apply a deliberate focus on youth outcomes, institutional capacity, and climate resilience where relevant. Support for Social Resilience will be delivered through the Bank's existing range of financial and non-financial instruments, complemented by targeted TA and partnerships.

TABLE 4.2: EXAMPLES OF FOCUS AREAS SUPPORT FOR SOCIAL RESILIENCE

Youth	Improving access to quality education, relevant skills, and pathways to participation that enable young people to contribute productively to society and adapt to economic and social change. This will help reduce long-term vulnerability, mitigate risks associated with exclusion and unemployment, and support more cohesive and resilient communities.
Institutions	Enhancing social protection systems and essential services to improve targeting, delivery, and coverage, and strengthening the use of data and evidence in policymaking. Through these actions, the Bank will help countries build social systems that are equitable, capable of responding to evolving risks, and effective in protecting vulnerable populations. Stronger institutions will also reinforce trust in public systems and contribute to social cohesion.
Climate	Integrating climate and disaster risk considerations into social systems and community-level interventions to protect livelihoods, human capital, and access to essential services. Support will focus on strengthening the resilience of social systems and communities to climate-related shocks, particularly for vulnerable groups. By embedding climate resilience into social investments, the Bank will help reduce the risk of long-term setbacks and enable faster, more inclusive recovery when shocks occur.

FIGURE 4.3: SUMMARY OF STRATEGIC SUPPORT FOR SOCIAL RESILIENCE



INDICATIVE SOCIAL RESILIENCE SUPPORT AREAS

Equitable Access to Quality Education: Education will remain a cornerstone of social resilience. The Bank will support efforts to make education systems more inclusive, digital, and responsive to future skills needs, including addressing boys' underachievement, sustaining gains for girls, and expanding access to STEM and digital skills. Where appropriate, the Bank will support regional collaboration to strengthen education quality and scale access to future-oriented learning, including through shared curricula, digital platforms, and regional approaches to STEM and skills development. Complementary areas of focus include life skills, parental engagement, school safety, and climate-resilient infrastructure to ensure continuity of learning during disruptions.

Responsive and Inclusive Social Protection: The Bank will support the development of integrated, adaptive, and fiscally sustainable social protection systems that protect lives and livelihoods, particularly for underserved groups such as informal workers, women-headed households, the elderly, youth, indigenous populations, and persons with disabilities.

Safe, Just, and Peaceful Communities: The Bank will support initiatives that address crime and violence, including gender-based violence, through prevention, justice reform, and rehabilitation. Recognising the transnational nature of many security and justice challenges, the Bank will collaborate with regional institutions to strengthen governance standards, harmonise approaches, and reinforce environmental and social safeguards that underpin justice, accountability, and public trust.

Youth Development and Sports: The Bank will support pathways that expand access to education, decent work and entrepreneurship opportunities for young people, including youth-led enterprise and skills development in emerging sectors. Sports will also be recognised as a platform for youth empowerment and inclusion.

Resilient and Responsive Health Systems: The Bank will support efforts to modernise health infrastructure, strengthen governance and service delivery, and promote universal access to quality care, particularly for vulnerable populations and persons with disabilities. Where appropriate, regional collaboration will be supported to strengthen health surveillance, knowledge sharing, and system resilience, particularly in response to shared health, climate, and disaster risks.

Evidence-Based, Adaptive, and Accountable Institutions: The Bank will support governance reforms, digital transformation, and data systems that enable evidence-based and more equitable service delivery. This includes strengthening regional data systems, standards, and knowledge platforms where collective approaches can improve comparability, learning, and policy coherence across countries.

Strategic Support for Economic Resilience

4.38 **To advance its Economic Resilience objective, the Bank will focus on strengthening the institutional foundations that enable productive investment, private sector development, and macroeconomic stability.** Through policy reform, institutional strengthening, and targeted financing, the Bank will support the conditions required for diversified, competitive, and shock-resistant economies across its BMCs.

4.39 **Central to this approach is strengthening the enabling environment for private sector activity.** Through catalytic financing, partnerships, and knowledge solutions, the Bank will support reforms to policy, regulatory, and financial systems that crowd in private investment, improve access to finance, and enable enterprise development. These efforts will be complemented by investments in resilient economic infrastructure and digital and green innovation, supporting productivity, competitiveness, and long-term growth.

4.40 **By 2035, CDB aims to catalyse a vibrant, competitive, and globally connected Caribbean private sector that mobilises capital, generates decent jobs, and drives diversification and innovation.** CDB will position the private sector as a catalyst for transformation and resilience, driving inclusive, sustainable, and innovation-led growth. The Bank intends to grow its private sector activities in line with its RAF (see Section 8).

4.41 **In 2026, CDB will operationalise a *Private Sector Financing Framework*** to establish policies, processes and institutional arrangements required to deliver private sector operations at scale, in alignment with the Bank’s mandate, risk appetite and credit rating. Through this new framework, the Bank will play a more direct financing role in the marketplace and catalysing private investment in high-development-impact projects. The combination of direct and indirect (through local financial institutions) private sector transactions and mechanisms requires implementing institutional architecture that supports the origination, assessment, pricing, monitoring and eventually recovering of transactions to private-market standards. The Private-Sector Financing Framework refers to the policies, procedures, and governance architecture required to effectively deliver on the new mandate. The framework is being developed in two phases. Phase I is the benchmarking of CDB against MDB peers and international best practices in MDB private-sector financing to assess institutional readiness and develop recommendations for implementation. Phase II, scheduled for completion in 2026, will focus on developing and implementing the policies and tools required to operationalise the new private-sector strategy.

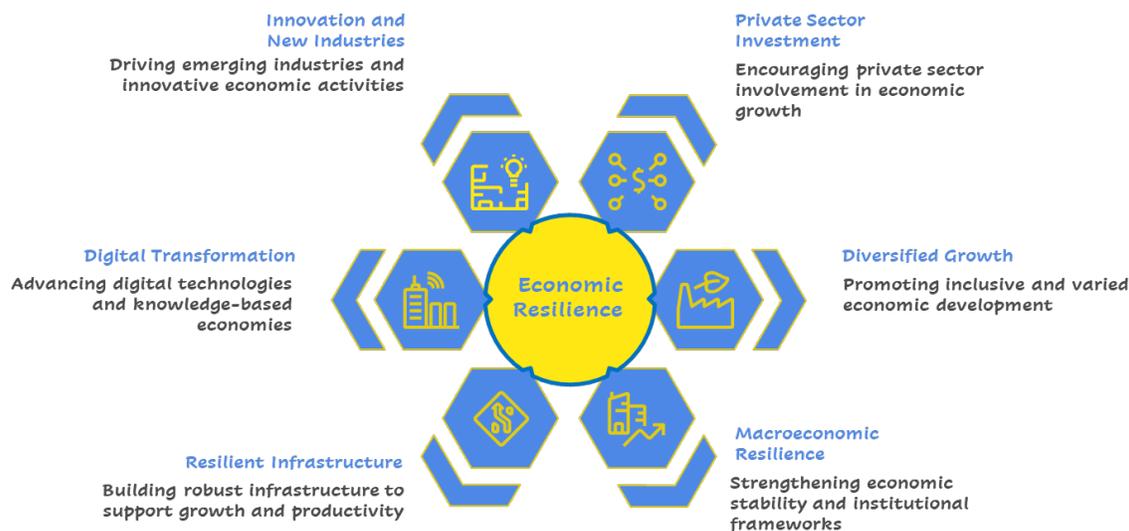
4.42 **CDB will crowd in private capital using blended instruments, guarantees, and partnerships with DFIs and impact investors.** The Bank will invest in private equity funds, along with regional partners, as well as continuing to provide lines of credit to national and regional DFIs. All operations will integrate gender equality, youth empowerment, and climate resilience to ensure inclusive enterprise growth.

4.43 **Institutional strengthening will serve as the primary driver of economic resilience, while targeted investments in youth development and climate resilience will reinforce labour productivity, innovation, and the sustainability of economic assets.** Together, these actions will help economies manage shocks, expand productive economic and livelihood opportunities, and sustain growth over time, while remaining responsive to country context and demand.

TABLE 4.3: EXAMPLES OF FOCUS AREAS SUPPORT FOR ECONOMIC RESILIENCE

Youth	Improving education quality, skills development, entrepreneurship, and workforce readiness. This will enable young people to participate productively in evolving labour markets and to create new sources of economic value. By expanding pathways to productive economic and livelihood opportunities, the Bank will support higher productivity, greater innovation, and more inclusive growth, while reducing long-term risks associated with unemployment and underutilised talent.
Institutions	Shaping the conditions for investment, enterprise development, and macroeconomic stability. Improved policy and regulatory frameworks, financial systems, public financial management, and public sector capacity. Through these actions, the Bank will help countries strengthen the enabling environment for private sector activity, improve access to finance, manage economic and fiscal risks more effectively, and sustain stable economic performance over time. Stronger institutions will also support market confidence, investment mobilisation, and long-term economic transformation.
Climate	Integrating climate risk considerations into economic planning, infrastructure development, and investment decisions to protect productive assets and reduce vulnerability to shocks. Strengthening the climate resilience of key economic sectors and systems, including infrastructure, productive industries, and public finance systems. By embedding climate resilience into economic investments, the Bank will help safeguard livelihoods, maintain continuity of economic activity, and enhance the long-term sustainability of growth.

FIGURE 4.4: SUMMARY OF STRATEGIC SUPPORT FOR ECONOMIC RESILIENCE



INDICATIVE ECONOMIC RESILIENCE SUPPORT AREAS

Diversified and Inclusive Growth: CDB will support the transition to more diversified, low-carbon, and innovation-driven economies by unlocking new value chains and reducing economic concentration. Areas of focus include renewable energy, sustainable tourism, agriculture, creative industries, and the blue economy, with a focus on productivity, competitiveness and inclusive participation.

Regional Food Security: The Bank will support the development of more resilient, efficient, and integrated regional food systems by investing across the value chain, including production storage, logistics, distribution, and market access. CDB will promote climate-smart agriculture and fisheries, biodiversity protection, and risk-transfer mechanisms, while expanding access to finance, technology, and skills for women- and youth-led enterprises, to ensure inclusive participation.

Creative Industries and Cultural Economies: The creative economy offers a distinctive opportunity for economic diversification, inclusive growth, quality employment and livelihoods. The Bank will strengthen the enabling environment for creative entrepreneurship, including improving access to finance, enhancing intellectual property and regulatory frameworks, and modernising cultural and creative infrastructure. CDB will scale its support through targeted instruments, including the Cultural and Creative Industries Innovation Fund and support will prioritise MSMEs, particularly those led by youth and women, and investments that enable creative enterprises to operate at scale and compete regionally and globally.

Macroeconomic and Institutional Resilience: The Bank will invest in efforts to strengthen fiscal stability, debt management, economic planning, and data systems. Policy-based and results-based financing will be used to incentivise reforms, and strengthen data systems, economic planning, and public-sector innovation, including to: enhance fiscal and public financial management, modernise procurement and regulatory frameworks, and support the digitisation of public services to strengthen governance, accountability, and evidence-based decision-making.

Resilient Infrastructure: The Bank will continue to support resilient investments in: (a) **Water and sanitation:** CDB will assist BMCs in modernising water and sanitation systems through the application of integrated water resource management, and integrated solid waste management principles to build resilient and sustainable infrastructure and institutions. (b) **Energy:** to expand access to affordable, reliable, and sustainable power and support energy transitions, CDB will support BMCs in transitioning their energy sectors in a manner that ensures inclusive, just and equitable access to adequate, affordable, reliable, sustainable and modern energy services. (c) **Transport:** CDB will support the transformation of the sector into one that is resilient, inclusive, and future-ready, emphasising sector governance and capacity building, and which promotes regional integration. Key areas of support also include data and analytics and integrated planning.

Strategic Support for Environmental Resilience

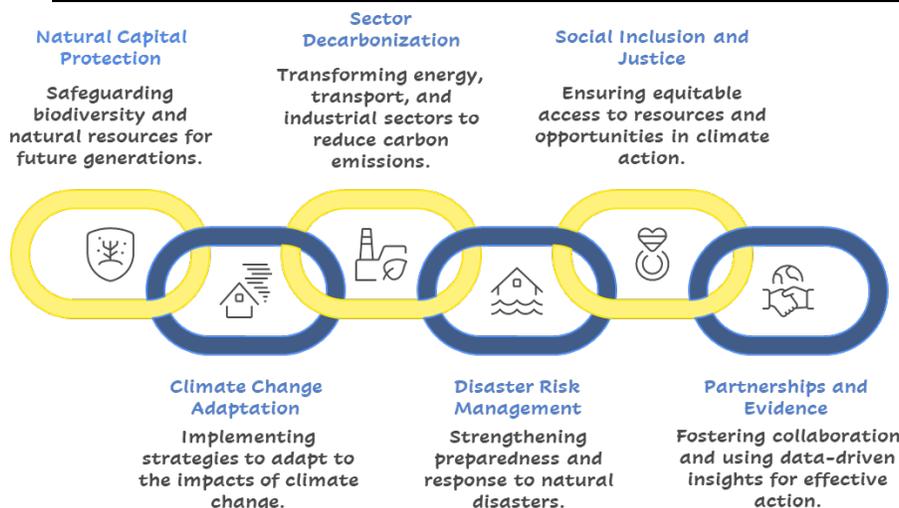
4.44 To advance Environmental Resilience, the Bank will prioritise Climate Action as the principal focus of its support, while drawing on Youth and Institutions to reinforce capacity, governance, and long-term sustainability. This approach recognises climate action as the primary pathway to environmental resilience, while ensuring that human and institutional capabilities strengthen environmental outcomes where relevant. At least 30% of CDB's total financing, and 35% of its SDF financing, will target climate adaptation and mitigation, underscoring its commitment to a just and sustainable regional transition. During the strategy period, these targets will be reviewed with the intention to raise ambition even further.

4.45 CDB will leverage its convening power and financing instruments to scale climate and environmental investments, strengthen institutional capacities, and embed sustainability across all sectors. Working with BMCs, regional agencies, and bilateral and global climate funds, the Bank will promote integrated risk- informed approaches that link environmental, social, and economic resilience. Through this coordinated effort, CDB will help safeguard natural capital and biodiversity, strengthen adaptive capacity, and support a just transition to low-carbon, climate-resilient Caribbean economies.

TABLE 4.4: EXAMPLES OF FOCUS AREAS SUPPORT FOR ENVIRONMENTAL RESILIENCE

Youth	Education, skills development, and innovation related to climate resilience, sustainability, and environmental stewardship, enabling young people to participate in emerging green and climate-resilient sectors. By strengthening youth capabilities and participation, the Bank will help build the human capital and leadership needed to sustain community-level adaptation efforts and support long-term environmental resilience.
Institutions	Improved policy and regulatory frameworks, financial systems, public financial management, and public sector capacity. Through these actions, the Bank will help countries strengthen the enabling environment for private sector activity, improve access to finance, manage economic and fiscal risks more effectively, and sustain stable economic performance over time. Stronger institutions will also support market confidence, investment mobilisation, and long-term economic transformation.
Climate	Integrating climate risk considerations into economic planning, infrastructure development, and investment decisions to protect productive assets and reduce vulnerability to shocks. Strengthening the climate resilience of key economic sectors and systems, including infrastructure, productive industries, and public finance systems. By embedding climate resilience into economic investments, the Bank will help safeguard livelihoods, maintain continuity of economic activity, and enhance the long-term sustainability of growth.

FIGURE 4.5: SUMMARY OF STRATEGIC SUPPORT ENVIRONMENTAL RESILIENCE



INDICATIVE ENVIRONMENTAL RESILIENCE SUPPORT AREAS

1. Natural Capital and Biodiversity: The Bank will prioritise nature-positive investments that conserve biodiversity and sustain natural capital. Support will focus on integrating biodiversity considerations into country programmes and investments, strengthening ecosystem resilience through measures such as mangrove and coral restoration, and promoting green and blue economy approaches that link conservation with sustainable growth.

2. Climate Change Adaptation: Given the Region's acute vulnerability, the Bank will support integrated adaptation approaches across infrastructure, institutions, communities, and ecosystems. Emphasis will be placed on delivering climate-resilient infrastructure for water, energy, transport, agriculture, and coastal zones, supporting national and regional institutions to plan for and manage climate risks, and promoting locally led adaptation that strengthens resilient livelihoods and climate-responsive services.

3. Low-Carbon Energy, Transport, and Industry: The Bank will support the transition to low-carbon, resilient, and secure energy and transport systems as a foundation for sustainable development. This includes scaling renewable energy, improving energy efficiency, modernising grids and transport systems, and strengthening policy and regulatory frameworks that enable diversification, innovation, and resilience. Regional approaches to energy integration and emerging opportunities in green energy will be supported where appropriate.

4. Disaster Risk Management and Financial Protection: The Bank will continue to support comprehensive disaster risk management approaches that reduce exposure, strengthen preparedness, and improve financial protection. Areas of focus include disaster risk financing, risk-transfer mechanisms, resilient infrastructure, early warning systems, and land-use planning, alongside efforts to address environmental degradation and non-climatic risks such as pollution, invasive species, and sargassum.

5. Social Inclusion and Climate Justice: The Bank will integrate gender-responsive and socially inclusive approaches across environmental and climate investments, strengthening the participation of women, youth, persons with disabilities, indigenous peoples, and other marginalised groups in climate decision-making, green jobs, and access to climate-related opportunities.

6. Partnerships, Data, and Evidence-Based Action: Regional cooperation and evidence are critical to effective environmental action. The Bank will strengthen partnerships with regional institutions and invest in data systems, digital technologies, and analytical tools that improve climate science, forecasting, and decision-making. These efforts will support more timely, informed, and coordinated responses to environmental and climate risks. CDB will also deepen structured collaboration with other multilateral development banks by strengthening upstream cooperation on diagnostics, natural capital accounting, data-sharing, capacity building and the deployment of tailored shock-responsive financial instruments that enables resilient building in BMCs.

Support for Cross-Cutting themes

4.46 The Bank will embed its three Cross-Cutting Themes—Gender Equality, Innovation and Digital Transformation, and RCI—across all operations as design and delivery principles. These themes will shape how the Bank plans, implements, and assesses its support, to ensure that interventions deliver inclusive, forward-looking, and scalable development impact across the portfolio.

4.47 Through the Gender Equality Policy and Operational Strategy and Gender Equality Action Plan, the Bank will embed gender equality across all operations, leveraging its convening power, knowledge, and financing to influence policy, investment, and institutional culture. Support will include gender-responsive social protection, inclusive education, and survivor-centred justice systems; expanded access to finance through gender-lens investing; and targeted support for women- and youth-led enterprises. Gender-responsive approaches will also be integrated into climate action and disaster risk management. The Bank will apply tools such as gender markers, gender-responsive budgeting, and monitoring

frameworks to track performance and accountability, supported by partnerships and regional knowledge initiatives that strengthen evidence and practice.

4.48 Innovation and digital transformation support will include strengthening digital governance and public sector modernisation, and fostering innovation ecosystems through partnerships with governments, the private sector, academia, and civil society. Investments will strengthen digital infrastructure, skills, data systems, and digital public services, while addressing risks related to cybersecurity, privacy, and emerging technologies. Internally, the Bank will continue to modernise its systems to enhance efficiency, transparency, and knowledge management. Digital transformation will be guided by the Bank's forthcoming AI Governance Policy and Digital Transformation Strategy, alignment with the Caribbean Single ICT Space, and collaboration with regional and international partners.

4.49 Through innovation and digital transformation, CDB will position the Caribbean to compete, connect, and thrive in the digital age. The Bank will work with its BMCs to harness technology as a catalyst for resilience, productivity, and inclusion, embedding digital solutions across all aspects of development. CDB will accelerate resilience building by improving access to real-time data, predictive analytics, and early warning systems that enhance decision-making and preparedness for economic and climate risks. It will boost productivity and opportunity by expanding access to digital skills, innovation ecosystems, and technology-enabled livelihoods empowering MSMEs, particularly women, youth, persons with disabilities, and rural communities, to participate fully in the digital and green economies.

4.50 At the institutional level, CDB will modernise governance and enhance transparency through digital public administration, interoperable systems, and open data initiatives that strengthen accountability and service delivery. Central to this effort is the Bank's commitment to bridging the digital divide, ensuring that every citizen, enterprise, and country can participate in the Region's transition to a connected, knowledge-based economy.

4.51 The Bank will apply RCI as a design and delivery consideration where collective approaches can enhance development impact. Support will focus on regional and sub-regional initiatives that promote policy coherence, harmonised standards, shared systems, and the provision of regional public goods. This includes strengthening national and regional institutions, improving data and statistical systems, advancing regional connectivity and trade, and supporting coordinated responses to shared challenges such as climate risks, environmental protection, and economic integration. Partnerships with regional institutions will remain central to advancing these efforts.

INDICATIVE APPROACHES TO THE CROSS-CUTTING THEMES

Gender Equality

- Gender mainstreaming across all projects and programmes.
- Gender Marker System to assess and track depth of gender integration.
- Gender-responsive budgeting.
- Gender-responsive monitoring and evaluation frameworks.
- Gender-lens investing and targeted access-to-finance approaches.
- Support for survivor-centred justice systems and gender-based violence prevention.
- Caribbean Gender Equality Knowledge Lab.
- Strategic partnerships with CARICOM, United Nations Women, IDB, and the World Bank.

Innovation and Digital Transformation

- Digital mainstreaming across project design and implementation.
- Policy-based operations and TA for digital governance.
- Support for interoperable systems and digital public infrastructure.
- Investments in broadband connectivity, data systems, and cybersecurity.
- Support for digital skills development and innovation ecosystems.
- Partnerships with technology providers, academia, and civil society.
- Application of AI governance, data protection, and cybersecurity standards.
- Internal digital transformation to strengthen the Bank's efficiency and service delivery.

Regional Cooperation and Integration

- Regional and sub-regional country engagement strategies.
- Support for harmonisation of policies, standards, and regulatory frameworks.
- Programmes targeting regional public goods and collective solutions.
- Regional trade, connectivity, and logistics initiatives.
- Support for regional data, statistics, and knowledge systems.
- Research and analytical work on regional integration and trade.
- Partnerships with CARICOM, OECS, and other regional institutions.
- Support for MSME integration into regional and external markets.

Summary

4.52 **This Resilience Framework provides a coherent structure for how the Bank will pursue its mission over the 2026–2035 strategy period.** By clearly distinguishing between what the Bank seeks to achieve (Strategic Objectives), where it will concentrate effort (Operational Priorities), and how it will design and deliver its support (Cross-Cutting Themes), the framework brings clarity, focus, and discipline to the Bank's development model.

4.53 **The framework does not constrain the Bank's ability to respond to country demand or sector-specific needs.** Rather, it provides a consistent lens through which investments, partnerships, and policy engagement are shaped and scaled to deliver greater impact. By applying this approach across its portfolio, the Bank will strengthen coherence across operations while remaining flexible and responsive to the diverse contexts of its BMCs.

4.54 **Together, the Strategic Objectives, Operational Priorities, and Cross-Cutting Themes form an integrated platform for delivery.** This platform provides the foundation for implementation, results management, and accountability, which are set out in the chapters that follow.

5. SUPPORTING HAITI'S PATH TO STABILITY RESILIENCE

5.01 In Haiti, supporting the Bank's strategic objectives must be set against the background of an incredibly difficult operating environment. Haiti occupies a unique place among CDB's BMCs as the only fragile state in the Region, with more than half of its population living in poverty. The Bank recognises that Haiti's challenges require special attention and a differentiated approach, one that combines immediate stabilisation with long-term investments in human development, institutional strengthening, and climate resilience. CDB's engagement seeks to help Haiti move from fragility toward recovery and transformation.

Context: Fragility Amid Overlapping Crises

5.02 Haiti's development path has been marked by decades of political instability, institutional weakness, and recurrent disasters from natural hazards, leaving deep economic and social scars. The 2021 earthquake, the COVID-19 pandemic, successive climate shocks and ongoing gang violence have compounded structural fragility, and reversed development gains. The country ranks 9th of 179 on the 2024 Fragile States Index and scored 2.3 on the World Bank's 2024 Country Policy and Institutional Assessment, reflecting acute governance and capacity challenges. Pervasive poverty, widespread insecurity, the destruction of essential infrastructure, recurring school closures, and the migration of skilled labour have contributed to increasing the country's overall vulnerability. Limited fiscal space and minimal access to capital markets have left Haiti heavily dependent on development assistance to sustain basic services and limit the potential for inclusive, climate-secure growth. This dependency has been further compounded by the retrenchment of US development assistance in 2025.

CDB's Response and Engagement

5.03 Partnerships remain critical to achieving results in Haiti. CDB will continue to work closely with CARICOM, the World Bank, the IDB, United Nations agencies, and other regional and international partners to coordinate support, enhance coherence, and mobilise concessional resources. The Bank's track record of successfully implementing community-based agriculture and rural development projects in Haiti, offers a distinct comparative advantage that is attractive to partners. Overall, the Bank's ambition is to continue scaling up resources for Haiti, ensuring that assistance remains targeted, and impactful.

5.04 To deepen its support and strengthen delivery, the Bank is upgrading its Haiti Country Office to enhance in-country presence, coordination, and responsiveness, and is expanding its knowledge base on Haiti's economy, society, and institutions to design more context-specific and impactful solutions.

5.05 Over the strategy period, CDB's work in Haiti will focus on three mutually reinforcing areas that address the country's priorities:

- **Advancing Social Stability and Resilience:** CDB will continue to scale up investments in human development, including in education, training, and community development, with the largest allocation under SDF Eleventh Cycle (SDF 11) dedicated to improving access to quality, inclusive education and strengthening human capital. The Bank will rehabilitate schools, expand Technical and Vocational Education and Training and maritime training, and enhance teacher development to boost youth employability. Through its engagement, CDB will deepen support for women and vulnerable groups.
- **Rebuilding the Economic Foundations:** CDB will expand support for MSME development, food security, and renewable energy to stimulate livelihoods and economic inclusion. Special emphasis will be placed on digital transformation, fostering more transparent, accountable, and efficient public administration while improving access to markets and finance for small enterprises.

- **Enhancing Environmental Resilience:** Recognising Haiti’s acute vulnerability to natural hazards, CDB will scale up investments in disaster risk management, early warning systems, climate-resilient infrastructure, and green innovation. The Bank will continue to assist with Haiti’s annual premiums for the Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company (CCRIF SPC), ensuring that the country maintains access to immediate liquidity in the aftermath of natural hazards. CDB will also promote renewable energy adoption, and community-based adaptation to reduce environmental vulnerability and support a low-carbon development path.

6. ENABLING THE STRATEGIC PLAN

6.01 **Operationalisation of the Strategic Plan will be supported by a significant reform agenda that will be led by the Office of the President.** This reform agenda will cover the various reforms identified from the findings of three significant initiatives. Firstly, a comprehensive study on implementation conditions, due to be completed in 2026, which is designed to strengthen operational efficiency by providing solutions and actionable recommendations. Secondly, a review of the Bank’s governance framework, completed at the end of 2025, which has made a number of recommendations to improve the Bank’s effectiveness and its accountability to its shareholders. Thirdly, in 2025 and 2026, the Bank is undergoing an assessment of its performance by MOPAN. Performance will be assessed in terms of performance management, strategic management, relationship management, operational management, and results.

ALREADY IDENTIFIED COMPONENTS OF CDB’S REFORM AGENDA

The Bank will undertake reforms that allow it to address systemic and operational barriers to becoming a better and bigger institution. The final agreed set of reforms will depend on the outcome of the MOPAN and the Governance Review Committee processes, as well as agreement with the BoD. Key reforms that the Bank has already begun/agreed to do are:

- Strategic review and overhaul of HR and of the Work Programme and Budgeting Process.
- Enhanced country engagement that is more selective, focusing on BMC priorities, and supported by dedicated customer-relationship management.
- Review and modernisation of policy framework.
- Enhanced project implementation.
- Proactive Operational culture focus on risk and results, supported by RAF.

6.02 **The Bank’s reform agenda acknowledges that a number of key reforms will allow the Bank to put key foundations in place as it transitions to becoming a larger institution.** Addressing three key systemic challenges would make it easier to overcome operational hurdles. These three systemic challenges are, to:

- (a) fully operationalise CDB’s comparative advantage;
- (b) strategically position CDB’s human resourcing and its work programme and budgeting process to support the strategic vision; and
- (c) ensure that CDB’s change processes are aligned with the strategic vision, and that they are adequately resourced to ensure effectiveness.

6.03 The Bank has already begun making some changes, but implementing some of the necessary fundamental changes will have a cost. Therefore, over the first two years of the Strategic Plan period, the Bank will agree a costed programme of fundamental key activities with its Board, which will allow it to deliver key reforms that increase the Bank's effectiveness in the longer term. These activities will have clear performance indicators of success, on which the Bank will report.

Operationalising CDB's Comparative Advantage

6.04 CDB will make more of its comparative advantage, becoming more client-centric and agile, to maximise its ongoing engagement with its BMCs and take its role as the regional partner of choice. This will also require a product offering that fits the country's needs, and getting the best from existing and new partnerships.

Enhanced Country Engagement

6.05 **The Bank is revamping its model of country engagement to make working with the Bank easier for BMCs, private sector entities, and civil society.** Enhanced country engagement, focusing on BMC development priorities, will involve the appropriate level of in-country presence to deepen dialogue with line ministries, implementing agencies, and other stakeholders. Engagement models will be tailored to the size, capacity, and context of each country, ensuring that support is relevant, efficient, and responsive to national priorities. The CES process will focus on coherent and tailored support to BMCs in line with comparative advantage, programmatic TA, research and policy advice and convening. CES will continue to be reviewed at mid-points to ensure continuing relevance and alignment.

6.06 **The Bank will continue to work closely with each BMC to guide programming toward areas of greatest impact,** informed by country diagnostics that integrate macro-fiscal, social, gender, climate, and institutional analyses. Strengthened donor coordination and policy coherence with development partners will help reduce duplication and maximise collective impact. CDB will also enhance its data systems to strengthen results tracking, enable data-driven decision-making, and identify and address implementation bottlenecks in real time, ensuring faster, more effective delivery across its portfolio.

Deepening Partnerships

6.07 **Partnerships are integral to the achievement of the Strategic Plan's ambitions.** CDB will strengthen its role as a convener of regional and global actors, aligning resources, knowledge, and expertise in support of shared priorities. The Bank will work with others to mobilise concessional financial resources to support national priorities, including through co-financing agreements and trust and special funds. The Bank will also work with others on coordination and cooperation platforms, joint advisory services, and policy dialogue. It will play a larger part in fostering cross-regional/south-south cooperation, and project a stronger voice in the calls for economic justice.

6.08 **The Bank will scale up private sector partnerships.** CDB is expanding its partnerships with businesses, investors, and financial institutions to mobilise capital, strengthen competitiveness, and accelerate sustainable business solutions. Through blended finance, credit enhancement, and risk-sharing instruments, the Bank will expand access to finance for clients. It will engage with private-sector partners to catalyse investment in sustainable energy, transport and infrastructure, and will work closely with ICT stakeholders to advance digital transformation across the Region.

6.09 **The Bank will continue to collaborate with key regional bodies, including the Caribbean Disaster Emergency Management Agency (CDEMA), CCRIF-SPC and the Caribbean Community Climate Change Centre (CCCCC)** to strengthen disaster risk management and climate adaptation.

Partnerships with BMCs will be framed within the Bridgetown Initiative and other regional policy platforms to enhance coherence and influence in global forums. Civil society organisations and community-based groups will be engaged more systematically, helping to ensure that CDB's interventions remain inclusive and responsive to local needs. The Bank will support knowledge partnerships with think tanks and research institutions to expand analytical capability and promote innovation in development policy.

6.10 The Bank will deepen collaboration with other MDBs, in line with the G20 call for MDBs to work more closely and therefore strengthen the MDB system. CDB will pursue deeper relationships with its development partners, particularly MDBs, drawing on partners' expertise while focusing on its own areas of comparative advantage. The Bank will continue to develop common procurement, environmental and social safeguard rules, to reduce the burden on borrowers, and will look for opportunities to share good practice. The Bank will also continue to deepen its partnership with other multilateral and bilateral partners, such as the European Union, the GCF, and the Adaptation Fund.

6.11 CES will reflect the Bank's increased ambition for effective cooperation with partners in pursuing major transformational initiatives with BMCs. Where BMCs desire, the Bank will act as a coordinator of development partners' assistance on their behalf. Through this strengthened partnership ecosystem, CDB will improve the speed, quality and visibility of its delivery.

Strengthening Knowledge Leadership

6.12 CDB will continue to use its voice, instruments, and influence to advocate for fairness, resilience, and access to finance on the global stage. Some concessional financing and grants are now available to all BMCs, regardless of income status, while the Multidimensional Vulnerability Index (MVI) has been fully integrated into the Bank's SDF allocation framework. The Bank is also leveraging the MVI to advocate internationally for vulnerability-based access to concessional finance for Caribbean SIDS. CDB will also produce and commission flagship analytical work such as the Caribbean Development Outlook, Youth Futures Index, and Gender and Resilience Reports to shape regional and global debates on development in small island and coastal economies.

Strengthening Knowledge

6.13 CDB will establish the CDB Academy, a platform for learning, capacity building, and knowledge exchange. The Academy will provide a structured way to organise, coordinate, and scale the capacity-building, knowledge, and learning activities that the Bank already undertakes. Knowledge will be positioned as a core driver of country-led development, supporting governments to design bankable projects, address underinvestment in resilience, and adopt evidence-based approaches to policymaking.

6.14 The CDB Academy will reestablish capacity-building as a core function of the Bank, delivered through regional and international partnerships. The Academy will design and deliver targeted programmes for policymakers, practitioners, and future leaders, focusing initially on priority areas such as climate resilience, social protection, disaster risk management, water and waste management, and food security. Over time, as demand grows and impact is demonstrated, the Academy will scale selectively, guided by results, partnerships, and available resources. By connecting local expertise with global best practice, it will serve as a regional hub for learning, co-creation, and innovation for SIDS.

6.15 Through the Academy, the Bank will strengthen its role as a Caribbean knowledge leader and trusted broker of ideas, evidence, and partnerships, helping to amplify development impact. The Academy will connect policy practitioners, academics, development partners, and private sector innovators. Through this approach, CDB will bolster its knowledge leadership in the Region contributing to evidenced-based decision-making and coherence in policies. Before 2035, the CDB Academy will evolve

into a regional learning and innovation ecosystem, a digital and physical space where Caribbean policymakers, researchers, and practitioners co-create solutions to shared challenges. It will combine e-learning and face-to-face courses, all supported by strategic partnerships and a robust funding model.

Towards a client-driven, resilient product suite

6.16 CDB will modernise and diversify its product offering, with a clear focus on country demand. The Bank's focus will be on instruments that combine flexibility, resilience, and developmental impact, while maintaining strong prudential standards. CDB's approach to innovation will be both deliberate and practical, anchored in the realities of SIDS and informed by lessons from its own performance.

6.17 The Bank will broaden the range of both financial and non-financial instruments available to its clients, offering a more versatile suite of solutions that blend concessional and non-concessional finance with private capital. Private sector financing will be scaled up through direct lending, risk-sharing arrangements, and blended-finance structures that mobilise investment in key growth areas. Targeted instruments will expand access to finance for MSMEs, particularly those led by women and youth.

6.18 CDB will build greater resilience into its operations by integrating Contingent Emergency Response Components and loan-repurposing clauses across projects to enable rapid adaptation in times of crisis. The Bank will expand project-preparation facilities and policy-based lending to strengthen institutional capacity and fiscal resilience, while trade-finance instruments will support regional commerce and supply-chain integration. Dedicated thematic facilities for e-mobility, renewable energy, and impact investing will help crowd in private capital and align financing with the Caribbean's transition to a greener and more inclusive economy.

Improving the Human Resource and Budget Functions

Workforce Planning

6.19 To meet future development priorities, the Bank must attract and retain top-tier talent with leading technical and policy expertise. The Bank understands that its people are its greatest asset and that achieving its vision and mission depends on a highly skilled, agile, and empowered workforce. The Bank will cultivate a resilient, high-performing workforce that is values-driven, future-ready, and equipped to deliver its development mandate. CDB will adopt a structured approach to workforce planning and skills alignment to drive excellence and accountability, modernising its performance management practices and making diversity a strategic asset.

6.20 A Bank-wide workforce analysis exercise will be conducted in 2026, providing an empirical basis for talent optimisation. This exercise will include a review of the existing Bank structure and of existing staff skills compared with the skills needed to support the Bank's strategic vision. It will allow the Bank to align workforce investments with emerging institutional priorities and external risks.

6.21 Supporting this, workforce culture will be positioned as a strategic governance priority. The workforce analysis will include an Organisational Culture Assessment, which will inform on the Bank's organisational structure. Subsequent assessments will help to map the intended culture change and monitor progress with a view to identifying bottlenecks and recalibrating interventions where necessary.

6.22 The Work Programme and Budget process will be reformed to provide a clearer link between strategic priorities, resources and results. The Bank is in the process of upgrading its Enterprise Resource Planning system, which will allow it to establish the true cost of delivery of initiatives. This

information will enable the Bank to make a more persuasive case for additional investment in growth areas, and ensure that key activities are not under-resourced.

6.23 CDB will seek to promote internal mobility and gender equality. It will develop career pathways and succession development, enabling staff to grow through diverse and mission-aligned experiences. The Bank will implement a roadmap to mainstream diversity in governance, HR policy, and programme delivery, with institutional commitments to gender parity, intergenerational collaboration, and cultural representation. The Bank will expand its youth engagement through its early-career programmes, and explore initiatives such as youth advisory groups and learning labs.

6.24 HR will embed a performance model centred on continuous constructive feedback that emphasises development over evaluation. Managers and staff will learn techniques to better deliver and receive feedback, while coaching will be made available to provide the opportunity for growth and foster accountability for professional performance conversations.

Building Respect, Excellence and Accountability

6.25 The Bank will inculcate mutual respect, service excellence, and ethical accountability by promoting values-driven leadership and behavioural standards anchored in CDB's Code of Conduct. By strengthening leadership capability through structured development and behavioural feedback loops, the Bank will enhance transparency and responsiveness in people management through regular engagement with staff and the Board.

6.26 The Bank will continue to invest in staff capacity-building to strengthen technical excellence, leadership capability, and institutional agility. By fostering a culture of continuous learning, innovation, and collaboration encouraging cross-functional teamwork and the application of cutting-edge tools and approaches to development challenges, the Bank will unlock greater organisational effectiveness, strengthen employee engagement and enhance its ability to anticipate and adapt to the complex development challenges faced by the Region.

Strengthening Governance and Accountability Mechanisms

6.27 Fit-for-purpose governance mechanisms will be developed to support the culture change programme and governance reviews. Clear institutional and individual accountability standards will be reinforced by new and revised policies, which will have transparency codified into the frameworks, while the HR regulatory framework will be modernised to reflect contemporary practices.

6.28 The Bank will also strengthen mechanisms for employee voice and representation. Management will seek to strengthen its relationship with the Staff Association Committee, not only regarding workplace policies, but more broadly as it may relate to wellbeing, engagement and staff development. This partnership approach will be essential to sustaining trust, improving morale, and embedding a culture of shared ownership in delivering on the Bank's mission.

Promoting a More Proactive Operational Culture Focused on Risks and Results

Operational Efficiency

6.29 CDB is systematically closing policy and operational strategy gaps that constrain timely, high-quality delivery. The Bank is undertaking a complete review and modernisation of its policy framework to ensure coherence, clarity, and alignment with evolving development priorities and international standards. For this strategy period, CDB is updating operational policies, streamlining

procedures, and establishing clear delegation of authority and accountabilities within project teams to support quality and adaptive management.

6.30 The Bank will strengthen its operational delivery systems. A major enhancement is the Pipeline Management Framework, focusing on the pipeline of leads, project opportunities and other levels of the portfolio system, which will reduce process inefficiencies and bottlenecks, accelerate the pace of disbursements, increase the size and quality of the project pipeline, and support more accurate forecasting and better decision-making. Greater emphasis will be placed on end-to-end project readiness and systematic engagement with BMCs throughout the project cycle. The Bank will strengthen its delivery, reduce times to first disbursement and increase the pace of disbursements by fully utilising its Customer Relationship Management.

6.31 The comprehensive study on implementation conditions will further strengthen operational efficiency. This study has identified key challenges affecting project execution by country and CDB, providing solutions and actionable recommendations that will inform improved implementation. Implementation plans, embedded within each CES, will define clear roles, responsibilities, timelines, and capacity needs, ensuring that each BMC follows a structured pathway from project conception to completion.

6.32 Project appraisal, supervision, and completion processes will be streamlined through a digitally integrated workflow linking pipeline management, procurement, disbursement, and monitoring functions. From concept to completion, projects will be systematically tracked using digital tools that provide real-time visibility of portfolio performance. This integration will allow for earlier detection of risks, evidence-based decision-making, and swift course correction where needed.

6.33 TA will also play a more strategic role in improving operational effectiveness. CDB will leverage TA more systematically, drawing on lessons from previous programming, the Bank will use TA as part of a more programmatic approach to engaging with BMCs. TAs will be used more deliberately to support project preparation, build institutional capacity, and inform policy reforms. Monitoring and reporting systems will be strengthened to track the TA lifecycle, assess results, and embed learning into future operations.

6.34 CDB is strengthening its procurement systems to enhance efficiency, transparency, and development impact across its operations. Recognising that effective procurement is critical to delivering and accelerating project implementation, the Bank is modernising its policies, processes, and digital tools to align with international best practices and the evolving needs of BMCs. CDB has introduced more agile and risk-based procurement approaches, simplified procedures, and leveraged technology to improve speed, accountability, and oversight. In parallel, the Bank is actively collaborating with other MDBs to harmonise standards, share knowledge, and advance joint initiatives on sustainable and inclusive procurement.

Knowledge Use and Feedback

6.35 To ensure that knowledge informs internal decision-making, CDB will embed programmatic feedback mechanisms throughout its operational cycle. Lessons learned from projects will be captured, analysed, and applied in real time to improve design and implementation. The Knowledge and Analytics platform within OP365 will advance tools such as data visualisation dashboards, predictive models, and geospatial mapping to enhance decision-making. These innovations will enable the Bank to move from retrospective reporting to forward-looking analytics, improving project quality, operational efficiency, and policy influence.

Leveraging our Development Communications Impact

6.36 **CDB is equally committed to transforming the way it communicates and engages. The Bank will adopt a Communications for Development approach that integrates storytelling, behavioural insights, and digital innovation into operations.** Communication will be a strategic tool for driving change, shaping public dialogue, and inspiring collective regional action on the Bank's and BMCs priorities. Through a new Communications Strategy, CDB will rebrand, amplify the impact of its work, strengthen transparency and accountability, and elevate Caribbean voices in global development conversations.

7. RESOURCING THE STRATEGIC PLAN 2026-2035

7.01 **The Region's investment needs are enormous.** CDB has previously estimated Gross Financing Needs (GFN) of \$65.2 bn for regional governments' existing policy frameworks from 2024 to 2033, assuming no major disruptions or increased development efforts^{22/}. GFN would rise to \$71.2 bn in the event of an exogenous shock on economic growth, as the Region moves towards greater resilience by meeting the costs of future adaptation efforts.

7.02 **These estimates fall short of the financing required to achieve the SDGs.** CDB estimates that achieving SDG 8 (sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all), because of its high level of connectedness with the other SDGs, would require annual public and private investments of \$68 bn to achieve 3% annual growth, and \$101 bn per year to achieve 5% per annum.

7.03 **Therefore, it is vital that BMCs are able to secure affordable financing options to support their development initiatives.** Within the regional space, CDB must continue to mobilise such resources and help ensure that BMCs can meet the conditions to access them. By offering more accessible and tailored financing solutions, CDB can significantly contribute to bridging the development finance gap. This will require concerted efforts to mobilise adequate support, advocate for fairer access to global financial mechanisms, and innovate in creating financing structures that acknowledge the unique challenges and potentials of the Caribbean region.

7.04 **CDB's will mobilise resources to support a growing portfolio.** The Bank will increase its disbursement trajectory to maintain its relevance at a time when the MDB footprint needs to increase to meet the urgent needs of the Region. CDB has considered the growth necessary to provide about \$6 bn of funding over the 10-year period, including about \$5 bn from OCR. This growth assumption recognises the need in the early years for the reforms discussed in Section 6. These reforms lay the foundation for the growth in disbursements to accelerate towards the end of the 10 years, after initial growth of 5% per annum. Without these reforms, the Bank will not be able to realise its increased ambition.

7.05 **CDB will implement a comprehensive RMS aimed at expanding its financial capacity, reducing the cost of funds, and enhancing flexibility in the deployment of capital,** all while preserving the Bank's strong credit profile and adherence to prudent risk management. The RMS will rest on three reinforcing pillars that together will strengthen the Bank's financial resilience, increase operational efficiency, and amplify its development impact.

7.06 **First, CDB will use its capital base, exploiting all BSO options to increase its lending headroom, in line with G20 recommendations.** The Bank's current capital base allows it to support

^{22/}Source: SDF 11 Discussion Paper: The Development Financing Needs of the Caribbean Development Bank's Borrowing Member Countries 2024-2033.

additional OCR lending over the next decade. The Bank will exploit all possible BSO opportunities (EEAs, PCGs) and other innovative measures (such as hybrid capital and contingent capital) that unlock financial capacity without compromising the Bank's stability. In addition, always aligning to RAF requirements (e.g. leverage), the Bank will seek to increase its OCR base with additional lines of credit.

7.07 Second, the Bank will deepen borrowing and market access through continued focus on minimising borrowing costs by optimising its funding mix across currencies, maturities, and market windows. It will actively explore access to regional capital markets to attract a broader and more diverse base of investors. In 2026, CDB will launch a Euro Medium-Term Note (EMTN) programme to broaden its access to international capital markets. This will improve issuance efficiency, diversify the investor base, and strengthen asset and liability management, allowing CDB to secure financing on favourable terms while reinforcing its market presence.

7.08 Third, CDB will mobilise partnerships and thematic finance. The Bank will expand its mobilisation of concessional and blended resources from a wide range of partners, including bilateral donors, philanthropic foundations, sovereign wealth funds, and impact investors. It will continue to seek accreditation with major climate finance mechanisms to scale access to global funds. Through these efforts, the Bank will position itself as a regional hub for thematic finance, channelling capital toward gender equality, climate action, digital transformation, and resilient infrastructure.

7.09 To ensure coherence and accountability, a results framework will accompany the RMS, defining annual targets for the volume, composition, and cost of resources mobilised. Clear accountability mechanisms will be established across departments, embedding resource mobilisation as a shared institutional responsibility rather than a stand-alone function. Using this comprehensive approach, CDB will build a stronger, more agile, and financially sustainable institution, one capable of delivering greater development impact for its BMCs and accelerating the Caribbean.

7.10 Strengthening the Bank's financial capacity also requires diversifying its membership and investors' base. The Bank will develop a new Membership Framework in 2026, using a transparent, inclusive and consultative process.

8. MEASURING THE BANK'S IMPACT

8.01 The Theory of Change (ToC) and the C-RMF together form the foundation of CDB's results architecture for the Strategic Plan 2026–2035. The ToC explains how the Bank will achieve its mission by strengthening resilience across society, the economy, and the environment. It provides the causal logic linking the Bank's mission (the why), its Strategic Objectives (the what), and its Operational Focus Areas (the how) and establishes the pathways through which the Bank's interventions are expected to contribute to development results.

8.02 The C-RMF operationalises this logic by translating the Strategic Plan's objectives and pathways into a structured set of measurable indicators and targets. It will track progress in implementing the Strategic Plan 2026-2035 and in demonstrating the Bank's impact. The framework (see Appendix 2) places stronger emphasis on outcome-oriented metrics that connect directly to SDGs and, where possible, align with indicators used by other multilateral development banks.

8.03 The C-RMF is a strategic management tool for tracking CDB's performance in delivering results that matter most to the people of the Caribbean. It will embed a systematic approach to Managing for Development Results (MfDR), using performance data to guide adaptive management, allowing timely realignment of priorities, operational strategies, and incentives in response to changing contexts.

8.04 **The C-RMF will guide programming across Strategic Objectives, Operational Focus Areas, and Cross-Cutting Themes.** To ensure that all layers of CDB's operations support the Strategic Plan 2026–2035, the C-RMF will be the tool to ensure alignment between sector strategies, CES and project-level RMFs. This ensures that each capital investment, policy intervention, TA, or financial product contributes directly to the Bank's resilience objectives. Administratively, the Work Programme and Budget Framework will also consider strategic alignment of the Bank's work with the C-RMF targets. Annual targets set for each department will therefore be cascaded down to divisions and staff work plans. This cascading structure creates a direct line of sight between staff activities and the Bank's strategic objectives. This will ensure that CDB's operational and administrative/corporate efforts are mutually reinforced.

8.05 **The Bank will improve accountability for results.** The new C-RMF will introduce targeted improvements and strategic shifts designed to enhance monitoring and reporting of CDB's effectiveness and development impact. These improvements strengthen the Bank's ability to deliver results that matter for people, planet, and prosperity in the Caribbean.

- **Focus on measuring outcomes, rather than outputs, with a focus on results that improve people's wellbeing** – The C-RMF will adopt more focused, outcome-oriented indicators that are directly linked to the SDGs and aligned with the 2030 Agenda for Sustainable Development.
- **Stronger Quality-at-Entry Controls** – The C-RMF will introduce enhanced quality-at-entry measures and operational management indicators to ensure that projects are well-prepared and effectively managed throughout the life cycle.
- **Deliberate Harmonisation with Other MDBs** – The C-RMF will align, where possible, with the indicators being reported by the other MDBs. Many of the indicators will either be fully harmonised with other MDBs, commonly used across institutions, or measure performance in areas of shared priority, facilitating greater consistency in reporting development effectiveness.
- **Rigorous Methodologies** – All indicators in the C-RMF will be supported by robust methodologies to strengthen data quality and reliability. We will supplement the RMF with guidelines to help staff in selecting appropriate indicators during the design phase and applying the correct approaches to collecting data during implementation, including indicators related to the priority areas and cross-cutting themes.
- **Holistic Target-Setting** – The framework will adopt an integrated approach to setting targets, ensuring that their achievement directly advances CDB's development outcomes.

Structure of the new RMF

8.06 **The new C-RMF is structured around four Performance Areas (PAs) and 30 indicators,** comprising 14 Development Results Indicators and 16 Performance Indicators:

- (a) **PA 1: CDB's Development Results indicators** measure progress in building Social, Economic, and Environmental Resilience in the Region through the Bank's operations. (14 indicators)
- (b) **PA2: Strategic Alignment with the Operational Priorities and Cross-Cutting Themes in Strategic Plan 2026–35 indicators** tracks the degree to which operations (meaning approvals and commitments for guarantees, projects, policy advisory services and TA in

any given year) support the Bank's strategic objectives, operational priority areas, and cross-cutting themes. (7 indicators)

- (c) **PA3: Operational Performance indicators** measure the readiness, active management, and overall quality of CDB's operations. Consistent positive performance across these metrics will signal the Bank's ability to deliver development outcomes efficiently and effectively for its BMCs. (4 indicators)
- (d) **PA4: Organisational Effectiveness and Efficiency indicators** assess CDB's capacity, people, systems, and processes, to deliver results. (5 indicators)

8.07 **To encourage focused reporting, the number of indicators reported in the C-RMF has been reduced from 75 down to 30.** To achieve this, the C-RMF prioritises a higher-level focus on development results, with people-centered outcomes being reported, rather than outputs. For example, instead of reporting the kilometres of road upgraded or number of classrooms built, we will now be reporting the number of students benefitting from improved education services, or persons benefitting from resilient road infrastructure.

8.08 **CDB's previous Corporate RMF followed a 4-tier structure, within which Level 1 indicators tracked a set of 13 regional progress indicators.** These indicators were monitored with the intention of providing context on the global and regional development landscape. These indicators included several macroeconomic and social statistics, including poverty rates, unemployment rates, and debt levels at the regional level. However, these indicators often suffered from significant data lags, were challenging to aggregate accurately across BMCs and the associated targets indirectly provided readers with an expectation that we could set meaningful targets for country-level achievement. In any event, these indicators were not results indicators in the sense that any movement in the indicators could not be directly attributed to the Bank's work.

8.09 **In the new C-RMF, these regional progress indicators will continue to be tracked but will be reported as context tracking indicators.** CDB will report in greater detail on regional progress using these indicators in our Annual Economic Review (produced by the Economics Department and published annually in February). This document will provide deeper and more relevant analysis and insights, based on data published by international and regional development partners and intelligence gathered by the Strategy and Development Effectiveness Department and the Economics Department. The Development Effectiveness Review will in turn, draw on the Annual Economic Review to provide a summary of the context environment in BMCs pertinent to the specific circumstances and priorities of each year, which may have contributed, impacted or supported the Region's development progress and the results achieved through CDB's operations.

8.10 **A substantial amount of aggregation is necessary to align indicators with approaches used by other MDBs.** However, complementary monitoring and reporting mechanisms will ensure that all relevant indicators that contribute to these aggregate indicators are still monitored. An additional 55 tracking indicators will be monitored to add depth of understanding to the analysis, offering further insight into performance trends and enhancing the understanding of CDB's overall results. The tracking indicators will largely be project-level indicators that contribute to the aggregate outcomes reported by the results indicators. Many of these tracking indicators are output and outcome indicators from the previous RMF and will be linked to a parent indicator in the C-RMF.

8.11 **To complement these quantitative indicators, impact stories and narrative results pieces will capture the wider results** from policy and institutional reform initiatives, programmatic and flagship initiatives in the three focus areas, and achievements in mainstreaming cross-cutting themes.

8.12 The C-RMF will generate the evidence needed to assess progress and guide learning across the institution. **To improve communication on outcome achievement, the new C-RMF will be hosted on an online platform that will allow users to explore and analyse the data and visualisations based on their own needs.** The user-friendly interface will offer users access to the underlying datasets and calculations of the indicator results, along with the methodologies applied.

8.13 **A mid-term evaluation of the 10-Year Strategy will be conducted by 2030**, to examine progress on the commitments towards achieving the strategic objectives. There will also be a management Review of the Strategy from a results perspective during the third year of implementation to ensure continued relevance. An independent evaluation is also planned for the end of the strategy period.

9. ENTERPRISE RISK MANAGEMENT PROFILE

9.01 **The 10-year Strategic Plan is intrinsically linked to the Bank’s risk management architecture, anchored in its Enterprise Risk Management Framework (ERMF) and the supporting RAF.** Together, these frameworks ensure that CDB’s strategic ambitions are pursued in a controlled and sustainable manner consistent with its mission and credit rating objectives. The ERMF provides the overarching structure through which risks are identified, assessed, managed, and monitored across all areas of the Bank’s operations. It promotes an integrated view of risk by aligning governance, policies, processes, and systems that support informed decision-making and a strong risk culture.

FIGURE 9.1: ENTERPRISE RISK BOARD GOVERNANCE ARCHITECTURE OF THE BANK



9.02 **The introduction of the ERMF established a comprehensive, institution-wide approach to identifying and managing risks across financial and non-financial dimensions.** Building on this, the Bank adopted an Economic Capital approach, operationalising it through its RAF, to quantify capital requirements and measure the adequacy of internal resources under various stress conditions. Most recently, the Bank enhanced its RAF, to better align risk-taking with strategic objectives and credit rating targets. These advancements are supported by new risk rating, projection, and scenario analysis models, which allow for deeper forward-looking assessments of the Bank’s financial resilience under different economic and portfolio conditions. Together, these improvements mark a major evolution in CDB’s enterprise risk profile, creating a more dynamic, data-driven foundation for decision-making as the Bank scales up operations in line with its Strategic Plan.

9.03 **Therefore, the assessment of risks associated with the 2026–2035 Strategic Plan represents a step change from the approach used in the previous planning cycle.** Whereas earlier assessments relied primarily on qualitative risk-mitigation tables, the current analysis is grounded in the Bank’s RAF (including the RAS), which provides a quantitative, governance-based approach to risk assessment. The RAF is being submitted for approval to the Board alongside the Strategic Plan, ensuring a cohesive alignment between strategic objectives, risk governance, and capital adequacy.

9.04 **This development, alongside the various BSO measures to expand headroom and efficiency, reflects a deliberate strengthening of CDB’s enterprise risk posture, integrating its institutional strategy, financial management, and BSO efforts.** Through enhancements to the ERMF, and accompanying tools and initiatives, the Bank has built a more resilient and forward-looking risk architecture. Together, these reforms respond to the G20’s call for MDBs to expand their relevance and impact, while positioning CDB to pursue its strategic ambitions within well-defined risk parameters. This integrated framework now anchors the translation of strategic intent into measurable financial and non-financial objectives, articulated through the Bank’s RAF and Financial RAS.

9.05 **This approach, which is in line with international best practices, recognises that by virtue of its activities, the Bank is exposed to a wide range of risks.** Operational risks are addressed through the Bank’s emphasis on strengthening governance, accountability, and internal efficiency measures discussed in Section 5, including enhancements to systems, processes, and workforce capabilities. Strategic risks are reflected in the alignment between the Bank’s institutional objectives and the evolving regional and global context described in Sections 2 and 3, ensuring that long-term priorities remain responsive to uncertainty and emerging megatrends. Developmental risk central to CDB’s mission, is captured across the Resilience Framework (Section 4) and Result Management Framework, where the Bank’s social, economic, and environmental interventions are structured to balance developmental ambition with prudent resource allocation and implementation capacity. Together, these risk categories underscore the Bank’s holistic approach to safeguarding its mandate, ensuring that both financial and non-financial dimensions of risk are actively managed and monitored through the governance structures and risk appetite parameters defined under the RAF.

9.06 **Table 9.1 below presents a high-level summary of the non-financial risks of the Strategic Plan.** This identifies general threats that could undermine the achievement of the Bank’s Strategic Objectives and proposes mitigation actions to address them.

TABLE 9.1: NON-FINANCIAL RISK CATEGORIES

<p>Operational Risk</p> <p>An expanded lending programme increases demands on systems, processes, and staff capacity, heightening execution and control risks. Complex non-sovereign operations (NSO), special fund management and blended-finance operations require stronger appraisal, monitoring, and reporting frameworks. To mitigate these risks, the Bank must continue to scale its digital systems, automate workflows, and strengthen internal capabilities under the ongoing digital transformation agenda.</p>	<p>Strategic Risk</p> <p>Unclear institutional priorities, lack of implementation readiness and insufficient responsiveness could hinder the Bank’s ability to meet its lending and upscaling targets, constraining delivery of strategic objectives and long-term relevance. Equally, insufficient upscaling poses a strategic risk by limiting developmental impact and financial resilience. Closely linked to developmental risk, success depends on timely execution, strong pipeline management, and coordinated financial and capacity-building efforts across BMCs.</p>
<p>Developmental Risk</p> <p>Scaling up operations can stretch implementation capacity and weaken results delivery if BMC systems and institutions are not sufficiently prepared, developmental risks also encompass risk that project financial management and procurement processes may not be carried out correctly, leading to inefficiencies, misallocation of resources, or delays. In addition, inadequate assessment or management of environmental, social, and economic impacts may expose projects to compliance concerns, undermine sustainability objectives, and jeopardise development results. To sustain impact, CDB must continue coupling financial resources with TA, policy dialogue, and capacity building, ensuring that larger portfolios translate into measurable, inclusive, and resilient development outcomes.</p>	<p>Compliance Risk</p> <p>Greater engagement with NSO sector and third-party partners raises exposure to integrity, procurement, and Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) risks. Maintaining robust due diligence, internal controls, and compliance monitoring will be essential to safeguarding the Bank’s reputation and adherence to international governance standards as operations expand.</p>

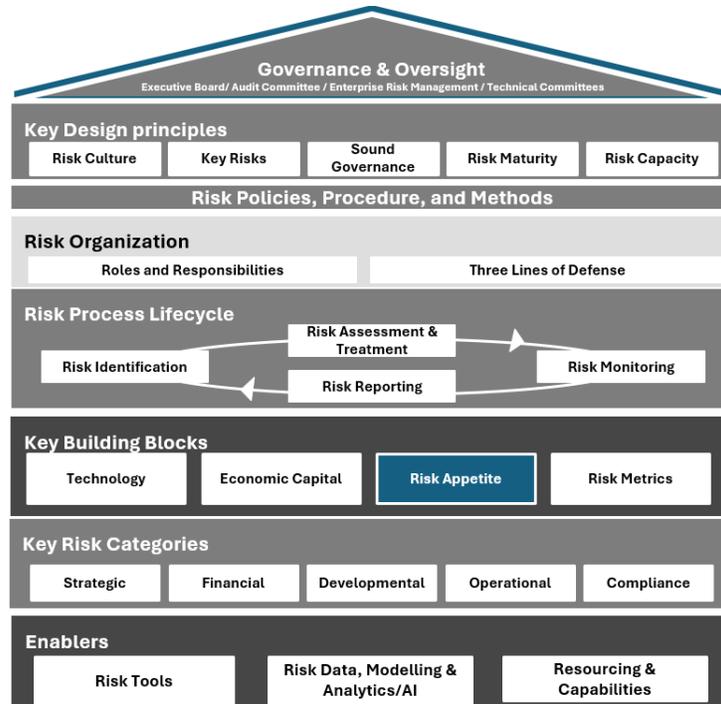
Risk Appetite Framework: Risk Appetite Statement

9.07 **Leverage and capitalisation (capital adequacy), credit risk, market risk, liquidity and funding risk are deemed as material financial risks.** The Bank maintains a moderate appetite for residual financial risk (i.e. after controls/risk strategies/mitigations). Although broad in nature, this approach reflects the Bank’s aim to generate sustainable returns while safeguarding capital and preserving its strong credit rating. A structured framework of Key Risk Indicators (KRIs) provides early insight into pressures that may arise as the Bank expands its financial operations and strengthens NSO sector engagement under the Strategic Plan. Mitigation measures such as BSO transactions, capital planning initiatives, and continued engagement with shareholders form part of the Bank’s strategy to ensure that growth remains consistent with its AA+ rating objectives and overall financial soundness.

9.08 **The alignment between risk appetite and Strategic Plan is critical to ensuring that the Bank’s growth trajectory remains both sustainable and within defined risk boundaries.** As CDB scales up its operations under the 2026–2035 Strategic Plan, the RAFs provide the quantitative and qualitative anchors for decision-making and performance monitoring. Integrating RAF with strategic and financial planning allows Management to assess the trade-offs between growth, capital adequacy, and liquidity in real time, ensuring that lending, investment, and funding activities remain aligned with the Bank’s risk-bearing capacity. This alignment also facilitates transparent communication with shareholders, Credit Rating

Agencies, and other stakeholders, reinforcing the credibility of the Bank’s risk governance framework as it expands its balance sheet and deepens its development impact across the Region.

FIGURE 9.2: ENTERPRISE RISK MANAGEMENT AND RISK APPETITE



Risk and Strategy: Competitive Positioning

9.09 **The Bank’s financial resilience, guided by the RAF, provides the foundation for managing broader strategic and systemic risks that influence its role and relevance within the regional development ecosystem.** While capital adequacy and financial prudence safeguard the Bank’s balance sheet, strategic risk management ensures that CDB remains competitive, agile, and responsive in an evolving external environment. As the regional and global development finance landscape shifts, CDB’s ability to align its financial strength with strategic positioning becomes a key determinant of its long-term sustainability and impact.

9.10 **Growing engagement by other MDBs presents both challenges and opportunities for CDB.** The expansion of regional and subregional institutions is reshaping the Caribbean’s development finance landscape. The operating environment has become more competitive.

9.11 **For CDB, this evolving environment reinforces the need to scale up its balance sheet, strengthen capital adequacy, and expand lending capacity to remain a pivotal player in regional development finance.** This requires effective implementation of the RAF, which ties financial prudence directly to growth strategy and ensures that balance sheet expansion occurs within well-defined risk limits, in turn enabling the strategic plan achievement. The Bank’s regional presence, deep country relationships, and strong governance model give it a unique comparative advantage as the Caribbean’s home-grown development partner.

9.12 **Rather than viewing new entrants as competitors, CDB is proactively pursuing strategic collaboration and co-financing arrangements, particularly with CAF and other MDBs.** Joint

financing platforms, blended-finance solutions, and parallel operations can help crowd-in private investment, diversify risk, and expand access to capital for BMCs. These efforts align with the G20's call for system-wide MDB cooperation and collective BSO. By leveraging such partnerships, CDB will preserve its leadership role in shaping the regional development agenda, maintaining relevance and influence in an increasingly interconnected financial ecosystem.

DEALING WITH UNCERTAINTY

Building Resilience in Uncertain Times

1. **Navigating Uncertainty** – For as long as humans have been walking the earth they have been fascinated with the question: “what is going to happen next?” Whether acts of God, of nature, or of fellow humans: the ability to anticipate these, or better, foretell them, was pursued vigorously. This fascination with ‘performing foresight’ led to the development of a wide array of methods and tools of ever-increasing sophistication: reading tea leaves or studying entrails, astrology, comparison with historical precedents, trend extrapolation, computer simulation, artificial intelligence. (Some of these approaches are of course more useful than others.)
2. **The Future is Uncertain** – Nevertheless, however powerful the computers, and however many terabytes of data we can collect, we must accept that we will never be able to *accurately* forecast the future. The future is fundamentally uncertain. And the best leaders are those who accept this uncertainty and search for sensible ways to work with it. One of such ways is the use of scenario planning, which explores the wider ‘what if, and what could be’, using storytelling and the creation of plausible alternative futures, which help us recognise useful signals from our changing environment, rehearse our responses to these, and better navigate the future.
3. **Scope of Work Undertaken by the Bank** – During 2025, over a period of four months, CDB developed a set of scenarios for the future of development banking in the Caribbean and used these to test their strategy and design a revised strategy that will be more robust in tomorrow’s world. This strategy formed the basis for the development of the new Strategic Plan 2026-2035. The approach that the Bank took was to go explicitly beyond just creating a new Strategic Plan, and to use the scenarios as a trigger to institutional learning. One of the outcomes of the process was that the ‘strategic conversation’ is now conducted at multiple levels and at different domains in the Bank. ‘Strategy is being socialised’, which greatly supports the execution of strategy.

Scenarios for Strategic Resilience

4. **Brief History of Scenario Thinking** – The discipline of scenario planning has its origins in military strategy in the 18th century, where officer cadres were trained to anticipate surprise changes in the future theatre of operations and in the potential responses of the enemy. After the second World War, it saw its first use in public institutions, initially mainly employed for defence issues. This was also when the term ‘scenario planning’ was first used. In the 1970s, oil major Shell adopted the discipline and codified it, and thus became the birthplace for its use in the private sector. Scenario planning is now a widely practiced, researched, and taught methodology.
5. **What are Scenarios?** – Scenarios are plausible, challenging, and relevant narratives of future contexts in which we could find ourselves; alternative contexts in which the plans, strategies or policies we are deciding upon *now* will need to play out well. They contrast usefully with the assumed (or hoped-for!) future that a decision-maker already has in mind, either explicitly or implicitly, and which influences their decisions and actions. Scenarios work by providing alternative vantage points (e.g. points in the future) from which we can ‘look back’ at the present and at current dilemmas, options, strategies and policies. Doing this opens our minds and reframes our interpretation of our context.
6. **Scenarios are not forecasts** – Forecasts focus on single-point outcomes and when forecasts are most needed, they are the least reliable. Why? Forecasts are based on models, on simplified views of ‘*how the world works*’, trained with *historical* data. But, as argued earlier, there is no data for the future; just data from the past! Thus, when we find ourselves in a time of accelerated change; when values or behaviours

shift; when correlations between variables break down; then, naturally, these models fail. Scenarios do not attempt to forecast – they are a learning tool to become better prepared.

7. **What is scenario-based strategy?** – Creating scenarios is distinct from, but a pre-requisite for, designing strategy or policy. Scenarios are never the purpose: better *strategy* is the purpose. Organisations that have turned scenario planning into a cyclical process, rather than a product, are the ones that see the highest returns on their investment. In such organisations, strategy design and scenario planning live side-by-side as parallel processes that inform and influence each other on a continuous basis. One starts with testing of the current (“As-Is”) strategy, and subsequently the construction of the new (“To-Be”) strategy, using an appropriate set of scenarios. The outcome of such a process would be a new, robust, *scenario-based* strategy.

What CDB did to Attain Resilience

8. **What Could, not What Should** – Although scenario planning can certainly be used to articulate *desired states of the world*, and encourage bridge-building and collaboration between disparate stakeholder groups, CDB uses scenarios in the non-normative way of exploring “what *could* happen?” and “how *should* we then react?”, rather than exploring, “what would we *like* to happen?” This is reflected in the scenarios, which contain many developments we would rather not encounter, but for which we should be prepared all the same.

9. **Scenario Research** – The Bank used interviews and several workshops, including one with the Bank’s Directors, to determine the ‘scope for enquiry’: what are the domains or themes in which unanticipated developments or events could occur that would be of relevance to the Bank attaining its goals. This resulted in the following themes, which were deeply researched to prepare for the scenario building workshop: Geopolitical landscape and military conflicts; Inequality and social stability; Human capital and workforce dynamics; Globalization and multilateralism; Natural systems and climate change; Technology, digitalisation, and cybersecurity; Political and institutional stability; Ecological risks and disaster response; Food, water, and energy security; and Changing markets. The Bank made the research available to all staff on its website.

10. **Capturing the CDB As-Is strategy** – An essential step in developing a scenario-based strategy is to first accurately and concisely capture the current (‘As-Is’) strategy. How are things done now? How is the Bank preparing itself for the future? Only once this has been done (and agreed by the management team) can the strategy actually be tested in scenarios. This activity proved to be extremely useful for the Bank, as it provided the opportunity for the entire Strategic Advisory Team (SAT) to interact, discuss, and fully understand the key strategic thinking in the functional domains of each of their colleagues – interdependencies and overlaps became clear. After testing in scenarios a new version was made, the ‘To-Be’ strategy.

11. **Scenario Design** – The Bank used a two-day workshop to develop draft scenarios for the future of development banking in the Caribbean. The workshop used the University of Oxford Scenario Planning Approach. The workshop was attended by the entire SAT as well as other employees of the Bank. The first day included a SAT-only module, where the mapping of the As-Is strategy was confirmed. The workshop continued with an assessment of assumptions made about the future, a deep exploration of all scenario research, followed by construction of a set of three scenarios, using the inductive approach. This involved generating a large number of ‘snippets’, or short scenario logics, which were presented, discussed, and subsequently clustered into three sets, further developed into the final three scenario drafts. In the weeks following the workshop, these drafts were further detailed and developed into rich scenario stories.

12. **Use of the Scenarios** – The set of scenarios (*Funding Without Future*, *Africari*, and *Roots of Resilience*, were used in various settings. For example, at the Annual Meeting in Brazil, they were presented and briefly discussed by the Board of Governors. The set of scenarios was also shared on the Bank’s internal knowledge-sharing platform but its main use was in the testing and subsequent redesigning of the Bank’s strategy. This was done during a week in Bridgetown. That work led to the articulation of plausible threats and opportunities for the Bank, under different future circumstances, and to the overall important conclusion that the Bank’s strategy is relatively robust against future developments. It also led to the articulation of the ambitions that the Bank should articulate clearly in its new strategy, and in the new Strategic Plan.

FIGURE 1: CARIBBEAN FUTURES: THREE POSSIBLE SCENARIOS



13. **Outcomes** – The benefits of going through a ‘scenario-based’ process when articulating a new strategy are varied: some benefits manifest immediately (e.g. a broader and deeper conversation taking place about strategy), other benefits take time to be realised. Amongst these should be mentioned:

Energised Strategic Dialogue at the Top: the SAT engaged in open, regular, and meaningful strategic conversations, strengthening cohesion across functions and a shared appetite for strategic thinking has taken root among senior leadership; Deeper Organisational Engagement with Strategy: strategy conversations extended beyond the SAT, deepener organisational understanding of CDB's challenges and strategic direction at all levels; A Shared Language for Strategic Foresight: new terms—such as 'AfriCari' and 'Roots of Resilience'—are now embedded in how the Bank talks about the future, enriching engagement with governors and stakeholders. Stronger Preparedness for Uncertainty: by exploring diverse future scenarios and weak signals, the Bank has enhanced its capacity to anticipate and respond to emerging challenges. Visionary Models for Future-Ready CDBs: alternative “future CDBs” have been articulated to help shape our imagination of what success could look like in different futures; Refined Strategic Framework: the 'To-Be' strategy framework has been streamlined—eliminating duplication, clarifying activities, and setting direction with greater discipline; Clear Strategic Ambitions Identified: a focused set of ambitions now anchor the Bank's direction and guide the next phase of strategic planning and execution.

STRUCTURE OF THE NEW C-RMF

1. A list of indicative indicators across the four PAs is provided in Tables 1 to 4 below. The Bank is continuing work on the methodology for estimating these indicators, to ensure harmonisation with the other MDBs and also to confirm that we have the data necessary to produce the estimates. Wherever possible, the Bank will collect and present these results disaggregated by country, sex, age-group and geographic areas (Urban/Rural).

TABLE 1: PERFORMANCE AREA 1- INDICATIVE DEVELOPMENT RESULTS INDICATORS

	Operational Focus	Indicators	Rationale
1	Poverty and Inequality	Number of poor or vulnerable people benefitting from improvement in at least one dimension of poverty; OR Number of people benefitting from targeted poverty-reduction programmes (#) This indicator is harmonised with the other MDBs	The indicator’s methodology should reflect the Bank’s commitment to ending poverty in all its dimensions. Initiatives of all three strategic objectives can contribute to this outcome indicator based on multi-dimensional poverty definition. BNTF should be a focus here and all beneficiaries of communities with BNTF subprojects should be counted - since all work is aligned with multi-dimensional poverty reduction.
2	Social Inclusion - Youth	Number of youth benefitting from youth empowerment initiatives, of which % from actions that expand and enable economic opportunities	This indicator captures the Bank’s contribution to empowering young people through initiatives that enhance skills, agency, participation, and access to economic opportunities. It aligns with SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities) by promoting youth inclusion in economic and social development. Beneficiaries include youth engaged in capacity-building, policy advocacy, innovation, and entrepreneurship activities supported by the Bank.
3	Education	Students benefitting from better education access or quality of education services This indicator is Harmonised with the other MDBs	This indicator captures the Bank’s contribution to improving access to and quality of education services, supporting SDG 4 (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all). It tracks the number of students who benefit from infrastructure improvements, enhanced teaching quality, digital learning integration, and institutional strengthening efforts in the education sector. The indicator tracks contributions from all operations that provide inclusive and equitable education at all levels.

	Operational Focus	Indicators	Rationale
4	Health and Social Protection	People benefiting from improved health or social protection services	This indicator tracks contributions from all operations that provide quality health care, and social protection. This indicator aligns with SDG 1 (No Poverty) and SDG 3 (Good Health and Well-being) by measuring the reach of interventions that enhance the well-being, income security, and protection of vulnerable populations. The indicator helps track how Bank-supported operations reduce households' exposure to shocks—such as illness, unemployment, or climate-related crises—by improving service coverage, delivery systems, and institutional capacity for social protection.
5	GHG Emissions Avoided	Emissions avoided as a result of Bank initiatives: Net annual greenhouse gas emissions (tCO ₂ e/year) avoided This indicator is harmonised with other MDBs	Modified, previous "Greenhouse gas emissions reduction (t CO ₂ equivalent/year)" indicator. Net emissions avoided is proposed as an improved indicator. This indicator measures the Bank's contribution to climate change mitigation through the avoidance or reduction of greenhouse gas emissions attributable to CDB-financed projects. It aligns with SDG 13 (Climate Action) and reflects the Bank's shift toward supporting affordable, reliable, and sustainable clean energy and low-carbon development pathways. Investments in climate action, private sector development, and regional cooperation and public goods can meaningfully contribute to the achievement of this outcome indicator.
6	Access to affordable, reliable, sustainable energy	Renewable energy capacity resulting from Bank initiatives: Total capacity of renewable energy installed (MW) This indicator is harmonised with other MDBs	This indicator measures the Bank's contribution to improving access to affordable, reliable, sustainable, and modern energy, in alignment with SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). It captures the number of individuals benefiting from access to clean energy services - electricity, heating, cooling - resulting from CDB-financed interventions.
7	Climate Risk Resilience	Number of people with improved resilience to climate-related shocks or strengthened disaster resilience (#). This indicator is harmonised with other MDBs	This indicator aligns with SDG 13, and harmonised with the MDB Joint Framework for Climate Finance Tracking (Adaptation) and the GCF Core 2 indicator, which all support resilience and adaptive capacity to climate hazards. It tracks the number of individuals whose resilience to climate-related hazards has been measurably improved through CDB-financed interventions that reduce exposure and vulnerability, strengthen adaptive capacity, or build protective systems. Investments may include resilient infrastructure, early-warning systems, community-based adaptation, and policy and institutional reforms that protect lives, livelihoods, and ecosystems. Investments in climate action, regional cooperation and public goods, and resilience and empowerment can meaningfully contribute to the achievement of this outcome indicator.

	Operational Focus	Indicators	Rationale
8	Responsible consumption and production	<p>People benefiting from strengthened environmental sustainability or efficient use of natural resources and material consumption (number)</p> <p>This indicator is harmonised with other MDBs</p>	<p>This is a proxy indicator related to SDG 12. It captures the total number of individuals who benefit from CDB-interventions that protect or restore natural capital, enhance ecosystem services, reduce pollution, or improve resource efficiency and waste management (sex-disaggregated). New to measure the benefits from integrating environmental sustainability into sector investments.</p> <p>Beneficiaries include people who: Gain improved access to cleaner water, air, or waste-management services. Live in or depend on areas where land, forests, coastal or marine ecosystems are conserved, restored, or managed sustainably. Benefit from projects that reduce pollution, increase recycling or resource-use efficiency, or introduce green technologies and sustainable production systems. Participate in or are protected by policy, institutional, or behavioural reforms promoting sustainable consumption and production (e.g., green business incentives, eco-labeling, bans on single-use plastics).</p>
9	Strong Institutions	<p>Organisations and BMCs benefitting from institutional capacity building, financial management, governance reforms.</p> <p>**Support for this indicator in the form of published Narrative Impact Stories, that can trace longer-term results from the interventions.</p>	<p>This indicator captures the Bank's contribution to strengthening institutional capacity, improving governance, and enhancing the efficiency and accountability of public sector management. It aligns with SDG 16 (Effective, Accountable and Transparent Institutions) and SDG 17 (Strengthen Implementation and Partnerships). The indicator promotes systematic tracking of support for reforms and capacity-building initiatives that improve service delivery, fiscal management, procurement systems, and public sector performance.</p> <p>While the indicator measures the number of institutions benefiting, longer-term improvements in institutional performance and policy reform outcomes should be supported through Narrative Impact Stories, case studies, and evaluations to demonstrate sustained change over time.</p>
10	Economic opportunities and MOB- Jobs	<p>Beneficiaries of improved financial, and economic services, employment support and entrepreneurship initiatives, including policy reforms and MSME development and growth (#)</p>	<p>The indicator should include all activities that support direct job creation through policy reforms; entrepreneurship; creativity and innovation; and the formalisation and growth of MSMEs. It aligns with SDG 8 (Decent Work and Economic Growth). Investments in private sector development, and regional cooperation and public goods can meaningfully contribute to job creation. The indicator encourages a Bank-wide approach to advancing private sector development by ensuring that operations systematically address barriers to productivity, access to finance, and business formalisation. It also underscores the importance of partnerships that mobilise private capital and create</p>

	Operational Focus	Indicators	Rationale
			enabling policy and institutional environments for MSME growth and employment generation.
11	Infrastructure to connect communities and improve living conditions	<p>People benefiting from improved sustainable infrastructure, transportation solutions, sustainable energy, digital connectivity, and water and sanitation services</p> <p>This Indicator is harmonised with other MDBs</p>	<p>This indicator captures the Bank’s contribution to improving quality of life through investments in infrastructure and basic services that connect communities, facilitate mobility, and enhance living conditions. It aligns with SDG 11 (Sustainable Cities and Communities) and SDG 9 (Industry, Innovation, and Infrastructure).</p> <p>The indicator aggregates beneficiaries from key infrastructure sectors—transport, energy, water and sanitation, housing, and digital connectivity—where projects directly improve accessibility, reliability, or service quality. It emphasises the multi-dimensional benefits of inclusive infrastructure for both urban and rural populations.</p>
12	Food Security / Agriculture	<p>Farmers with improved market access (number) OR using improved and climate-resilient technologies and inputs</p> <p>Harmonised with IFAD and ADB results frameworks</p>	<p>This indicator measures the Bank’s contribution to strengthening food security and rural livelihoods through enhanced agricultural productivity, value-chain integration, and market access. It aligns with SDG 2 (Zero Hunger) and SDG 8 (Decent Work and Economic Growth).</p> <p>By tracking the number of farmers benefiting from improved access to agricultural markets, logistics, and supporting infrastructure, the indicator captures the economic empowerment dimension of food systems, emphasising market participation, competitiveness, and income growth rather than production volume alone. It reflects CDB’s support for climate-smart, inclusive, and commercially viable agriculture.</p>
13	Gender Equality and Social Inclusion	<p>Number of people benefiting from gender equality and social inclusion initiatives, of which (%) from actions that expand and enable economic opportunities</p>	<p>This indicator measures the Bank’s contribution to advancing gender equality and social inclusion by promoting equal access to opportunities, resources, and decision-making for both women and men. It aligns with SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities). This approach aligns well with BMCs focus on improving key social and economic outcomes for men.</p>
14	Digital connectivity and Digital Services	<p>Beneficiaries of Bank-supported interventions to expand digital connectivity or digital services (#)</p>	<p>This indicator measures the Bank’s contribution to accelerating digital transformation by expanding access to digital infrastructure, connectivity, and services in BMCs. It aligns with SDG 9 (Industry, Innovation and Infrastructure) and SDG 17 (Partnerships for the Goals).</p> <p>It encourages CDB to move beyond digital mainstreaming to dedicated investments that strengthen the enabling environment for digital inclusion, e-government, and innovation ecosystems.</p>

TABLE 2: INDICATIVE STRATEGIC ALIGNMENT INDICATORS

Operational Focus and Cross-Cutting Themes	Indicators
Climate Action	<ul style="list-style-type: none"> • Financing for climate action (% of \$ approved). • Volume of public and/or private finance mobilised for climate change purposes (\$).
Youth Development	Approved operations supporting youth employability or youth empowerment (% of # of approved operations annually).
Strong Institutions	Approved operations supporting institutional capacity building, financial management, governance reforms, of BMCs (% of #).
Gender Equality	<ul style="list-style-type: none"> • Financing for Gender-Specific Initiatives – i.e. designed to improve gender equality as a stated objective (% of \$ approved) • Approved operations promoting GE (% of #). • Completed operations delivering intended GE results (% of #).
Digital Transformation	Approved operations supporting digital transformation of BMCs (% of #).
RCI	Approved operations supporting RCI (% of # approved).
Support for Most vulnerable BMCs	Financing for most vulnerable BMCs (% of \$ approved for Groups 2 and 3 Countries).

TABLE 3: INDICATIVE OPERATIONAL PERFORMANCE INDICATORS

Performance Area	Indicator	Rationale
Implementation Readiness	1. Operations that are implementation- ready before approval (% of #).	New to measure readiness of capital projects - completed engineering designs and status of procurement of infrastructure operations. This indicator will offer a more holistic assessment of the quality of an operation’s design based on a set of criteria, which are crucial for achieving the intended development results through smooth and timely implementation. Methodology to be finalised.
Projects at Risk	2. Projects at Risk for six consecutive quarters (% of Portfolio)	Modified to encourage proactive oversight and support to operations during implementation and to incentivise candid and regular progress reporting so that any issues are flagged and timely action taken to address any issues.
Quality of Completed Operations	<p>3. Completed operations rated satisfactory or highly satisfactory (% of #) disaggregated by: (a) Investment loans and grants; (b) Policy-based Loan; (c) TA; and (d) CES.</p> <p>4. Completed operations delivering intended Gender Equality results (% of #).</p>	Report on the overall success rate of operations at completion.

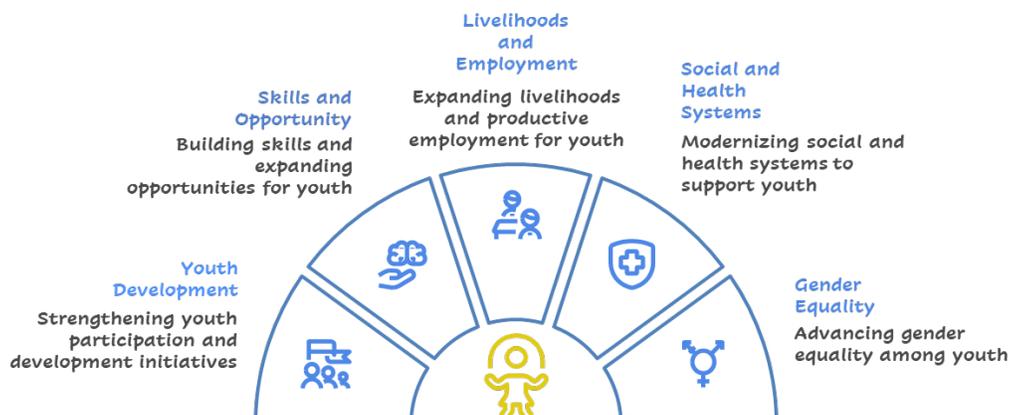
TABLE 4: INDICATIVE ORGANISATIONAL EFFECTIVENESS AND EFFICIENCY INDICATORS

Performance Area	Indicators	Rationale
Financial Sustainability	1. Leaner Bank: Admin expense/disbursement ratio AND More efficient Bank: cost/income ratio	CDB must manage its financial resources effectively, reflecting a commitment to financial discipline and strategic resource allocation. Financial sustainability is essential for long-term operational efficiency. The cost-to-income ratio is monitored to ensure that operational costs are managed prudently in relation to income, whether from loan and/or grant operations. This indicator reflects the Bank’s discipline in balancing resources against strategic priorities. Tracking Indicators will continue to monitor administration expenses per \$1 million (mn) of project disbursements (three-year moving average).
Staff Capacity	2. Budgeted Professional Staff in Operations Departments (% of number)	The percentage of budgeted professional staff in the Operations Area, measures CDB’s ability to mobilise technical expertise where it is most needed.
Staff Diversity	3. Representation of women in Managerial Positions (% of number).	The representation of women in managerial positions, supporting CDB’s commitment to GE and inclusive leadership.
Staff Engagement	4. Employee Engagement Index/ Score (%).	The Employee Engagement Index, measuring the extent to which staff are motivated, supported, and aligned with the Bank’s mission and values
Client Satisfaction	5. Client Satisfaction (% of clients satisfied with CDB's services).	Percentage of clients satisfied with CDB’s services, with disaggregated tracking of factors such as response time, performance of lending and non-lending instruments, and the range of product and service offerings. This measure provides actionable insights to refine products, services, and engagement approaches.

PROPOSED CDB ACTIONS UNDER OPERATIONAL PRIORITIES

1. This Appendix outlines the indicative actions that will guide the CDB’s implementation of its key operational priorities over the 2026-2035 period: Investing in Youth, Strengthening Institutions, and Accelerating Climate Action. These actions translate the Bank’s strategic commitments into specific programmes, partnerships, and investments aimed at deepening resilience, advancing inclusion, and driving sustainable growth across its BMCs.

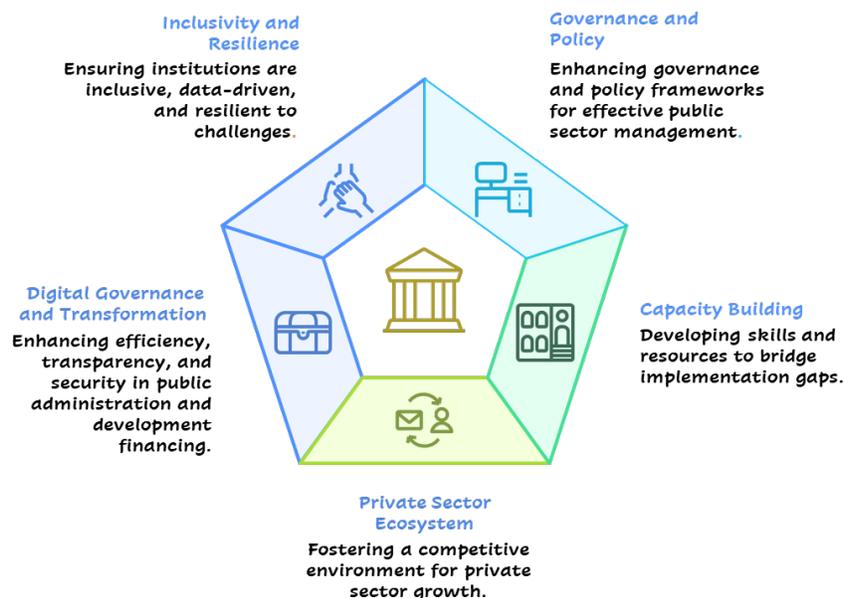
ACTIONS FOR DELIVERING ON YOUTH



2. CDB will invest in the potential of youth as a driver of resilience. The Bank will advance this priority through a comprehensive programme of investments, policy engagement, and partnerships. The Bank’s interventions will cover multiple, mutually reinforcing domains:

- ***Expanding Youth Leadership and Participation:*** Empower young people to lead and participate in decision-making and contribute to community and national development.
- ***Strengthening Education and Skills Development:*** Improve access to quality, future-ready education and training, aligned with labour market needs.
- ***Expanding opportunities for decent work, and entrepreneurship:*** Expand opportunities for employment, entrepreneurship, and access to finance for youth-led enterprises.
- ***Expanding and Modernising Inclusive Social Protection, and Health Systems:*** Modernise and expand social and health systems to enhance safety, equity, and inclusion for vulnerable youth.
- ***Advancing Gender Equality:*** Promote equal access, opportunity, and representation for young women and men.

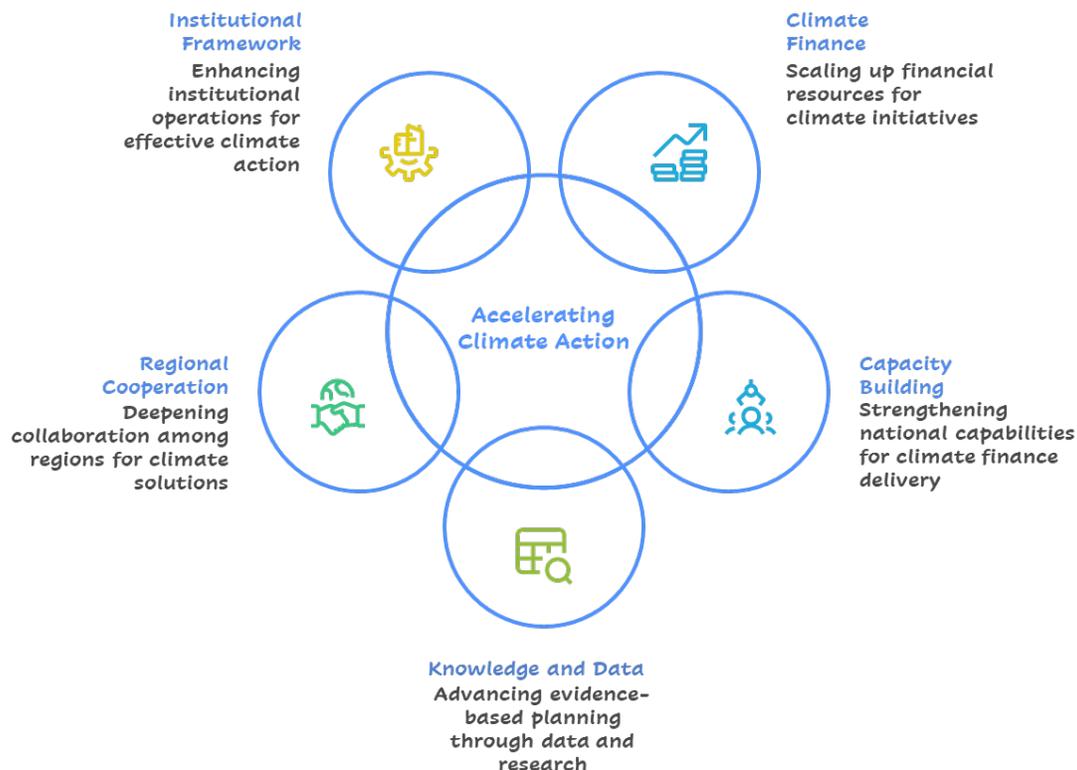
ACTIONS FOR DELIVERING ON STRENGTHENING INSTITUTIONS



3. Over the 2026–2035 period, CDB will strengthen the institutional and governance capacity of its BMCs through a coordinated programme of policy engagement, capacity development, and investment. The Bank’s interventions will focus on:

- ***Strengthening Governance, Policy, Fiscal Systems and Public Sector Transformation:*** Enhance fiscal and public financial management, modernise procurement and regulatory frameworks, and support the digitisation of public services to strengthen governance, accountability, and evidence-based decision-making.
- ***Building Capacity and Closing Implementation Gaps:*** Establish the CDB Academy as the flagship platform for institutional capacity-building, reintroduce the Public Policy Analysis and Management/Project Cycle Management (PPAM/PCM) initiative, and deliver targeted TA to close implementation gaps and strengthen project delivery.
- ***Strengthening the Ecosystem for a Competitive Private Sector:*** Improve policy, legal, and regulatory frameworks to foster private sector competitiveness, support national investment strategies, and strengthen trade and regional integration capacity.
- ***Making Institutions More Inclusive and Resilient:*** Integrate gender equality, social inclusion, and risk-informed governance into institutional frameworks to ensure systems are equitable, adaptive, and responsive to citizen needs.
- ***Advancing Digital Governance and Transformation:*** Support national digital governance strategies, invest in digital infrastructure, strengthen cybersecurity and data protection, and promote interoperable, cloud-based systems for more efficient and transparent public administration.
- Together, these efforts will help create more agile, and capable institutions that can deliver sustainable development results across the Caribbean.

ACTIONS FOR DELIVERING ON CLIMATE ACTION



4. CDB will accelerate climate action to help BMCs build resilience, reduce emissions and transition toward low-carbon, climate-smart development. To that end, the Bank has established an ambitious Climate Finance target of 30% of its own resources which will be assessed after 2036, with consideration being given to increasing to 35%. Further, additional financing will be mobilised through partnerships with global climate funds, International Financial Institutions, the private sector, and other partners. The Bank's interventions will focus on:

- ***Increasing Access to Climate Finance:*** Expand support for project preparation, financing, and partnership development to unlock access to global climate funds and attract public and private investment for adaptation and mitigation.
- ***Strengthening Country Capacity for Climate Finance Delivery:*** Build technical, institutional, and fiduciary systems that enable BMCs to plan, access, and manage climate finance effectively and align national priorities with global climate goals.
- ***Advancing Knowledge, Data, and Evidence-Based Planning:*** Strengthen data systems, research partnerships, and tools for risk-informed planning, monitoring, and investment prioritisation.
- ***Deepening Regional Cooperation and Collaboration:*** Promote regional investment frameworks, cross-border projects, and partnerships that deliver economies of scale, enhance coordination, and strengthen collective resilience.

- ***Enhancing CDB's Institutional Framework and Operations for Climate Action:*** Integrate climate and disaster risk considerations across CDB's portfolio, update strategies and policies, and adopt climate-risk assessment methodologies to guide decision-making and safeguard investments.

INDICATIVE ROADMAP FOR KEY INITIATIVES TO OPERATIONALISE THE STRATEGIC PLAN 2026-2025
(FURTHER ACTIONS TO BE AGREED WITH THE BOARD OF DIRECTORS)

STRATEGIC PLANNING	WHEN TO DELIVER	OWNER
Update the CDB’s strategic framework to simplify guidance and ensure continued relevance of each instrument and document as well as their alignment with the Strategic Plan 2026-2025. Establish a robust planning process that improves the allocation of resources to strategic priorities, including reforming the Work Programme and Budget process and methodology.		
<ul style="list-style-type: none"> • Revision of sector strategies to incorporate resilience objectives, operational focus areas and cross-cutting themes; with RMFs aligned with corporate RMF based on theories of change, in particular: <ul style="list-style-type: none"> ○ Updated Youth Policy; following evaluation which will be completed by end 2025 ○ Updated Gender Policy and Operational Strategy ○ Updated Gender Equality Action Plan ○ New Regional Cooperation and Integration Strategy ○ Digital Transformation Policy and Strategy ○ Updated Climate Resilience Strategy ○ Biodiversity Action Plan ○ Other sectoral strategies • New Work Programme and Budget, aligned with SP • SP monitoring tool active 		
	2026 Q1 – Q3	SDED/PD
	2026 Q2	SSD
	2025-2027	PSD
	2027	VPO
	2026 Q3	ESU
	2026 Q2	ESU
	2025 Q2	SDED/FD
	2026 Q2	SDED
COUNTRY ENGAGEMENT STRATEGIES AND COUNTRY PROGRAMMING		
As at the end of 2025, the Bank currently has six live CES. It intends to approve 5 in 2026 and 2027, and will begin negotiating with other BMCs. The start of the new SP period provides an opportunity to improve country engagement, including the CES process, building on the new SP and strengthening the programmatic approach to BMC support.		
<ul style="list-style-type: none"> • Develop new CES based on a framework of relevance and alignment, revolving around results and impact based on the new corporate-level RMF, strengthening knowledge in diagnostics and implementation, among other aspects. 	2026	ECON/PD
<ul style="list-style-type: none"> • Strengthen the interaction across CES preparation, programming process, and portfolio management to enhance alignment with development challenges for greater impact. 		
<ul style="list-style-type: none"> • Incorporate the new strategic objectives, operational focus areas, and cross-cutting themes from SP 2026-2025 in the CES intervention areas. Align CES RMF with corporate RMF. 	2026 Q1	ED/SDED
<ul style="list-style-type: none"> • Include RMF training for BMCs 		

DEVELOPMENT IMPACT	WHEN TO DELIVER	OWNER
<p>The Bank is reforming its system for MfDR, by adopting a new Corporate Results Management Framework that will assess implementation of SP 2026-2035, support the Bank’s contribution to the SDGs (2030) and the CARICOM Vision 2050; and ensure transparency and accountability regarding the Bank’s performance and results. The new C-RMF is intentional about harmonising indicators with those of other MDBs, while reflecting the operational focus areas and cross cutting themes to achieve the strategic objectives of SP 2026-2035. Key tasks to operationalise the C-RMF are:</p>		
<ul style="list-style-type: none"> • Staff training in ToC and RMF 	2025 Q4	SDED
<ul style="list-style-type: none"> • Finalisation of structure of C-RMF and indicators 	2025 Q4	SDED/PD/ED
<ul style="list-style-type: none"> • Technical notes supporting compilation of indicators 	2026 Q1	SDED
<ul style="list-style-type: none"> • Widespread adoption of TOC in CES, projects and significant TA, that are consistent with TOC in the SP. 	2026 Q1	SDED/PD/ED
<ul style="list-style-type: none"> • Training in Results Monitoring for BMCs, delivered jointly with WBG 	2026	SDED
<ul style="list-style-type: none"> • Agreement of approach to target setting 	2026	SDED/PD/ED
<ul style="list-style-type: none"> • Working with OIE to plan evaluations 	2026	SDED/PD/OIE
HUMAN RESOURCE CAPABILITY		
<p>To respond to the growing demand for the Bank’s products and services, additional staff capacity is required, particularly within operations, but also across corporate services. BMCs are expecting more from the Bank, and CDB must move faster, deliver more, and deliver better. Equally, it must more effectively demonstrate the impact of its interventions. Strengthening recruitment and retention, alongside initiatives to enhance staff engagement, will therefore be essential. Key deliverables include:</p>		
<ul style="list-style-type: none"> • Workforce Analysis Phase I: identifying staffing needs 	2026 Q2 2026 Q4	HRD HRD
<ul style="list-style-type: none"> • Workforce Analysis Phase II: baseline organisational cultural assessment 		
<ul style="list-style-type: none"> • Workforce Analysis Phase III: review of organisational structure 		
<ul style="list-style-type: none"> • Culture change mapping and milestones 		
<ul style="list-style-type: none"> • New HR Strategy, cascaded from the Bank’s Corporate Strategy 		
<ul style="list-style-type: none"> • Improving talent acquisition through, talent outreach (including active candidate sourcing) and candidate preparation (TBC new staff by end of 2027) 		
<ul style="list-style-type: none"> • Enhancing talent management by designing career pathways and development programmes (including but not limited to leadership development) that align with the Bank’s Strategic Objectives 		
<ul style="list-style-type: none"> • Institutionalising HR analytics and reporting by leveraging the data in the Bank’s HR systems (TBC young professional in Q2 2026 and established post in 2028) 		

RISK APPETITE FRAMEWORK	WHEN TO DELIVER	OWNER
<p>The RAF phased-in approach is required given the lack of structured data input, data collection processes (e.g. RMF, HR/IT data), and tools/systems (e.g. GRC). Refinement of the monitoring processes, including data collection, KRI testing and optimisation, refinement of set limits, dashboard implementation, adherence to the periodic reporting cycle, and ad-hoc escalation procedures.</p> <p>Review CDB’s RAS in line and consistently with the Strategic Plan review timeline (i.e. every three years) and with the evolving external risk landscape and internal operational developments (e.g. the need for additional capital, BSO implementation, organisation and infrastructure changes etc.). Introducing annual capital (climate and credit/macroeconomic) and liquidity stress testing exercise and enhancing the KRIs with the data/systems digitalisation and overall improvements. Development of concrete response measures, including capital and liquidity contingency planning, further refinement of business continuity plans, and related actions. Development of recovery plan and update of RAS (and CAF) enabling the implementation of potential Contingent Capital Facility.</p>		ORM/SDED/HRD/ITSD
<ul style="list-style-type: none"> • RAS KRIs enhancement (e.g. Operational risk) 	2027 Q4/2030 Q4/ 2024 Q4	ORM
<ul style="list-style-type: none"> • Stress Testing Exercises Launch 	2027 Q1/2028 Q1	ORM
<ul style="list-style-type: none"> • RAS Review 	2028 Q4/2031 Q4/ 2034 Q4	ORM/SDED
<ul style="list-style-type: none"> • Other RAS Reviews 	GCI/BSO timeline	ORM
RESOURCE MOBILISATION		
<p>Develop a strategy for mobilising financial resources that will be linked to the objectives in the overall Strategic Plan 2026-2035. Mobilisation based on three broad pillars: (a) capital base; OCR borrowing; and partnerships.</p> <p>RMS will consider existing strengths, weaknesses, opportunities and threats. It will identify optimal organisational structure and human resourcing needs. Will include an RMF. RMS must be supported by a new Communications Strategy.</p>	2026 Q1 (RMS approved)	VPFCS/FD/ORM/DCCA
<p><i>Capital Base:</i></p> <ul style="list-style-type: none"> • BSO (see below) • Possible General Capital Increase 	2026 Q2? TBC	ORM VPFCS/FD/ORM
<p><i>OCR borrowing:</i></p> <ul style="list-style-type: none"> • EMTN programme • Sustainability-linked financing 	2026 Q1 2026	FD LGL/FD

	WHEN TO DELIVER	OWNER
<p><i>Partnerships (to increase Special Funds Resources – target TBC):</i></p> <ul style="list-style-type: none"> • SDF 11, 12 and 13 • Bilateral and multilateral partners • Investment vehicles • Sovereign Wealth Funds • Syndication • Pension funds • Philanthropic capital • Thematic trust funds 	Ongoing	SDED
BALANCE SHEET OPTIMISATION (BSO)		
Mainstream BSO and make it ongoing; review/update the Capital Adequacy Regulations to ensure they fit the Bank’s needs; and implement the G20 MDBs Capital Adequacy Framework (CAF) Review recommendations to increase the Bank’s lending capacity. So far, the Bank has concluded an EEA with the Central American Bank for Economic Integration, creating \$460 mn in lending headroom. Going forward, the Bank will create an additional min \$200 mn in headroom:	2026	ORM
<ul style="list-style-type: none"> • Portfolio Credit Guarantees 	2026	
<ul style="list-style-type: none"> • Contingent Capital Facility 	2027	
<ul style="list-style-type: none"> • Hybrid Capital 	2027	
<ul style="list-style-type: none"> • Credit risk insurance 	2027	
OPERATIONS AND EXECUTION		
At present, project appraisal, approval and implementation are all hindered by capacity and systemic weaknesses within BMCs and within the Bank. Based on various metrics, there is scope for improvement in the performance of the portfolio. This must be addressed if the Bank is to significantly increase the size of its portfolio in line with its scale up ambition. The outcome of the capacity-building TA will be very important in identifying concrete actions that can be taken, starting in 2026. The Bank’s entire pipeline management will improve. New leads will be entered in OP365 as soon as they are identified, and times to qualify those leads will be closely monitored. The Bank will also monitor the conversion of leads to opportunities and proactively address any delays in the appraisal process. Active engagement with BMCs will ensure that interventions are in line with their needs. Key milestones will be:		
<ul style="list-style-type: none"> • Completion of Implementation Study, with development and agreement of BMC Action Plans 	2026 Q2	PD
<ul style="list-style-type: none"> • Pipeline Management Dashboard operational, providing real-time information on the progress of projects 	2026 Q2	VPO/PD/ED
<ul style="list-style-type: none"> • Report on TA portfolio, with recommendations actioned 	2026 Q2	SDED/PD/ED
PRODUCT INNOVATION		
The Bank is expanding its product offering, offering more than traditional loans, grants, technical assistance and policy advice. The Bank’s ambition is to deliver agile, inclusive and innovative financial and policy solutions responsive to client needs. Some new products have been agreed in principle, but need to be developed further. The Bank will continue to explore new innovations, combining local knowledge with global best practices.		

	WHEN TO DELIVER	OWNER
<ul style="list-style-type: none">• Trade Finance scheme• National and regional debt swaps• Contingent emergency response components• Partial credit guarantees• Local currency loans• Investment Forum• Insurance products• E-Mobility Fund• Conditional credit line for investment projects (sector or multisector)	2026	PSDECON/ VPCS ORM/ESU PSD/ORM FD

