

Signature Interview

Daniel M. Best is the 7th President of the Caribbean Development Bank (CDB), the Region's sole indigenous multilateral development finance institution based in Barbados.

He was a Senior Infrastructure and Development Advisor to the Office of the Prime Minister of Barbados, seconded from his role as Director, Projects Department at CDB. He has over 30 years of experience as a Civil Engineer, Development Banker and Project Management Professional, with a designation from the Project Management Institute.

Mr. Best graduated from the University of Durham with a Master of Business Administration and holds a Master of Science in Construction Engineering and Management from the University of the West Indies (St. Augustine).

Caribbean Business and Travel (CBT) spoke with the CDB President about the Bank's priorities under his leadership and how the region's premier financial institution is helping governments and the private sector to sustain and increase economic growth.



Daniel M. Best
CDB President

CBT: In your inaugural address to the CDB's annual meeting of the Board of Governors in Brazil, you underscored the need for unlocking the private sector's full potential. Can you provide some examples of how the CDB is helping the business sector in the region achieve this?

DB: We are actively pursuing this through initiatives that expand access to finance, such as the newly approved Trade Finance Guarantee Programme. This facility enables partnerships with regional and international banks to support trade transactions and provide short-term working capital, particularly benefiting MSMEs and exporters. The Bank is also strengthening financial institutions through lines of credit, technical assistance, and institutional support to better serve underserved sectors like agriculture, tourism, and light manufacturing. We are leveraging blended finance solutions with partners like IDB Invest, IFC, and CAF to mobilize private capital for high-impact sectors such as clean energy, agribusiness, and infrastructure. Risk participation agreements are being developed to attract commercial bank financing

while managing risk, especially in smaller economies like those in the OECS.

Beyond finance, we are promoting innovation and competitiveness through the Compete Caribbean Programme, which supports firm-level productivity and ecosystem development. The Bank is also advancing inclusive entrepreneurship by supporting women-led businesses through the SheTrades Caribbean Hub and fostering youth entrepreneurship through policy support, incubator assistance, and capacity-building.

CBT: All of the region's manufacturers associations have set goals to significantly increase the contribution of that sector to GDP growth.

How is the Bank equipping the productive sector to achieve these goals and what is your assessment of the potential of this sector?

DB: CDB is investing in strategic initiatives that enhance quality infrastructure, foster innovation, and support value chain development. The Bank delivers targeted programmes aligned with the Caribbean Industrial Transformation Agenda. One of the ways we do this is

to work directly with manufacturers to upgrade compliance with international standards and integrate digital manufacturing technologies. Such initiatives position producers to improve product quality and gain access to new and emerging markets. The Bank is exploring new ways to support entrepreneurship in the region's manufacturing sector. With the rise of AI-powered technologies, Caribbean industries now have a real chance to compete on the global stage.

There is tremendous potential within the Caribbean's manufacturing base. To ensure no economy is left behind, regional cooperation over the next decade must focus on expanding entrepreneurship by improving access to finance, technology, and export markets. Sectors such as agro-processing, furniture manufacturing, and renewable energy equipment in this regard, offer strong prospects for inclusive growth and job creation.

CBT: For companies and entrepreneurs considering the Caribbean as a location for new investment projects, what advantages does the Caribbean have over other regions?

DB: The Caribbean has the potential to provide investors with several advantages. For example, the Region is strategically located between major markets in North, Central, and South America, and has good proximity to Europe. This geographic positioning makes it a natural hub for trade and logistics. Additionally, with political and economic stability, the Caribbean can offer a secure and attractive climate for investment. Other advantages, such as a skilled workforce and reliable utilities also make the region conducive for new investment projects. Investment opportunities extend beyond tourism into sectors like agribusiness, renewable energy, ICT, and creative industries, making the Caribbean a diverse and promising destination for entrepreneurs and companies alike.

CBT: Digital transformation is one of the key pillars of the Bank's 10-year Strategic Plan. What should governments and the private sector be doing and how can the bank assist?

DB: We know that digital connectivity is able to drive development in the Region through reducing transactional costs for doing business and improving efficiency by streamlining and reengineering of processes, and promotion of greater inclusion. When you look at demographics and technology availability and capability in the Region, the digital divide is stark.

CDB is investing in digital readiness—helping firms adopt e-commerce solutions, automate back-office operations, and improve access to digital finance. We have assisted governments with digitalisation as part of their safety net reforms, and interoperability system enhancements, as well as the use of digital technology and in digital transformation within the education



CDB President Daniel M. Best with Barbados Prime Minister, Hon. Mia Mottley.

and training system to help build social resilience and promote learning.

CBT: Can you identify a few major infrastructure projects nearing completion or in the pipeline that will enhance the capacity of Caribbean countries to achieve their production goals and improve efficiency?

DB: We are behind a lot of exceptionally good projects, designed with our stakeholders and responding to major needs. We are proud to be part of the Dominica Geothermal Power Project. Through the Dominica Geothermal Project, the 10MW geothermal plant, supported by the CDB and other partners, will increase the share of renewable energy in the national grid from 25% to 63%. It is anticipated that this will lead to reduced electricity production costs. This shift is expected to improve the competitiveness of local businesses, and attract investment in energy-intensive sectors. Additionally, the project will reduce the fiscal burden of fuel imports, enhance energy security, and create employment opportunities.

In the case of St. Kitts and Nevis, CDB stepped in with a contingent recoverable grant to make exploration possible in Nevis. This major project is helping the country to build its sustainable future – reducing electricity costs and carbon emissions, and increasing energy security. When you think about it, generating more than 100% of the domestic demand is a reality for that country.

The Port Modernisation Project in Saint Vincent and the Grenadines is a cornerstone of the country's strategy to achieve its economic production goals by transforming the outdated Kingstown Port into a modern, climate-resilient logistics hub. This upgrade will significantly enhance trade efficiency by reducing vessel turnaround times, increasing cargo throughput, and enabling the accommodation of larger ships, thereby lowering shipping and logistics costs.

The Linden to Mabura Hill Road Upgrade Project in Guyana is a strategic infrastructure investment, transforming a 121 km portion of the critical link between Guyana and Brazil into an all-weather, climate-resilient corridor. This project

will vastly reduce travel time and enhance connectivity between the coastal and interior regions, thereby unlocking access to underutilized land, labour, and resources. Now, that is certainly transformational. The project is part of a South American regional Integration Initiative and will contribute to strengthened trade with Brazil by improving access to markets and services. This inclusive development project is also supporting hinterland communities, ecotourism and Guyana's economic diversification strategy.

CBT: What impact do you expect the recent seminar at the Annual Meeting of the Board of Governors in Brazil that addressed project implementation delays to have?

DB: Caribbean countries continue to face significant challenges in translating development plans and financing into concrete results. Achieving effective development outcomes is hindered by several factors, including capacity gaps such as limited technical expertise and outdated infrastructure, systems and procedures. Effective implementation of projects is fundamental to driving transformational change in any sector and for achieving CDB's overarching goal of "Reducing Poverty and Transforming Lives through Sustainable, Resilient, and Inclusive Development."

The findings of a major CDB-led study on this topic were aimed at identifying evidence-based solutions, to be implemented in the short, medium and long-term and tailored for each country and the Bank itself. The full recommendations will be available later in 2025.

The main message we wanted to have resonate with everyone participating in the seminar, financial institutions, civil society, the public service, the private sector, financial institutions like ourselves, is that "business as usual" is not an option if the

Caribbean region is to thrive in the face of an ever more complex external environment, the harsh realities of the social challenges we face, and the disaster and climate risks we must adapt to. Each one of us, every day, must hold ourselves accountable for achieving results.

CBT: The bank's annual meeting in Brazil highlighted the deepening partnerships between the CDB and Latin America. What are some of the opportunities for significantly expanding Caribbean trade and investment with that region?

DB: There are significant opportunities to expand Caribbean trade and investment with Latin America. Through targeted initiatives such as the Enhancing the Belize National Quality Infrastructure project has strengthened its collaboration with CENAM—Mexico's National Metrology Center. This partnership is building Belize's capacity to offer internationally accredited calibration services, improving measurement accuracy and traceability. Beyond this, there are broader strategic opportunities to deepen Caribbean-Latin American trade, particularly in areas such as logistics, energy cooperation, and agro-industrial value chains. Markets like Brazil, Colombia, and Panama offer growing demand for Caribbean products and services, especially in niche areas such as specialty agriculture, creative industries, and professional services. To fully leverage these opportunities, improved transport connectivity and stronger regulatory cooperation between the regions are essential.

CBT: Given the geopolitical challenges, including tariff and supply chain issues that impact the region, what options do Caribbean governments and the private sector have?

DB: The trade and supply chain

issues could have serious implications for businesses and consumers. So, some of the best options to manage the current wave of trade uncertainty and mitigate the potential risks or recurrence over the near-to-medium term, include actions such as safeguarding (preferential) access to the U.S. market, strengthening intra-regional trade and production integration, and enhancing supply chains and logistical arrangements. CARICOM discussions have also underscored the importance of devising strategies to build trade resilience by improving competitiveness, and establishing a regional emergency competitiveness fund to support both direct investments to improve productivity, standard and compliance, and the private sector in the Region to attain new levels of business competitiveness.

CBT: What role do you think the CARICOM Private Sector Organization (CPSO) and the Caribbean Manufacturers Association (CMA) should be playing to contribute to achieving sustained economic growth.

DB: The CARICOM Private Sector Organization (CPSO), the Caribbean Manufacturers Association (CMA), and the broader private sector, play an indispensable role in advancing sustained economic growth. Their leadership is critical in strengthening public-private partnerships (PPPs) by fostering collaboration between government agencies, private sector actors, and academia to co-develop and co-finance quality infrastructure solutions that are relevant to industry needs and ensure broad uptake across sectors.

In addition, these bodies should actively shape the design of regional integration and cooperation programs to ensure inclusivity, particularly for MSMEs, women-led businesses, and rural enterprises. By advocating for

tailored support mechanisms such as access to certification, product testing, and technical assistance, the CPSO, CMA, and private sector partners can help ensure that the benefits of regional integration are widely distributed and contribute to a more resilient and competitive Caribbean economy.

CBT: What projects are being funded to build climate resilience and improve disaster risk management, two issues high on the CDB's agenda?

DB: The Bank is actively financing a wide range of projects to enhance climate resilience, disaster preparedness, and sustainable development. These projects span vital sectors such as transportation, energy, agriculture, water management, education, and coastal protection. Major infrastructure upgrades include road improvements, rural electrification, and sea defenses. Additionally, technical assistance is being provided to improve land use planning, early warning systems, and institutional capacity for climate and disaster risk-informed decision-making, with a strong focus on engaging vulnerable populations, including women and youth.

To further support climate resilience, the CDB is accelerating and scaling up climate action through strategic partnerships and a country-driven approach, ensuring that local communities are involved in designing and implementing adaptation initiatives. The Bank also offers a suite of disaster response financing tools, such as emergency assistance, immediate response loans, and long-term reconstruction funding.

Recognizing the challenges in project implementation, the CDB is working to develop a pipeline of bankable national and regional projects. It has established a project preparation facility to help BMCs overcome

capacity constraints and create viable investment proposals.

CBT: Earlier this year, the bank forecast that excluding Guyana, the Caribbean economy will expand by 2.5% in 2025 with prospects varying across countries. Is this projection still on track?

DB: Our Real GDP forecast of 2.5% growth for the Caribbean economy in 2025 was developed prior to February 21, 2025, and did not account for the recent escalation in global trade and geopolitical tensions. Since that time, the global economic outlook has weakened, and this is expected to have a dampening effect on regional growth prospects compared to the earlier forecast. The interconnected nature of global trade means that shifts in major economies can have ripple effects on smaller, open economies such as those in the Caribbean.

Given these developments, the Caribbean Development Bank plans to release an updated economic forecast in the second half of the year, which will reflect the evolving global environment and its implications for the region's growth trajectory.

CBT: In 2024, the CDB approved U.S. \$304 million and disbursed \$323 million in both loans and grants. What are some of the key takeaways from the Annual Meeting in Brazil as it relates to funding?

DB: The meeting highlighted several key takeaways related to funding that reflect the evolving needs and expectations of our clients. One of the central messages was the call for larger, more impactful projects. We need to scale up initiatives to achieve greater economies of scale and scope, which would allow for more efficient use of resources and broader developmental impact. This

shift would signal a move toward more ambitious, transformative investments that can address systemic challenges across sectors. Another major theme was the need for faster implementation. Stakeholders expressed a strong desire for the Bank to accelerate the pace at which projects move from planning to execution, ensuring that the benefits of development financing are felt more quickly by communities. This includes streamlining internal processes, enhancing coordination with national agencies, and improving project readiness.

CBT: In Brasilia in your inaugural address as CDB President, you highlighted that under your leadership there would be a "Rebirth" of the bank. What can we expect?

DB: Simply put, we will do more, better, faster! The CDB that existed for the past 55 years, will not be the CDB of the future. Analysis conducted by the CDB indicated our clients need financing in excess of \$U.S. 60bn over the next 10 years. All of this cannot be provided by CDB and, of course, other development partners operating in this space will need to contribute. However, CDB must position itself to ensure that it is able to add greater value in the financing ecosystem. My vision of Rebirth is anchored in three pillars – innovate, transform, thrive.

Under the **Innovate** pillar, in our sectors of engagement, we will pioneer cutting-edge solutions and leverage new technologies to address complex development challenges. Under **Transform**, we look inward. We will reshape our processes and systems to enhance efficiency, inclusivity, and sustainability. By thinking differently about how we approach development problems, by relooking how we organize ourselves to deliver, we will contribute to a Region that can **Thrive**.