Eastern Caribbean Central Bank



ANNUAL REPORT 2025-2026

Report and Statement of Accounts for the Financial Year ended 31 March 2026

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ABBREVIATIONS

4Cs	Caribbean Credit Card Corporation
ACAMS	Association of Certified Anti-Money Laundering Specialists
AFD	Agence Française de Développement
AML/CFT/CPF	Anti-Money Laundering / Countering (or Combating) the Financing of Terrorism / Countering Proliferation Financing
BARC	Board Audit and Risk Committee
BCMS	Business Continuity Management System
BOP	Balance of Payments
BPM7	Balance of Payments Manual, Seventh Edition
CAPSS	CARICOM Payment and Settlement System
CARDTP	Caribbean Digital Transformation Project
CARIF	Caribbean Infrastructure Forum
CARTAC	Caribbean Regional Technical Assistance Centre
CBI/CIP	Citizenship by Investment Programme
CCMI	Culture and Change Management Initiatives
CFATF	Caribbean Financial Action Task Force
ECCIRA	Eastern Caribbean Citizenship by Investment Regulatory Authority
ECCU	Eastern Caribbean Currency Union
ECACH	Eastern Caribbean Automated Clearing House
ECAMC	Eastern Caribbean Asset Management Corporation
ECFSB	Eastern Caribbean Financial Standards Board
FATF	Financial Action Task Force
FIM	Financial Information Month
FMI	Financial Market Infrastructure
FPS	Fast Payments System
FSI	Financial Soundness Indicators
ICAAPs	Internal Capital Adequacy Assessment Processes
IMF	International Monetary Fund
IFRS	International Financial Reporting Standards
LFIs	Licensed Financial Institutions
MEVAL	Mutual Evaluation
ML/TF/PF	Money Laundering / Terrorist Financing / Proliferation Financing
MSMEs	Micro, Small and Medium Enterprises
NAMLOC	National Anti-Money Laundering Oversight Committee
OECS	Organisation of Eastern Caribbean States
OFC	Office of Financial Conduct
RBS	Risk-Based Supervision
RCBISS	Regional Central Banks Information Systems Specialists
RGSM	Regional Government Securities Market
RSS-ARU	Regional Security System – Asset Recovery Unit
RREIIF	Resilient Renewable Energy Infrastructure Investment Facility
RTGS	Real-Time Gross Settlement
SAS	Statistical Analysis System
SPISE	Student Programme for Innovation in Science and Engineering
STEM	Science, Technology, Engineering and Mathematics
SWIFT	Society for Worldwide Interbank Financial Telecommunication
UNCDF	United Nations Capital Development Fund
UNCTAD	United Nations Conference on Trade and Development
WBG	World Bank Group

Eastern Caribbean Central Bank

26 June 2026

Members of the Monetary Council

In accordance with Article 48(1) of the Eastern Caribbean Central Bank Agreement 1983, I have the honour to transmit herewith the Bank's Annual Report and Statement of Accounts for the year ended 31 March 2026, duly certified by the External Auditors.

I am,
Your Obedient Servant

Timothy N. J. Antoine
GOVERNOR

The Honourable Cora Richardson-Hodge
Premier
ANGUILLA

The Honourable Reuben T Meade
Premier
MONTSERRAT

The Honourable Gaston Browne
Prime Minister
ANTIGUA AND BARBUDA

The Honourable Dr Terrance Drew
Prime Minister
SAINT CHRISTOPHER (ST KITTS) AND NEVIS

The Honourable Dr Irving McIntyre
Minister for Finance
COMMONWEALTH OF DOMINICA

The Honourable Philip J Pierre
Prime Minister
SAINT LUCIA

The Honourable Dennis Cornwall
Minister for Finance
GRENADA

Dr the Honourable Godwin Friday
Prime Minister
SAINT VINCENT AND THE GRENADINES

Tel: (869) 465-2537 • Fax: (869) 465-9562/1051
E-mail: info@eccb-centralbank.org • Website: www.eccb-centralbank.org
SWIFT: ECCBKN

Mission

Advancing the good of the people of the Currency Union by maintaining monetary and financial stability and promoting growth and development

Vision

To be a model institution delivering exceptional service and influential policy advice to support the development of a thriving Currency Union

Core Values

- Service Excellence
- Teamwork and Truth-telling
- Accountability
- Results

Declarations

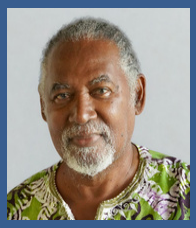
- Competent yet Caring
- Prudent but Proactive
- Imaginative and Industrious

Monetary Council

As at 31 March 2026



Hon Gaston Browne
Antigua and Barbuda
Chairman



Hon Reuben T Meade
Montserrat



Hon Cora Richardson-Hodge
Anguilla



Hon Dr Terrance M Drew
Saint Christopher (St Kitts) and Nevis



Hon Dr Irving McIntyre
Commonwealth of Dominica



Hon Philip J Pierre
Saint Lucia



Hon Dennis Cornwall
Grenada



Dr The Hon Godwin Friday
Saint Vincent and the Grenadines

Board of Directors

As at 31 March 2026

Executive Directors



Timothy N.J. Antoine
Governor
Chairman



Dr Valda F Henry
Deputy Governor

Appointed Directors



Kathleen Rogers
Anguilla



Kenya Lee
Montserrat



Rasona Davis-Crump
Antigua and Barbuda



Hilary Hazel
Saint Christopher (St Kitts) and Nevis



Denise Edwards
Commonwealth of Dominica



Francis Fontenelle
Saint Lucia



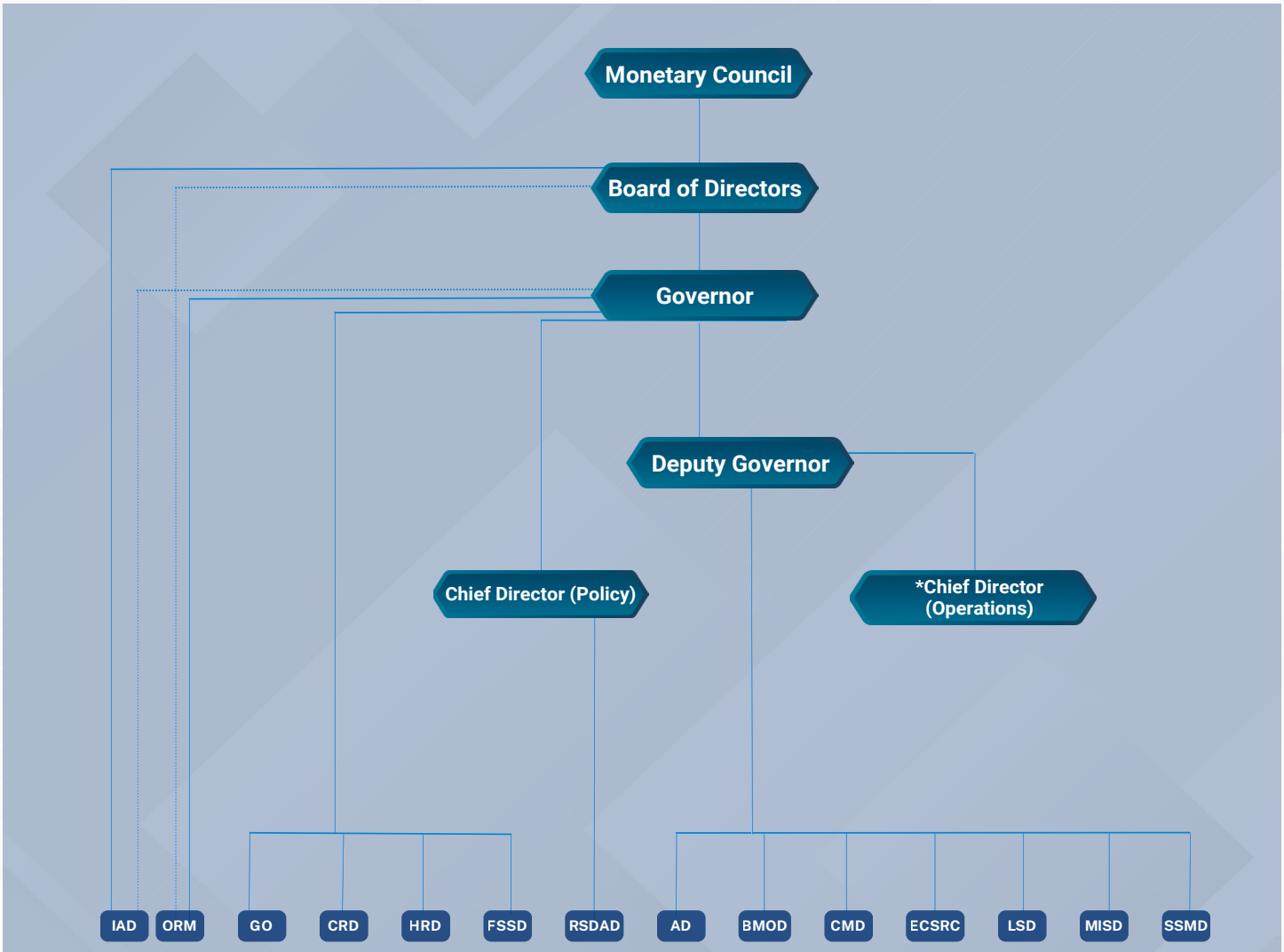
Mike Sylvester
Grenada



Edmond A Jackson
Saint Vincent and the Grenadines

Organisational Chart

As at 31 March 2026



**Vacant*

KEY

AD: Accounting Department
BMOD: Banking and Monetary Operations Department
CMD: Currency Management Department
CRD: Corporate Relations Department
ECSRC: Eastern Caribbean Securities Regulatory Commission
FSSD: Financial Sector Supervision Department
GO: Governor's Office
HRD: Human Resource Department
IAD: Internal Audit Department
LSD: Legal Services Department
MISD: Management Information Systems Department
ORM: Office of Risk Management
RSDAD: Research, Statistics and Data Analytics Department
SSMD: Support Services Management Department

Management Structure

As at 31 March 2026

Executive Committee



Timothy N.J. Antoine
Governor



Dr Valda F Henry
Deputy Governor



D Tracy Polius (PhD)
Chief Director (Policy)

Senior Management



Senator Samuel
Director
Accounting Department



Shermalon Kirby
Director
Corporate Relations Department



Emefa Sewordor (PhD)
Director
Advisory Services, Governor's Office



Rosbert Humphrey
Director
Currency Management Department



Raquel Leonce
Director
Banking and Monetary Operations Department



Merlese O'Loughlin
General Counsel
Legal Services Department



C Teresa Smith
Director/Corporate Secretary
Corporate Governance Unit,
Governor's Office



Sharmyn Powell
Director
Payments Modernisation and Financial Inclusion Unit,
Governor's Office

Management Structure

As at 31 March 2026

Senior Management...



Cindy Parris-Gilbert
Director
Responsible for Project BOOST



Merva Mallalieu
Director (Acting)
Human Resource Department



Karen Williams
Director
Projects and Technical Assistance,
Governor's Office



Alamina Trotman
Director (Acting)
Internal Audit Department



Dalano Dasouza (PhD)
Director
Research, Statistics and Data
Analytics Department



Lyle Mark
Director (Acting)
Management Information Systems
Department



Yvonne Jean-Smith
Director
Support Services Management
Department



Kechewia Charles
Director/Chief Risk Officer (Acting)
Office of Risk Management



Schwabach Caines
Director (Acting)
Financial Sector Supervision
Department

Management Team

As at 31 March 2026

Accounting Department
Nazinga Modeste, Deputy Director (Ag)

Banking and Monetary Operations Department
Lynette Griffin, Deputy Director
Niall Pistana, Deputy Director

Corporate Relations Department
Patrice Harris,
Communication Specialist
Elizabeth Wayland-Phillip,
Deputy Director (Ag)

Currency Management Department
Jadese Manning (PhD),
Deputy Director (Ag)

Financial Sector Supervision Department
Livia Bertin-Mark, Deputy Director
Liane Irish-Wade, Deputy Director
Laurel Seraphin-Bedford, Deputy Director
Gillian Skerritt, Deputy General Counsel/ Deputy Director

Governor's Office - Office of Chief Director (Policy)
Shawn Williams, Senior Policy Specialist
Allison Crossman, Policy Specialist
Patricia Welsh, C Dir, Policy Specialist

Governor's Office - Projects and Technical Assistance
Sybil Welsh, Senior Projects Specialist

Human Resource Department
Gwendy Francois, Deputy Director (Ag)

Internal Audit Department
Shawn Shillingford, Deputy Director (Ag)

Legal Services Department
Maria Barthelmy, Assistant General Counsel

Management Information Systems Department
Aldrin Phipps, Information Systems Specialist
Genelle Lake, Deputy Director (Ag)

Research, Statistics and Data Analytics Department
Seana Benjamin-Mack,
Deputy Director
Juletta Edinborough, Fiscal and Debt Specialist
Allister Hodge, Deputy Director
Martina Regis, Deputy Director
Leah Sahely (PhD), Data Specialist
Shernnel Thompson (PhD),
Deputy Director

Support Services Management Department
Adaeze Matthew-Hanley, Deputy Director
Danny Caine, Chief of Security

Agency Offices

As at 31 March 2026

Anguilla
ECCB Agency Office
P O Box 1385
Ground Floor
Digicel Corporate Office Building
Rock Farm
A**NGUILLA**
Telephone: 264 497 5050
Email: eccbaxa@eccb-centralbank.org
Country Manager - Shirmaine Lynch-Harrigan

Antigua and Barbuda
ECCB Agency Office
P O Box 741
Sagicor Financial Centre
Factory Road
St John's
ANTIGUA AND BARBUDA
Telephone: 268 462 2489
Email: eccbanu@eccb-centralbank.org
Country Manager - Karel Forde-Harrigan

Commonwealth of Dominica
ECCB Agency Office
P O Box 23
2nd Floor Financial Centre
Kennedy Avenue
Roseau
COMMONWEALTH OF DOMINICA
Telephone: 767 448 8001/3
Email: eccbdom@eccb-centralbank.org
Country Manager - Sherma John

Grenada
ECCB Agency Office
St Matthew and Monckton Streets
St George's
GRENADA
Telephone: 473 440 3016
Email: eccbgnd@eccb-centralbank.org
Country Manager - Valene Streete

Montserrat
ECCB Agency Office
P O Box 484
2 Farara Plaza
Brades
MONTSERRAT
Telephone: 664 491 6877
Email: eccbmni@eccb-centralbank.org
Country Manager - Angela Estwick

Saint Lucia
ECCB Agency Office
P O Box 295
Fourth Floor, Baywalk Mall
Rodney Bay
Gros Islet
SAINT LUCIA
Telephone: 758 452 7449
Email: eccbslu@eccb-centralbank.org
Country Manager - Everton Sealy

Saint Vincent and the Grenadines
ECCB Agency Office
P O Box 839
Frenches House
Frenches
Kingstown
SAINT VINCENT AND THE GRENADINES
Telephone: 784 456 1413
Email: eccbsvd@eccb-centralbank.org
Country Manager - Kozel Fraser

Governor's Foreword

> "It is not because things are difficult that we do not dare; it is because we do not dare that they are difficult." — ***Seneca***

The 2025-2026 financial year was marked by heightened global uncertainty and profound shifts in the international political economy. Changes in trade policy, realigned diplomatic alliances, and geopolitical tensions created significant disruptions across the global landscape. For the small, hyper-open economies of the Eastern Caribbean Currency Union (ECCU), these developments reinforced the importance of sound institutions, prudent policymaking, and regional cooperation.

Despite these external challenges, the ECCU maintained economic stability and recorded estimated growth of 2.5 per cent in 2025. Growth was supported by tourism and infrastructure investment, while inflation eased during the latter part of the year. Through disciplined stewardship and a shared commitment to stability, the region continued to navigate an increasingly complex global environment.

The Eastern Caribbean Central Bank (ECCB) remained steadfast in executing its core mandates of maintaining monetary and financial stability. The Eastern Caribbean dollar remained strong and stable at EC$2.70 to US$1.00. Foreign currency reserves increased from $5.5 billion to $6.0 billion as at 31 March 2026 while maintaining a strong backing ratio of around 97.0 per cent. The Bank also delivered another year of strong financial performance, recording a profit of $121.6 million. Across the Currency Union, the banking sector



During the year, the Bank deepened its efforts to expand financial inclusion. A major milestone was the launch of the ECCU First Step Savings Account across all eight member countries, providing citizens with a simple and affordable entry point into the formal financial system. At the same time, efforts to strengthen the region's credit infrastructure advanced, with EveryData ECCU beginning to receive data from participating institutions. This important milestone paves the way for stronger credit underwriting, improved access to finance, and greater private-sector expansion.

Governor's Foreword

While preserving stability remains our foremost responsibility, stability alone is not enough. To secure lasting prosperity, the region must also pursue transformation.

This conviction gave rise to the ECCB's Strategic Plan 2026–2031, The Big Push: Collective Action for Shared Prosperity in the ECCU. The plan seeks to answer a simple but profound question: What would it take to double the size of the ECCU economy over the next decade?

continued to demonstrate resilience, supported by strong capital adequacy, ample liquidity, and improving asset quality.

During the year, the Bank deepened its efforts to expand financial inclusion. A major milestone was the launch of the ECCU First Step Savings Account across all eight member countries, providing citizens with a simple and affordable entry point into the formal financial system. At the same time, efforts to strengthen the region's credit infrastructure advanced, with EveryData ECCU beginning to receive data from participating institutions. This important milestone paves the way for stronger credit underwriting, improved access to finance, and greater private-sector expansion.

The ECCB also advanced several important reforms designed to strengthen the financial system and broaden economic opportunity. Progress continued on the establishment of the Office of Financial Conduct and the Eastern Caribbean Financial Standards Board, which will enhance the regulation and supervision of non-bank financial institutions, including credit unions and insurers.

While preserving stability remains our foremost responsibility, stability alone is not enough. To secure lasting prosperity, the region must also pursue transformation.

This conviction gave rise to the ECCB's Strategic Plan 2026–2031, **The Big Push: Collective Action for Shared Prosperity in the ECCU.** The plan seeks to answer a simple but profound question: What would it take to double the size of the ECCU economy over the next decade?

The Big Push is about far more than expanding GDP. It is a framework for advancing financial stability, fiscal sustainability, economic diversification, resilience, innovation, competitiveness, and shared prosperity. Its ultimate aim is to transform our eight small island economies into resilient, inclusive, and sustainable societies where our people can thrive and realise their full potential.

As we navigate an era marked by volatility, uncertainty, complexity, ambiguity, and anxiety, the region must reimagine its development model. While tourism will remain a critical pillar, we must diversify both within and beyond tourism by harnessing opportunities in the digital, green, blue, and orange economies.

Achieving this ambition will require new mindsets, stronger skillsets, bold policy choices, and coordinated investments. It will also require

Governor's Foreword

unprecedented collaboration among governments, businesses, development partners, financial institutions, and citizens. As the African proverb reminds us, "If you want to go fast, go alone; if you want to go far, go together."

To guide this transformation, the Monetary Council has endorsed seven strategic theatres for regional action: food and nutrition security; energy security; connectivity and logistics; financial deepening and wealth creation; human capital development; digital transformation; and Tourism 2.0. Regional flagship initiatives are already being advanced in several of these areas, including the Resilient Renewable Energy Infrastructure Investment Facility (RREIIF), being developed in partnership with member governments, the World Bank, and other stakeholders.

The ECCB's strategic plan is anchored on six core themes: (1) maintaining monetary stability; (2) preserving financial stability; (3) advancing payments modernisation and financial inclusion; (4) promoting inclusive growth and partnerships; (5) enabling a digital and data-driven culture; and (6) enhancing organisational effectiveness. Together, these priorities provide a practical roadmap for supporting long-term development while remaining faithful to our core responsibilities. More than four decades after our establishment, we remain committed to faithfully executing our mandates while giving practical expression to our responsibility under the ECCB Agreement to actively support the growth and development of our member countries.

On 7 July 2026, the ECCB will celebrate the 50th anniversary of the EC dollar's peg to the United States dollar. This remarkable milestone stands as a testament to five decades of monetary stability, institutional credibility, and prudent stewardship. As we embark on the Big Push, that stability will continue to serve as the foundation upon which our transformation agenda is built.

In closing, I extend my sincere thanks to the ECCB team for their support throughout the year. I express special appreciation to my executive colleagues, Deputy Governor Dr Valda Henry and Chief Director (Policy) Dr Tracy Polius, for their collaboration and steadfast support. I thank the management and staff of the ECCB for their dedication and commitment to serving the people of the ECCU. I also thank the Monetary Council and the Board of Directors for their leadership and guidance during this important period. Further, I acknowledge our governments, financial institutions, development partners, and stakeholders for their continued collaboration. Above all, I thank the people of the Currency Union for their confidence and trust.

The journey ahead will require courage, discipline, innovation, and collective action. Yet I remain deeply optimistic about the future of our Currency Union. Together, we have demonstrated our capacity to withstand adversity, preserve stability, and build stronger institutions. I therefore invite all who share a commitment to the future of our region to join us in advancing this bold vision—for the prosperity of our people, the transformation of our economies, and the advancement of our Caribbean civilisation. Together, let us make the Big Push a defining chapter in the history of the Eastern Caribbean and demonstrate that, when we dare greatly and act collectively, no goal is beyond our reach.



Timothy N. J. Antoine
Governor

Strategic Achievements 2025-2026

8 May 2025 – Citizens and residents across the ECCU, who experienced challenges in opening a bank account, were given the opportunity to open a basic savings account at financial institutions within the region.

The Eastern Caribbean Central Bank (ECCB) collaborated with the ECCU Bankers Association and the Ease of Account Working Group on this joint initiative to improve access to banking services, facilitate the ease of opening accounts within the formal financial sector, promote financial inclusion and improve the ease of doing business in the ECCU.

17 July 2025 – Eastern Caribbean countries signed a ground breaking, multi-million-dollar financing agreement with The World Bank under the Caribbean **Resilient Renewable Energy Infrastructure Investment Facility (RREIIF)**, paving the way for increased energy security, reduced energy costs, improved global competitiveness, innovation and climate resilience in the ECCU.

RREIIF is a regional World Bank-financed initiative developed under the leadership of the ECCB in partnership with ECCU member governments. It is the first energy facility in the Caribbean designed as a regional platform to deliver utility-scale renewable energy through cross-country project aggregation, joint procurement, and structured de-risking.

17 September 2025 – The Resilient Renewable Energy Infrastructure Investment Facility (RREIIF) won the 2025 Caribbean Infrastructure Forum (CARIF) Industry Awards' Best/Most Innovative Financing category.

The CARIF Industry Awards, which recognise outstanding infrastructure projects and programmes that are transforming the Caribbean.

17 October 2025 - The ECCB hosted its inaugural Anti-Money Laundering and Countering the Financing of Terrorism and Proliferation Financing (AML/CFT/CPF) Conference over the period 16 - 17 October at ECCB Headquarters, Saint Christopher (St Kitts) and Nevis.

Strategic Achievements 2025-2026

The Conference brought together over 100 financial institutions, designated non-financial businesses and professions, regulatory bodies, law enforcement agencies, policy makers and regional partners to discuss the latest AML/CFT/CPF developments unfolding within the ECCU.

The theme of the Conference was: ***Compliance in the 21st Century: Financial Inclusion and Digital Transformation in a Dynamic Landscape.***

31 March 2026 - The ECCB presented its **Strategic Plan 2026-2031** under the theme: The *Big Push*: Collective Action for Shared Prosperity in the ECCU.

The Strategic Plan will serve as the Bank's roadmap for the period 2026 to 2031. It identifies the priority areas of focus for the ECCB and outlines how the Bank will work to bring meaningful transformation to the people of the ECCU.

Central to the new Strategic Plan is the *Big Push*, a call to action which challenges ECCU countries to develop and implement strategies and policies that will double the ECCU's Gross Domestic Product (GDP) in 10 years through collective and transformative action. The *Big Push* also challenges the people of the ECCU to double their wealth in 10 years through a focus on wealth creation.

Financial Stability

"A regulatory architecture that delivers complete and effective oversight of the financial system; reduces systemic risk; and enhances resilience of financial institutions, markets and infrastructure"

Financial Stability

During the financial year, the Bank continued to advance its financial stability mandate through strengthened statistical systems, enhanced supervisory frameworks, and proactive economic surveillance. Monetary and Financial Statistics were compiled in accordance with international standards, while targeted data quality assurance missions were introduced across Licensed Financial Institutions (LFIs) to support compliance with global data classification requirements.

Progress also continued on the implementation of the IMF's Financial Soundness Indicators (FSI) 2019 Guide, alongside the expansion of statistical coverage to include data from LFIs across the Currency Union. These initiatives have significantly improved the Bank's capacity to monitor financial sector developments and identify emerging risks.

Amid an increasingly volatile global and regional environment, the Bank maintained a strong focus on economic surveillance and macroeconomic analysis. Global shocks—including geopolitical conflicts, trade policy shifts, and regional tensions—necessitated enhanced monitoring and timely policy responses. The Bank delivered forward-looking policy insights to key stakeholders, highlighting inflationary pressures linked to import dependence and vulnerabilities within export sectors. These insights were shared through high-level consultations, technical meetings, and policy briefs to the Board of Directors and Monetary Council, strengthening regional preparedness and resilience.

The Bank also continued to provide technical assistance through missions across member countries, contributing to regional publications such as the Economic and Financial Review. Capacity building remained a priority, with the training of new personnel in Debt Sustainability Analysis (DSA) enhancing independent fiscal surveillance capabilities.

Credit Bureau Development

Implementation of the ECCU Credit Bureau advanced significantly during the reporting period. Credit Information Providers (CIPs) were designated across all eight member states in accordance with the Credit Reporting Act, with the majority of jurisdictions formalising these designations through publication in their Official Gazettes. The inclusion of utilities, telecommunications providers, development banks, hire purchase companies, and retail entities has broadened the scope and depth of credit information available.

Engagement with financial institutions yielded strong participation, with 94.0 per cent of LFIs onboarded to the Credit Bureau framework. While integration among commercial banks is largely complete, continued efforts are underway to achieve full participation among credit unions.

Collaboration with national regulators and the Credit Bureau operator continued to address data submission challenges and improve data quality. Stakeholder engagement and training initiatives enhanced institutional understanding and use of credit reporting systems, helping to strengthen preparedness across the financial sector.

Secured Transactions and Collateral Registry Reform

The secured transactions and collateral registry reform is aimed at improving access to credit, strengthening collateral systems, and supporting private sector development. Extensive stakeholder consultations were conducted across seven

Financial Stability

member countries, engaging representatives from government ministries, financial institutions, legal associations, and the private sector.

Key concerns raised during consultations including data protection, credit risk management, asset valuation, prudential implications, and access to registry systems, will be incorporated into the development of a comprehensive legislative and policy framework.

Enhanced Risk-Based Supervision Framework

Anti-Money Laundering, Combating the Financing of Terrorism and Proliferation (AML/CFT/CPF)

The Bank continued to strengthen its AML/CFT/CPF supervisory programme under its Risk-Based Supervision (RBS) Framework. Eleven targeted examinations were conducted based on institutional risk profiles, focusing on remediation efforts and the effectiveness of internal controls.

A major milestone was the hosting of the inaugural AML/CFT/CPF Conference in October 2025, which brought together over 110 regional and international stakeholders. The conference facilitated dialogue on financial inclusion, digital transformation, emerging financial crime risks, and preparation for upcoming mutual evaluations, thereby enhancing regional collaboration and technical capacity.

In an effort to address evolving risks, the Bank issued a series of advisories covering high-risk jurisdictions, card skimming and ATM fraud, borrower-initiated loan fraud, and cyber-enabled financial crimes. Those advisories provided practical guidance to LFIs on strengthening due diligence, monitoring systems, and internal controls.

Prudential Supervision of Licensed Financial Institutions

The Bank further enhanced its supervisory approach by integrating operational risk and resilience assessments into its RBS framework. Supervision activities included 12 examinations—comprising both prudential and information technology reviews—conducted through on-site, off-site, and hybrid modalities.

These assessments evaluated key risk areas, including credit risk, corporate governance, capital adequacy, earnings sustainability, asset-liability management, and information technology resilience. Institutions were also assessed for compliance with legislative and regulatory requirements, including prudential standards and supervisory directives.

The Bank issued a series of advisories covering high-risk jurisdictions, card skimming and ATM fraud, borrower-initiated loan fraud, and cyber-enabled financial crimes. Those advisories provided practical guidance to LFIs on strengthening due diligence, monitoring systems, and internal controls.

Financial Stability

Climate-Related Financial Risk Integration

In April 2025, the Bank formalised a partnership with Agence Française de Développement (AFD) to advance the integration of climate-related financial risks into regulatory and supervisory frameworks. This multi-year initiative will assess institutional exposure to climate risks, build capacity in environmental and social governance, and promote green financing across the financial system.

Preparatory work during the reporting period included finalisation of project terms of reference and the establishment of a Project Steering Committee comprising regional regulators and industry representatives.

Basel II/III Implementation

The Bank continued its phased implementation of the Basel II/III Capital Framework:

- ☑ Pillar 1 (Minimum Capital Requirements): Following its implementation in July 2024, compliance reviews were undertaken to ensure adherence.
- ☑ Pillar 2 (Supervisory Review and Evaluation Process): Development of the SREP framework progressed, with ongoing assessments of institutions' Internal Capital Adequacy Assessment Processes (ICAAPs).
- ☑ Pillar 3 (Market Discipline): Preparatory work continued, with full implementation targeted for 2027.

Ongoing engagement with financial institutions ensures a collaborative and adaptive approach to strengthening capital and liquidity standards.

Other Supervisory Developments

The Bank advanced several additional initiatives to reinforce financial system stability:

1. Engagements with credit institutions to operationalise reserve and account requirements under the governing legislation;
2. Discontinuation of the Letter of Comfort as a regulatory instrument, aligning the framework with modern capital standards;
3. Finalisation and enhancement of supervisory frameworks for key regional institutions, including the Credit Bureau and the Eastern Caribbean Partial Credit Guarantee Corporation;
4. Issuance of guidance on outsourcing arrangements in response to increasing adoption of cloud-based services;
5. Introduction of new prudential standards on capital measurement and corporate governance to strengthen institutional oversight and financial soundness;
6. Continued resolution and supervisory oversight actions, including the extension of administrative arrangements for specific institutions;
7. Documentation of lessons learned from past mergers, acquisitions, and resolutions to inform future interventions.

Office of Financial Conduct

Work continued towards the establishment and operationalisation of the Office of Financial Conduct (OFC), a department of the Central Bank, which will have responsibility for supervising and regulating market conduct for LFIs.

Sensitisation meetings on the draft Banking (Amendments) Bill were held with a broad cross section of stakeholders including relevant government ministries, national regulators, chambers of industry and commerce, trades and labour unions, civil society and non-governmental organisations in all eight ECCU member countries. LFIs were kept abreast of OFC developments at their quarterly meetings with the Central Bank. The public was kept informed via the ECCB website.

Financial Stability

Work commenced on two surveys to facilitate the work of the OFC. The first took the form of a consumer protection questionnaire for LFIs. This constituted a pilot survey to help establish a baseline for LFIs' awareness and understanding of financial consumer protection. It covered the tenets of financial consumer protection namely: access and inclusion; financial literacy and awareness; competition; equitable and fair treatment of consumers; disclosure and transparency; quality financial products; responsible business conduct and culture; protection of consumer assets; protection of consumer data and privacy; and complaints handling and redress.

View ECCB Connects Season 30, Episode 2 featuring the Office of Financial Conduct

Eastern Caribbean Financial Standards Board

Progress continued towards establishment of the Eastern Caribbean Financial Standards Board (ECFSB). The ECFSB will be established as an independent legal body, governed by a Board of Directors with a direct reporting line to the Monetary Council. Its main function will be to create regulatory standards for the non-bank financial sector. This will assist in addressing any weaknesses and unevenness in the financial system, reducing the likely occurrence of regulatory arbitrage thereby promoting overall financial stability.

During 2025-2026, sensitisation meetings on the ECFSB policy paper were held with stakeholders in all ECCB member countries. These stakeholders included government ministries, national regulators, industry representatives, chambers of industry and commerce, and civil society organisations. Over 23 to 27 March 2026, consultation meetings were held in Antigua and Barbuda, to discuss the draft ECFSB agreement with regulators for the non-bank financial sector of ECCB member countries.

Once established, the ECFSB will commence its work with a focus on development standards for regulation of the insurance industry. In view of this, the Bank was engaged in researching and drafting of a modern Insurance and Post-employment Benefits Bill. The intention is for passage of a harmonised Insurance and Post-employment Benefits Bill in all member countries following consultation and finalisation.

The next steps include finalisation, consultation, and passage of the ECFSB Agreement in financial year 2027/2028 and operationalisation of the ECFSB in financial year 2028/2029.



ECCU Stakeholders' Consultations on the Office of Financial Conduct

Payments Modernisation and Financial Inclusion

"A modern, safe and efficient payment system which increases access to affordable financial services, thereby promoting inclusive socio-economic development"

Payments Modernisation and Financial Inclusion

The Bank advanced a comprehensive agenda to modernise the payments ecosystem and expand financial inclusion across the ECCU. Through innovative financial instruments, strengthened legislative frameworks, and targeted capacity-building initiatives, the Bank continued to promote broader access to financial services, enhance digital payments, and deepen participation in the formal financial system.

Payments System Infrastructure Modernisation

The Bank successfully adopted the SWIFT ISO 20022 standard in November 2025, marking a significant step in modernising the region's payments infrastructure. Extensive stakeholder engagement and technical collaboration supported the transition, including refinements to payment formatting and enhancements to the Real-Time Gross Settlement (RTGS) environment.

Capacity building remained central to this effort, with training programmes and regional workshops equipping both Bank staff and financial institutions with the knowledge required to operate within the new standard. These advancements position the financial system to achieve greater efficiency, interoperability, and resilience in an evolving digital landscape.

Retail Bond Programme: Expanding Access to Investment Opportunities

A key milestone during the year was the launch of the inaugural ECCU Retail Bond Programme, designed to promote financial literacy and inclusion by broadening access to investment opportunities for individuals.

The Government of Grenada piloted the initiative with the issuance of the first household bond on 31 October 2025, as part of Financial Information Month Festival. The bond, valued at EC$5.0 million with a two-year tenor and a fixed interest rate of 4.25 per cent, attracted strong public interest. Although the final subscription reached EC$4.28 million (85.5 per cent of the target), the pilot was considered a success given the strong participation and interest in the bond.

Importantly, the programme significantly expanded market participation, with 350 individuals investing in the bond—93.0 per cent of whom were first-time investors. This compares to a pre-existing base of approximately 600 individual investors across the Regional Government Securities Market (RGSM). The initiative therefore represents a transformative step in democratising access to financial instruments, deepening capital markets, and fostering a culture of savings and investment among households.

Advancing the Financial Inclusion Agenda

The Bank completed the development of the ECCU Financial Inclusion and Literacy Strategy (EFILS) for the period 2026–2031. The Strategy provides a coordinated, evidence-based framework to improve access to financial services, increase the adoption of digital payments, and strengthen financial capability and consumer protection.

The Strategy was informed by findings from the 2023 ECCU Financial Literacy and Financial Inclusion Survey, which revealed significant gaps in financial knowledge and behaviour, with only one in 12 individuals meeting minimum financial literacy standards. These insights directly shaped the Strategy's priorities and key performance indicators, ensuring targeted and measurable interventions.

Payments Modernisation and Financial Inclusion

Extensive stakeholder engagement underpinned the Strategy's development, with contributions from national authorities, financial institutions, and international partners, including the United Nations Capital Development Fund (UNCDF), the World Bank, and Banque de France. This collaborative approach ensured alignment with international best practices while reflecting regional realities.

The ECCB collaborated with Professor of Economics at Belmont University, Dr Colin Cannonier, to produce a financial inclusion index from data gathered during the ECCB's financial literacy and inclusion survey. The joint study aimed to identify the primary determinants of financial inclusion in the region and, very importantly, to provide policy directions geared towards the establishment of policy frameworks designed to broaden financial access and financial participation in the ECCU. Among the main conclusions of the study is the influence of employment and education on financial inclusion. This key finding could be leveraged to improve financial empowerment across the region.

The Bank continued to implement targeted initiatives to address barriers to financial access and usage. As part of its ongoing agenda towards improving financial inclusion across all sectors, the ECCB collaborated with the Association of Certified Anti-Money Laundering Specialists (ACAMS) to facilitate a two-part training session on the conduct of institutional ML/TF/PF risk assessments, towards the identification of ML/TF/PF risks. The training was conducted over the period 2-3 June 2025 and highlighted the fundamentals necessary for the effective application of simplified measures. It also covered the ML/TF/PF lifecycle and its application within a risk-based framework, the integration of ML/TF/PF risk findings within the compliance programme and the importance of ongoing monitoring, data and technology towards adaptive risk management practices. One hundred (100) participants comprising of compliance professionals and national regulators attended.

On 8 July 2025, as part of its financial inclusion public awareness campaign and in collaboration with the ECCU Ease of Account Working Group, the ECCB led a hybrid town hall meeting on the ECCU Ease of Opening Bank Account under the theme, "Accessibility for All". This initiative aligns directly with the ECCB's strategic goal to improve regional financial inclusion and the ease of doing business. The town hall provided context on the challenges facing ECCU citizens and raised awareness on the steps being taken by the ECCB and LFIs towards financial inclusion, through the introduction of the ECCU First Step Account. Most importantly, the town hall provided citizens with a platform to highlight some of the issues impacting them regarding the ease of opening accounts. The ECCU First Step Account seeks to enhance service delivery by simplifying onboarding procedures and making available products aimed at the unbanked and underserved in our region.

View Town Hall Meeting

These efforts contributed to increased awareness, improved institutional practices, and greater inclusivity within the financial system.

Strengthening the Legal and Regulatory Framework

Payment System and Services Act, 2025

The Bank supported Member Governments in the enactment of the Payment System and Services Bill and the Payment System and Services [Licensing] Regulations. The legislation will introduce a modular

Payments Modernisation and Financial Inclusion

risk-based regulatory framework for licensing, oversight, designation, consumer protection, interoperability, administrative measures, and data protection. The Bill was enacted in five of the eight ECCB member countries and the licensing regulations were approved by the Board of Directors. A legislative drafting consultancy was commissioned under the Caribbean Digital Transformation Project (CARDTP) in March 2026, to assist in the development of additional subsidiary regulations for issuance under the principal legislation.

Data Protection Harmonisation

The Bank advanced the initiative for the harmonisation of the data protection and privacy legislation through stakeholder engagement and policy development in support of a coherent regional framework for personal data governance. In September 2025, the Bank held an initial consultation with government ministries and departments, followed by consultations in November 2025 with private sector entities and non-governmental organisations across the ECCU. Those engagements were used to present the legislative gap analysis report, validate findings and build consensus on a harmonised legislative and governance framework. This foundational work will assist the Bank in its objective of promoting confidence in a regional digital economy, reducing legal fragmentation, supporting smoother cross-border data flows, and strengthening confidence in digital financial services. The next phase of the initiative will involve in-person country consultations to address jurisdiction-specific concerns and support the refinement of the first draft of the legislation in collaboration with regional authorities.

Fit and Proper Rules for Payment Service Providers

The Bank drafted Fit and Proper Rules for Payment Service Providers (the Rules) to operationalise the requirements of the Payment System and Services Act. The Rules articulate a structured framework for assessing the fitness and probity of key officers within payment service providers' entities. The Rules set out clear criteria for evaluating honesty, integrity, competence, and financial soundness, alongside formalised approval and assessment processes and a standardised due diligence questionnaire.

Fast Payments System Development

The Bank articulated its policy position on the development of a Fast Payments System (FPS), a component of its broader payments system modernisation agenda. This was accomplished through stakeholder engagements and the refinement of the strategic, governance and operational considerations required to support FPS implementation across the ECCU. The work was undertaken with technical support from the World Bank Group in collaboration with the Eastern Caribbean Automated Clearing House Services Inc. This developmental work is expected to strengthen the policy and institutional foundation for the introduction of a safe, efficient and inclusive fast payments environment in the ECCU.

Enhancing Payment System Oversight

The Bank utilised the services of a consultant under the CARDTP to support the enhancement and strengthening of its payment system oversight framework. The consultancy commenced in September 2025 and is expected to span a nine-

Payments Modernisation and Financial Inclusion

month period. The objectives of the consultancy were: the conduct of a practical workshop for staff training; the development of an operational toolkit and understudy of international best practices related to payment system oversight; training in technical know-how for expertise in monitoring the payments landscape; and the analysis of payment systems infrastructures.

The Bank completed full-scope examinations of two of the three designated Financial Market Infrastructures (FMIs): (1) Caribbean Credit Card Corporation Limited in December 2025, and (2) the Eastern Caribbean Automated Clearing House in February 2026. Those examinations assessed the institutions' observance of the Principles for Financial Market Infrastructures, and thereafter the Bank made recommendations aimed at strengthening governance, operational resilience, risk management, and overall compliance with international standards. This work forms part of the Bank's broader programme to enhance the safety, soundness and efficiency of ECCU payments infrastructures. Examination of the Real-Time Gross Settlement system—the third FMI—is expected to be completed in 2026.

In anticipation of the comprehensive enactment of the Payment System and Services Act, the Bank continued the development of a Licensing Manual and data collection templates. These tools will enhance and streamline the regulatory process, provide clear guidance for compliance, and facilitate efficient data collection for monitoring purposes. Utilisation of these tools will signal a pivotal step in the Bank's alignment with international best practices.

Expanding Access Through Payment System Innovation

ECACH Credit Union Pilot Programme

The Bank assessed applications from credit unions seeking participation in the ECACH Credit Union Pilot Programme, which is expected to commence in the third quarter of 2026 and will provide participants with direct access to the ECACH. The pilot comprises four credit unions and will allow them to send and receive electronic funds transfers. This will represent a significant milestone in broadening credit unions' access to the regional payments system and promote financial inclusion, particularly through expanding the availability of electronic payment services to communities served by credit unions. The initiative is also expected to improve efficiency and convenience in the delivery of retail payment services and result in greater participation, competition, and innovation in the payment system.

Payment System Supply Side Survey

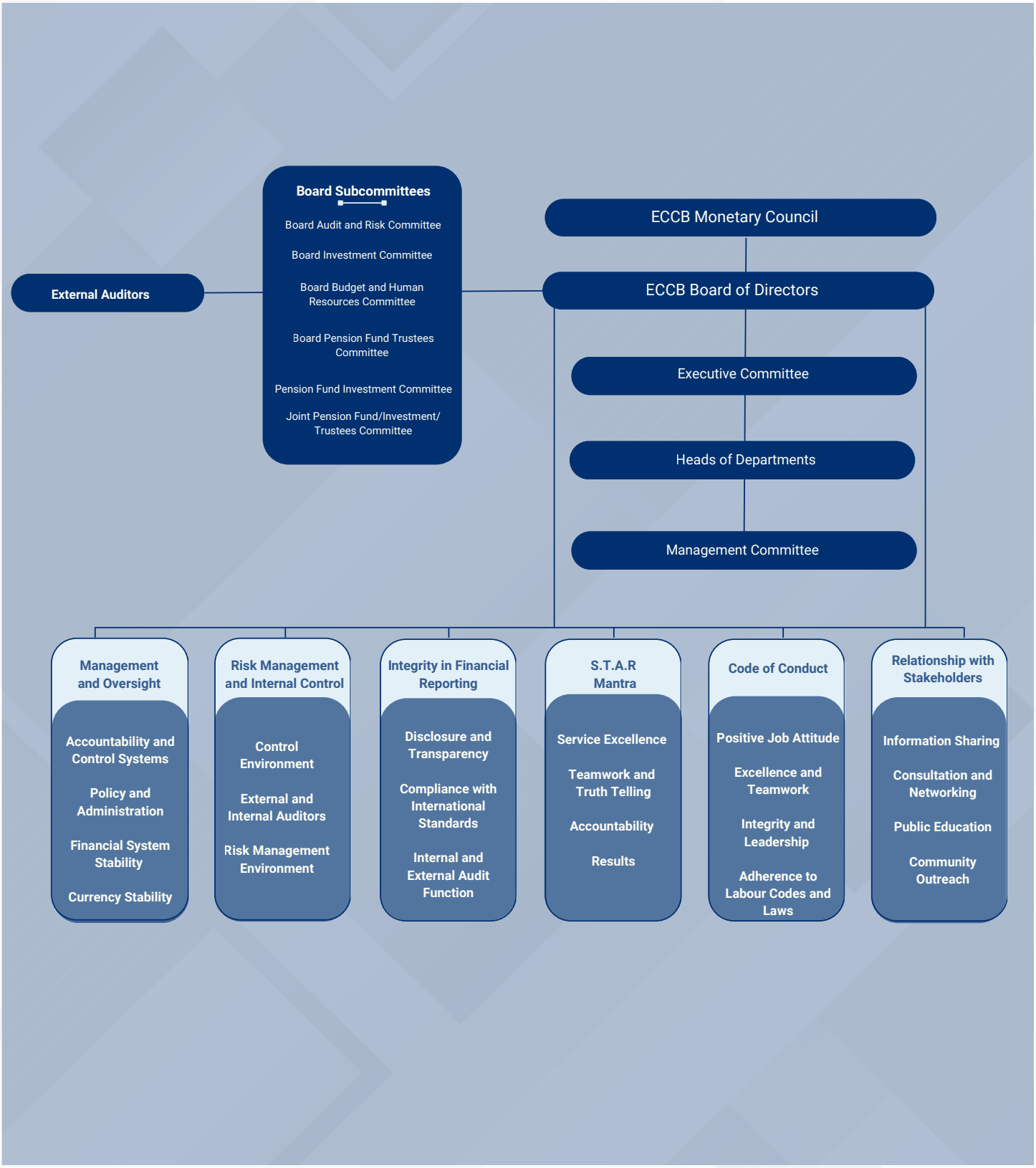
The Bank completed the 2025 Payment System Supply Side Survey to assess the operational readiness, infrastructure, access, safety, and efficiency of market participants across the ECCU. Administered during quarter four of 2024, the survey provided a data-driven baseline on the supply-side conditions shaping the region's payments ecosystem and highlighted both foundational strengths and material gaps. The findings revealed that while many institutions can support higher transaction growth, readiness for newer payment rails remains uneven, with persistent constraints relating to scalability, fragmented cybersecurity practices, limited disaster recovery and business continuity preparedness, and operational inefficiencies. Findings derived from the survey are expected to inform the Bank's policy on payments system modernisation.

Environmental, Social and Corporate Governance

"A model, advocate and influencer for environmentally and socially responsive action for sustainable development"

Environmental, Social and Corporate Governance

Corporate Governance Framework



Environmental, Social and Corporate Governance

The Eastern Caribbean Central Bank is guided by best practices of corporate governance, and as such, the Bank is committed to ensuring that this attribute is preserved in its operational procedures and processes.

The ECCB's Corporate Governance Framework is reinforced by the following pillars:

- ☑ Firm foundation for management and oversight;
- ☑ Proactive and sound risk management and internal control;
- ☑ Integrity in financial reporting;
- ☑ Code of Conduct that endorses ethical values; and
- ☑ Reciprocal relationship with stakeholders.

The Corporate Governance Framework is directed by:

- ☑ The ECCB Agreement Act, 1983 (as amended) and the Banking Act, 2015;
- ☑ The corporate governance principles for the Organisation of Eastern Caribbean States (OECS);
- ☑ The legal and regulatory framework of the ECCB member countries; and
- ☑ Best practices in the local and international arena.

The framework promotes accountability; ensures that appropriate control systems are developed and are operationalised to address related risks; and fosters innovation through critical thinking and problem-solving in pursuit of the Bank's objectives.

Administration and Management

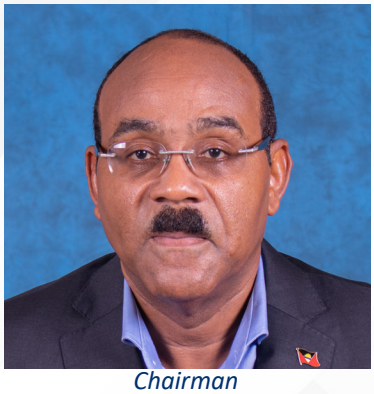
Monetary Council

The Monetary Council is the highest decision-making body of the Bank and constitutes the eight Ministers with responsibility for the Ministry of Finance within the ECCB Participating Member Governments. The ECCB Agreement, Article 7 (1) allows for each Minister to designate an Alternate, who must also be a minister of government, to serve in his/her stead during the absence of said Council Member.

Chairmanship of the Monetary Council

The Chairmanship of the Monetary Council is held for one year and is rotated among Participating Member Governments in alphabetical order.

Honourable Gaston Browne, Prime Minister and Minister for Finance, Antigua and Barbuda, has been serving as the Chairman of the Monetary Council since July 2025. Honourable Browne, Minister for Finance, Corporate Governance and Public Private Partnerships has been serving on the Monetary Council from June 2014, by virtue of holding the portfolio of the Minister with responsibility for Finance, and in keeping with the Articles of the ECCB Agreement Act.

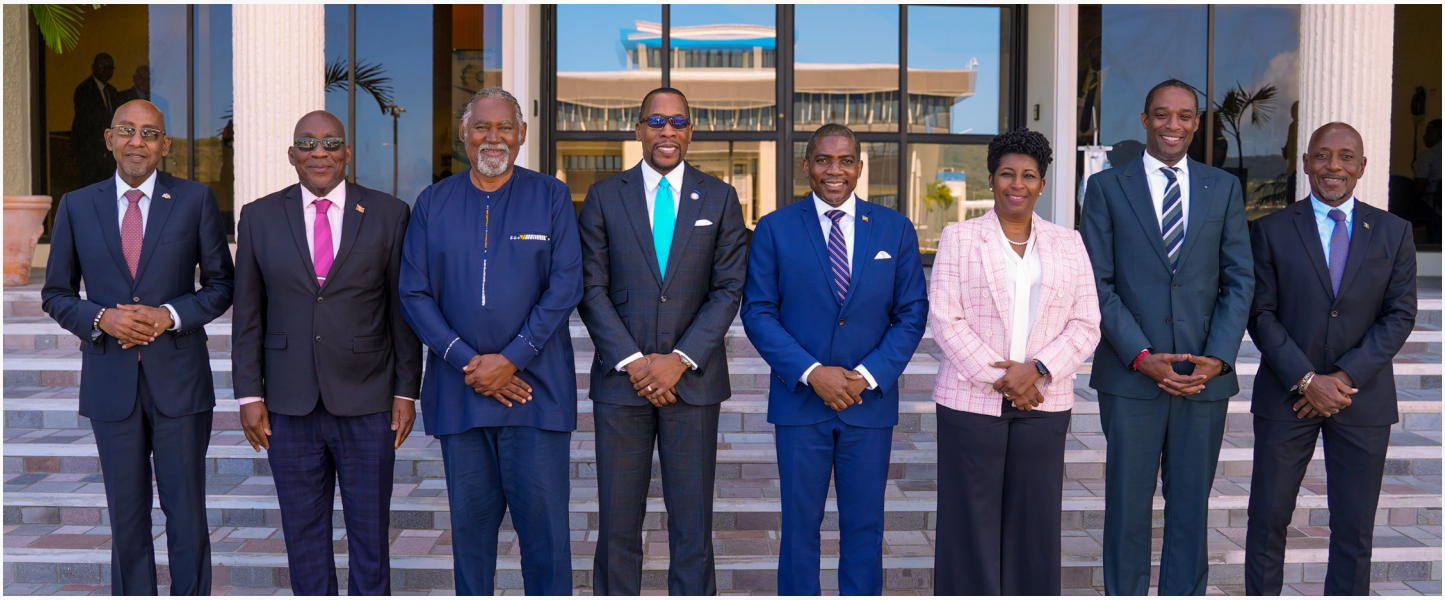


Chairman
ECCB Monetary Council
Hon Gaston Browne

Meetings of the Monetary Council

Article 7 (2) of the ECCB Agreement states, "The Council shall meet not less than twice each [calendar] year to receive from the Governor the Bank's report on monetary and credit conditions and to provide directives and guidelines on matters of monetary and credit policy to the Bank and for such other purposes as are prescribed under this Agreement."

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(L-R) Hon Dr Irving McIntrye, Commonwealth of Dominica; Hon Dennis Cornwall, Grenada; Hon Reuben T Meade, Montserrat; Governor of the ECCB, Timothy N.J. Antoine; Hon Dr Terrance Drew, Saint Christopher (St Kitts) and Nevis; Hon Cora Richardson Hodge, Anguilla; Hon Wayne Girard, Monetary Council Alternate for Saint Lucia and Hon Dwight Fitz-Gerald Bramble, Monetary Council Alternate for Saint Vincent and the Grenadines at the 112th Meeting of the ECCB Monetary Council held at ECCB Headquarters, 13 February 2026.

Monetary Council Meetings are held on a calendar year basis. The ECCB Monetary Council Rules further clarify the location for meetings:

1. **February:** At the principal office of the Eastern Caribbean Central Bank, Bird Rock, Basseterre, Saint Christopher (St Kitts) and Nevis;
2. **July:** In the country of the Participating Government whose representative is due to assume chairmanship of the Council;
3. **October:** Via videoconference or other approved medium from the Bank's Headquarters in St Kitts and Nevis to the offices of the respective Council members or Alternate members.

The Monetary Council convened the following meetings in 2025 and 2026:

- ☑ 111th Meeting of the Monetary Council and Media Conference, 18 July 2025, and Ceremony to Mark the Change in Chairmanship of the ECCB Monetary Council, 17 July 2025, Antigua and Barbuda;
- ☑ 1st Special Meeting of the Monetary Council (2026), 16 January 2026;
- ☑ 2nd Special Meeting of the Monetary Council, 22 January 2026; and
- ☑ 112th Meeting of the Monetary Council, 13 February 2026, ECCB Campus, Saint Christopher (St Kitts) and Nevis.

Ministerial Subcommittee on Insurance Meetings

The Ministerial Subcommittee on Insurance, a subcommittee within the ECCB Monetary Council, is chaired by Honourable Gaston Browne, Council Member for Antigua and Barbuda. The Chair was supported by Honourable Dr Irving McIntyre, Council Member for the Commonwealth of Dominica, and Honourable Camillo Gonsalves, then Council Member for Saint Vincent and the Grenadines, who no longer serves on the Council.

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The Ministerial Subcommittee guides the work of the Monetary Council on policy matters affecting the insurance sector. The Committee oversees the implementation of the decisions taken by the Monetary Council pertinent to the regulation, supervision and rationalisation of the insurance sector.

Meetings are convened on a calendar year basis. In 2025, the Committee met on 4 April.

The Board of Directors

The powers of the Bank are vested in the Board of Directors. The Board of Directors is responsible for the policy and general administration of the Bank. According to the ECCB Agreement Act Article 8 (2), "The Board shall have power to make, alter or revoke regulations, notices and orders for the purpose of giving effect to the provisions of this Agreement." The Board of Directors is responsible for submitting recommendations to the Monetary Council on such matters as the external value of the EC dollar; the denomination, composition, form and design of the currency to be issued; the terms and conditions for temporary advances to participating governments and interest rates. Appointed Directors are required to consider the interests of all the members of the ECCU in their decision-making process.

Composition of the Board of Directors

The Board consists of the Governor, Deputy Governor and one Appointed Director endorsed by each Participating Government. Appointed Directors are recommended for terms not exceeding three years and are eligible for re-appointment. Recommendations of individuals to serve on the Board are presented to the Monetary Council for ratification. The Governor and the Deputy Governor are appointed by the Monetary Council for a period not exceeding five years and are eligible for re-appointment.

The Governor

The Governor serves as Chairman of the Board of Directors. As Chief Executive Officer of the Bank, he is responsible to the Board for the implementation of policies and the day to day management of the Bank. He is required to attend all meetings of the Monetary Council.

The Governor has the authority to act, contract and sign instruments and documents on behalf of the Bank, and may by resolution of, and to the extent deemed appropriate by the Board, delegate such authority to other officers.

The Deputy Governor

In accordance with the ECCB Agreement, the Deputy Governor, "During the absence or disability of the Governor or during any vacancy in the office of the Governor, the Deputy Governor shall exercise the powers and duties of that office. The Board shall make provision for the simultaneous absence or disability of the Governor and the Deputy Governor." Like the Governor, the Deputy Governor is to devote the whole of her professional time to the service of the Bank while holding office.

Meetings of the Board of Directors

The Board is required to meet as often as the business of the Bank may require; but not less than once every three calendar months. During any given calendar year, the Board convenes four meetings. Five Appointed Directors at any meeting constitute a quorum.

Six subcommittees assist with the execution of the mandate of the Board:

1. Board Audit and Risk Committee (BARC)

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2. Board Investment Committee
3. Board Budget and Human Resources Committee
4. Pension Fund Trustees Committee
5. Pension Fund Investment Committee
6. Joint Pension Fund and Investment Committee

In accordance with Article 13 (1) of the ECCB Agreement Act, the Board of Directors convened the statutory number of meetings during the period under review, face-to-face and via videoconferencing:

- ☑ ECCB Board of Directors Advance Meeting – 28 and 29 May 2025
- ☑ 197th Board of Directors Meeting – 30 May 2025
- ☑ Board Audit and Risk Committee Meetings – 19 June 2025
- ☑ First Special Meeting of the Board of Directors – 20 June 2025
- ☑ 198th Board of Directors Meeting - 26 September 2025
  - » Board Investment Committee Meetings - 25 September 2025
  - » Board Audit and Risk Committee Meetings – 2 October 2025
  - » Special Meeting of the Board Audit and Risk Committee – 10 October 2025
- ☑ 199th Board of Directors Meeting – 23 January 2026
  - » Board Investment Committee Meetings - 22 January 2026
  - » Board Audit and Risk Committee Meetings - 22 January 2026
  - » Board Budget and Human Resource Committee Meetings - 22 January 2026
- ☑ 200th Board of Directors Meeting – 20 March 2026
  - » Board Investment Committee Meetings – 19 March 2026
  - » Board Audit and Risk Committee Meetings – 19 March 2026

New Board Members and Re-appointments:

Rasona Davis-Crump, Financial Secretary, Antigua and Barbuda, was appointed to serve on the ECCB Board of Directors for the period 1 August 2025 to 31 August 2026. This period reflected the unexpired term of the former Board Director, Whitfield Harris Jr.

Kenya Lee, Acting Honourable Financial Secretary, Ministry of Finance, Montserrat is the Appointed Director representing the Government of Montserrat to serve on the ECCB Board of Directors for the established period of three years. His period of appointment began on 10 August 2025 and will end on 9 August 2028. Lee replaced John R S Skerritt whose term naturally ended on 9 August 2025.

Francis Fontenelle, Permanent Secretary, Ministry of Finance, Saint Lucia, was re-appointed as a Director on the ECCB Board for the period 3 December 2025 to 2 December 2028; having served an initial term from 03 December 2022 to 2 December 2025.

Risk Management and Internal Control

The Board Audit and Risk Committee (BARC) continues to provide guidance to the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process; and to provide a system of internal control, risk management, and compliance monitoring with laws and regulations, and the code of conduct. Specific to the work of

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the Committee, consultations were held with the Bank's management team, officers, and the Internal Audit Department.

The BARC comprised the following Appointed Directors:

- ☑ Hilary Hazel, Chairman, Saint Christopher (St Kitts) and Nevis
- ☑ Edmond Jackson, Saint Vincent and the Grenadines
- ☑ Kathleen Rogers, Anguilla
- ☑ John Skerritt, Montserrat (up until retirement in August 2025)

Integrity and Financial Reporting

Disclosure and Transparency

In keeping with international best practices, and in accordance with statutory requirements, the Bank publishes its statement of assets and liabilities monthly and the audited annual financial statements by the end of June each year.

Compliance with IFRS Accounting Standards

The Bank continues to be IFRS compliant and is committed to implementing measures that ensure it remains current with ongoing developments and amendments to these standards.

Code of Conduct

The Bank's overriding code of conduct is encapsulated in its value statement as follows: "The Bank values a results-focused approach in delivering timely, relevant and high quality output for the benefit of the people of the ECCU." The behaviour of management and staff is governed by various policy documents including:

- ☑ The Eastern Caribbean Central Bank Corporate Governance Charter;
- ☑ Conflict of Interest Policy;
- ☑ Media Relations Policy;
- ☑ Information Systems and Security Policy;
- ☑ Eastern Caribbean Central Bank Staff Regulations;
- ☑ The ECCB's Guide – Protocol, Diplomacy and Etiquette;
- ☑ Energy Management Policy;
- ☑ Financial Regulation and Etiquette
- ☑ Energy Management Policy; and
- ☑ Financial Regulation.

Relationship with Stakeholders

Stakeholder Involvement

Meetings were held both virtually and in-person during the year under review. Networking and consultative meetings were convened as scheduled. Based on the terms of reference, networking and consultative meetings are either held biannually or on an annual basis. The meetings allowed for productive stakeholder engagement; welcoming a cross section of participants from the various institutions. The networking and consultative meetings were convened at a sector level allowing for institution-based lessons learnt to be shared and for responses to be for use at the national and regional levels.

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Meetings and Conferences

Networking and Consultative Meetings Convened During the Financial Year

- ☑ 7th Joint Meeting with Attorneys General and Chief Parliamentary Counsel
- ☑ Meetings with ECCU Directors of Social Security Systems
- ☑ Meetings of the Regulatory Oversight Committee
- ☑ Meetings with ECCU Development Banks
- ☑ Meetings of the Regional Debt Coordinating Committee
- ☑ Meetings with ECCU Financial Secretaries
- ☑ Meetings with Licensed Financial Institutions
- ☑ Meetings with ECCU Directors of Social Security Systems
- ☑ Joint Meetings with Comptrollers of Inland Revenue and Customs Departments

Conferences and Workshops Convened During the Financial Year

- ☑ Joint Consultation with Attorneys General and Chief Parliamentary Counsels on Legislation to establish the CBI Regulator
- ☑ Conference of Regional Central Banks Information Systems Specialists (RCBISS 30 Conference)
- ☑ Inaugural Conference on Anti Money Laundering and Combatting the Financing of Terrorism
- ☑ ECCU Community/Commercial Bank ISO/ SWIFT Workshop
- ☑ 7th Annual Conference with Licensed Financial Institutions
- ☑ Regional Workshop on Fuel Pricing Mechanism
- ☑ Workshop for ECCU Media Practitioners

The Bank continued to advance its Environmental, Social and Corporate Governance agenda through regional collaboration, policy advocacy, community engagement, and institutional strengthening. These efforts were aligned with the Bank's broader strategic vision of fostering sustainable, inclusive, and resilient development across the Eastern Caribbean Currency Union (ECCU).

Economic Engagement, Global Partnerships and Policy Advocacy

Resilient Renewable Energy Infrastructure Investment Facility (RREIIF)

The Bank, through sustained engagement in global and regional policy platforms, advanced its mandate of supporting regional economic transformation. A key area of contribution was the Bank's participation in the Resilient Renewable Energy Infrastructure Investment Facility (RREIIF) committees, providing technical and analytical input to support regional sustainability initiatives. The interventions advanced the ECCU's renewable energy transition agenda, strengthening energy resilience, improving policy coordination, and supporting the region's broader sustainability objectives.

Spring Meetings of the World Bank Group and International Monetary Fund (April 2025)

Governor Timothy N.J. Antoine led an ECCB delegation comprising the Chief Director (Policy), D Tracy Polius (PhD) and Director, Advisory Services, Emefa Sewordor (PhD), to the 2025 World Bank Group and International Monetary Fund (IMF) Spring Meetings, held from 21 to 26 April 2025 in Washington, DC. The delegation engaged in a series of high-level discussions centered on key development priorities for the ECCU, including the creation of quality employment opportunities

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for young people entering the labour force over the next decade, as well as strengthening climate resilience and energy security.

These discussions were fully aligned with the Bank's "Big Push" agenda, which seeks to double the size of the ECCU economy over the next ten years through coordinated and transformative action. In addition to multilateral engagements, the delegation held bilateral discussions with key stakeholders, including the World Bank Group, the IMF, and the United States Treasury Department. Those interactions were instrumental in strengthening partnerships and expanding the Bank's global network.



Governor Antoine (middle) with Chief Director (Policy), Tracy Polius (PhD) (left) and Director, Advisory Services, Emefa Sewordor (PhD) (right) in attendance at Annual Meetings of the World Bank Group and International Monetary Fund

The Spring Meetings also provided an important platform for continued advocacy on critical issues affecting ECCU member countries. The Bank utilised these engagements to reinforce its policy positions and deepen dialogue on development priorities that are central to the region's long-term economic transformation.

Annual Meetings of the World Bank Group and International Monetary Fund (October 2025)

The Bank further strengthened its international engagement through participation in the 2025 Annual Meetings of the World Bank Group and IMF, held from 13 to 18 October 2025 at the institutions' headquarters in Washington, DC. Governor Antoine again led the ECCB delegation, which engaged in discussions covering a wide range of global and regional development issues.

Key themes addressed during the meetings included: job creation and agribusiness development; debt sustainability and transparency; economic security and trade; and climate resilience and emerging technological risks, including the application of artificial intelligence as a tool for risk mitigation and policy support. These discussions reflected the evolving global development landscape and its implications for small island developing states such as those in the ECCU.

Throughout the meetings, the ECCB delegation also engaged with counterparts from the IMF, the World Bank, International Finance Corporation, and other development partners. These engagements not only strengthened existing partnerships, but also opened avenues for enhanced collaboration in capacity development and joint research initiatives, with potential to deliver tangible benefits to regional development.

The Bank continued its advocacy on a number of strategic issues of importance to the ECCU, including artificial intelligence, climate resilience, renewable energy transition, and Citizenship by

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Investment Programmes. These discussions reinforced the Bank's role as a key voice for the region in global financial and development policy discourse.

Citizenship by Investment Programmes (CIP/CBI) Initiative and Regional Regulatory Reform

The ECCB worked closely with the Citizenship by Investment Programmes (CIP/CBI) Interim Regulatory Commission (IRC) in collaboration with regional stakeholders to support the long-term sustainability of CIP/CBI programmes across the ECCU. Given the significant contribution of these programmes to fiscal stability and socio-economic development, member countries maintained their commitment to strengthening the integrity, transparency, and security of the framework.

Throughout the year, the ECCB provided technical and administrative support to the IRC as efforts intensified towards the establishment of a regional regulator - the Eastern Caribbean Citizenship by Investment Regulatory Authority (ECCIRA). Consultations on the supporting legal framework continued, culminating in key institutional milestones, including the signing of the ECCIRA Agreement by all five Heads of Government and the passage of enabling legislation across participating national parliaments.

ECCIRA is expected to play a central role in regulating and supervising CIP/CBI programmes, including the establishment of regional standards to strengthen governance and oversight. In preparation for operationalisation, recruitment for a Chief Executive Officer commenced during the reporting period, to be followed by the staffing of the Authority with an initial complement of 14 personnel. Parallel efforts furthered the finalisation of the Headquarters Agreement for Grenada, as well as the establishment of the ECCIRA Board of Directors.

Additionally, the IRC circulated draft amendments to Attorneys General, Financial Secretaries, and Citizenship by Investment Units for review and feedback. The ECCB also commenced drafting priority standards that will ultimately be issued by ECCIRA, further supporting the harmonisation and strengthening of the regional regulatory environment.

Public Education and Community Outreach

ECCB Connects: Public Education and Engagement

The ECCB strengthened its public communication mandate through its flagship programme, ECCB Connects: Who We Are. What We Do. How We Serve You. This award-winning series is designed to enhance public understanding of the Bank's role and functions while providing accessible insights into key financial and economic developments affecting the ECCU.

ECCB Connects aired 37 episodes, bringing the cumulative total to 392 episodes across 30 seasons. Featured topics included: the 10th Annual Growth and Resilience Dialogue, the Energy Revolution, financial crimes and related risks, as well as broader discussions on ECCB operations and initiatives under the "ECCB in Action" series.

The programme serves as a critical platform for public education, transparency, and engagement, ensuring that regional audiences remain informed about the Bank's evolving policy priorities and development agenda.

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2025 Financial Information Month (FIM) Festival

The Financial Information Month (FIM) Festival continued to serve as a key regional platform for financial education and public engagement across the ECCU. In 2025, participating partners sustained their focus on the theme "Financial Investing: From Savers to Investors", with the objective of deepening public understanding of investment principles and encouraging more active participation in formal financial systems.

Across member countries, a wide range of activities were implemented to engage citizens and residents. Those included financial education fairs, investment fora, interactive radio discussions, a radio drama series, social media outreach initiatives, small business development workshops, and investment lectures. Collectively, those activities contributed to strengthening financial awareness and promoting informed financial decision-making across diverse population groups.

About FIM

The FIM Festival is implemented through a broad-based collaborative framework involving the ECCB, ECCU governments, financial and academic institutions, media organisations, and other public and private sector stakeholders, alongside community-based organisations. Since its inception in 2002, the initiative has remained a cornerstone of regional financial literacy and economic empowerment efforts.

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Participants of the ECCB Communications Workshop for ECCU Media Practitioners held 26-27 March 2026 at the ECCB Headquarters, Basseterre, Saint Christopher (St Kitts) and Nevis

ECCB Communications Workshop for ECCU Media Practitioners

The ECCB hosted a Communications Workshop for ECCU media practitioners on 26–27 March 2026 at ECCB Headquarters in Basseterre, Saint Christopher (St Kitts) and Nevis. The two-day engagement brought together 19 participants from media houses across the eight ECCB member countries, including professionals from print, broadcast, and digital platforms.

The sessions provided a practical overview of the Bank's operations and key priority areas, including:

- ☑ The mandate and functions of the ECCB;
- ☑ Monetary policy and its impact on ECCU economies;
- ☑ Management of the EC currency;
- ☑ The future of payments in the ECCU;
- ☑ Safeguarding the ECCU financial system; and
- ☑ Financial stability and banking sector oversight.

The initiative aligned closely with the Bank's Communications Strategy, which prioritises sustained stakeholder engagement—particularly with the media—to foster transparency, build trust, and support timely awareness and understanding of key issues. The workshop met its objectives and received positive feedback from participants, strengthening relationships with regional media houses and contributing to increased positive earned media and coverage of the Bank's activities, including the launch of the ECCB Strategic Plan on 31 March 2026. An initial count indicates that more than 10 related stories were published across the ECCU within three weeks following the workshop.

Environmental, Social and Corporate Governance

5th ECCB International Netball Series (2025)

The ECCB, in collaboration with the Caribbean Netball Association and Netball Grenada, hosted the 5th ECCB International Netball Series from 23 to 31 August 2025 in Grenada. The tournament recorded participation from 10 countries, the highest number since its inception in 2019, reflecting growing regional interest and competitive development in the sport.

Seven ECCB member countries competed alongside visiting teams from Barbados, the Cayman Islands, and Guyana. Saint Vincent and the Grenadines successfully retained the Gloria Ballantyne Championship Trophy for a second consecutive year, followed by Grenada in second place and Saint Lucia in third.

Beyond competition, participants engaged in a developmental session themed: "Linking Sustainability and Netball", highlighting the convergence of sport, resilience, and sustainable development. All matches and ceremonies were live streamed via ECCB Connects platforms, expanding regional and international visibility of the event.



Governor Antoine (far right) with Team Saint Vincent and the Grenadines at the Closing Ceremony of the 5th ECCB International Netball Series hosted in Grenada.

Environmental, Social and Corporate Governance

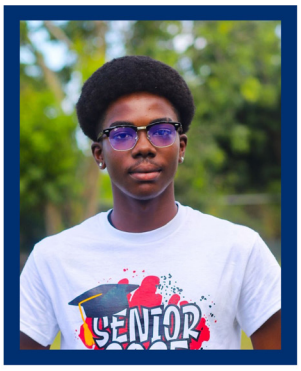
2025 ECCB/RSS-ARU Creative Youth Competition

The ECCB, in collaboration with the Regional Security System – Asset Recovery Unit, hosted the 2025 Creative Youth Competition, which focused on essay writing. The competition encouraged students to explore critical socio-economic themes, including the integration of financial education in schools, the role of sports in youth development and crime prevention, and education reform aimed at fostering creativity and innovation.

Students from six ECCB member countries achieved top positions across two age categories. In the 13–16 category, first place was awarded to Adin Corbette of the Montserrat Secondary School, followed by Syreina Harris of Convent High School in the Commonwealth of Dominica, and Esther Barzey of Antigua Girls' High School. In the 17–19 category, Endira Reeknauth of the Clarence Fitzroy Bryant College in Saint Christopher (St Kitts) and Nevis secured first place, with Jaida Victor of the T A Marryshow Community College in Grenada and Kevisha Richardson of the Saint Vincent and the Grenadines Community College placing second and third respectively.

Prize awards ranged from $3,000 for first place to $2,500 and $1,500 for second and third places, respectively. Participating institutions also received financial grants. Since its establishment in 2018, the programme has awarded over $200,000 in prizes and school grants, reinforcing its role in fostering innovation, critical thinking, and youth engagement in regional development issues.

View winning essays



Adin Corbette
1st Place Winner
13-16 Category



Endira Reeknauth
1st Place Winner
17-19 Category



Syreina Harris
2nd Place Winner
13-16 Category



Jaida Victor
2nd Place Winner
17-19 Category



Esther Barzey
3rd Place Winner
13-16 Category



Kevisha Richardson
3rd Place Winner
17-19 Category

Environmental, Social and Corporate Governance



L-R: Managing Director, Bank of Saint Lucia Ltd - Rolf Phillips; Administrative Officer, Republic Bank (EC) Ltd (Saint Lucia) - Nicole Duncan; Executive Manager, Human Resources and Talent Management, National Bank of Dominica Limited - Tracey Joseph; Governor, ECCB - Timothy N.J. Antoine; Deputy Managing Director, Bank of Saint Vincent and the Grenadines Ltd - Bennie Stapleton; Executive Manager, Risk and Compliance, National Bank of Dominica Limited - Melvyn Baptiste

2025 ECCU Bank of the Year Awards

The ECCB hosted the 2025 ECCU Bank of the Year Awards on 6 November 2026, recognising excellence in commercial banking across the currency union. The National Bank of Dominica Ltd received the distinction of ECCU Distinguished Bank for 2025. Individual category awards recognised outstanding performance in: corporate social responsibility, customer service, financial education and empowerment, Micro, Small and Medium-sized Enterprises (MSMEs) support, and technological innovation. The awards recipients were:

- ☑ **Corporate Social Responsibility** – Republic Bank (EC) Ltd (Saint Lucia);
- ☑ **Customer Service** – National Bank of Dominica Limited;
- ☑ **Financial Education and Empowerment** - Bank of Saint Vincent and the Grenadines Ltd;
- ☑ **Support to Micro, Small and Medium Enterprises (MSMEs)** – Bank of Saint Lucia Ltd; and
- ☑ **Technological Innovation** – National Bank of Dominica Limited.

Public engagement in the assessment process reached unprecedented levels, with over 3,000 online votes, marking this the highest level of public participation to date. The awards continue to promote best practices and encourage innovation and service excellence within the ECCU banking sector.

Environmental, Social and Corporate Governance

Student Programme for Innovation in Science and Engineering (SPISE)

Through its sponsorship of the SPISE programme, the ECCB facilitated the participation of two outstanding students in 2025: Jesse Logie of the T A Marryshow Community College in Grenada and Hannah-Marie Williams of the Clarence Fitzroy Bryant College in Saint Christopher (St Kitts) and Nevis.



Jesse Logie (third from left) presenting with his team at the 2025 SPISE Camp

Both scholars demonstrated exceptional performance, with Jesse receiving four awards for academic excellence and Hannah-Marie earning the Most Improved distinction in Physics. The programme supports the development of Science, Technology, Engineering, and Mathematics (STEM) capacity within the ECCU, with a focus on fostering innovation, entrepreneurship, and technological advancement. Since 2016, a total of 19 students from ECCB member countries have benefitted from this initiative.



Hannah-Marie Williams (right) presenting at the 2025 SPISE Camp

ECCB Children's Connection Radio Programme

The ECCB broadcast its Children's Connection Radio Programme across all eight member countries, reinforcing its commitment to youth education and financial literacy. The programme aims to provide accessible, engaging learning experiences for young audiences, fostering curiosity, knowledge development, and lifelong learning.

Topics covered during the year included: The Role of Money; An Introduction to the ECCU; the Benefits of Planning; and concepts such as scarcity and choice. The interactive call-in segments remained a popular feature, enabling children to actively participate, share learning outcomes, and win prizes. The programme also incorporated value-based learning segments, where key concepts and vocabulary were explored in an engaging and age-appropriate format.

Environmental, Social and Corporate Governance

The ECCB Bright Sparks Programme

The ECCB Bright Sparks programme nurtures the next generation of IT professionals in the Eastern Caribbean. In 2025, the Bank welcomed two talented students: Ceon Thomas from the Dominica State College and Zahi Joseph from the T A Marryshow Community College in Grenada. Since its launch in 2017, 18 Bright Sparks interns have been recruited from the seven ECCB member countries.

The Bright Sparks programme provides invaluable hands-on experience for students who pursued tertiary level course of study in Information Technology (IT) at an ECCU regional institution. It equips them with the practical skills and experience in the ever-evolving field of IT.



Ceon Thomas
Dominica State College
Commonwealth of Dominica



Zahi Joseph
T A Marryshow
Community College
Grenada

Environmental, Social and Governance Assurance

The Bank performed the Greening of the Campus Audit during the financial year. The Greening of the Campus initiative was an Environmental, Social and Governance (ESG) strategy implemented during a period of global divergence in ESG approaches. The overall objective of the Greening of the Campus Audit was to provide assurance over the performance of the solar canopy initiative and the adequacy and effectiveness of its physical, technical, and administrative controls. The specific objectives were as follows:

- ☑ To evaluate whether the reported performance of the solar project aligned with actual performance and whether performance data was accurate, complete, and reliably reported;
- ☑ To assess whether the solar system was effectively managed to ensure optimal performance and longevity; and
- ☑ To ascertain the adequacy of controls over the solar system infrastructure and related cybersecurity risks.

Across its economic, social, and corporate governance agenda, the ECCB strengthened its role as a regional policy institution, development partner, and advocate for sustainable and inclusive growth. Through active global engagement, targeted regional initiatives, and sustained investment in youth, education, and institutional governance, the Bank advanced its strategic objectives under the "Big Push" framework, while reinforcing resilience, transparency, and long-term development across the ECCU.

Environmental, Social and Corporate Governance

Strategic Planning, Governance and Institutional Strengthening

During the reporting period, the ECCB completed the development of its Strategic Plan for 2026-2031 under the theme, **"The Big Push: Collective Action for Shared Prosperity in the ECCU".**

The plan was developed through extensive internal consultations, stakeholder engagement, and Board-level input, reflecting a collective vision for accelerating economic transformation and doubling ECCU GDP within ten years.

The Strategic Plan was formally launched on 31 March 2026 through a regional media conference, broadcast across multiple platforms, underscoring the Bank's commitment to transparency, inclusiveness, and stakeholder engagement.















Launch of ECCB 2026-2031 Strategic Plan

Digital and Data Transformation

"A model central bank optimising digital technologies to enhance resilience and responsiveness and supporting the buildout of a digital economy in the ECCU"

Digital and Data Transformation

The Bank accelerated its digital transformation agenda through strategic investments in data infrastructure, enterprise systems, and emerging technologies. These initiatives are designed to enhance operational efficiency, strengthen data-driven decision-making, and support innovation across the ECCU.

Strengthening Data Infrastructure and Analytics

The Bank enhanced its data reporting frameworks and protocols through the expanded use of SAS software. Development work progressed on the integration of data management systems to support the capture and analysis of critical economic indicators, including fuel and food imports, remittance flows, and payment system activity.

The Bank implemented enhanced safeguards and quality controls, including automated consistency and variance checks, to ensure data integrity and reliability. These improvements have strengthened the Bank's capacity to generate timely, accurate, and comprehensive datasets to inform policy formulation and economic surveillance.

Enhancing Enterprise Systems and Information Management

Enterprise Content Management (ECM)

The ECCB staff participated in workshops on the Enterprise Content Management (ECM) filing system during February and March 2026. The system is designed to capture, organise, secure, and digitise business documents, emails, and images within a centralised repository. The ECM system can also support the enforcement of document retention policies, maintain comprehensive audit trails, and ensure the secure handling of sensitive information, which is a key measure in reducing regulatory compliance risks.

Enterprise Resource Planning (ERP) Transformation – Project BOOST

The Bank provided assurance on the ERP Project: **Building on Opportunities for Sustained Transformation (BOOST)**, to replace the Bank's current Enterprise Resource Planning Solution. The Bank commissioned the Banking Module in November 2025. TechnologyOne, the Bank's main provider for the non-Banking implementation, will modernise and integrate key business functions including: (1) Core Financial Processes, (2) Supply Chain Management, (3) Budgeting, (4) Human Resource Management, (5) Enterprise Asset Management and (6) the financial aspects of Contract Management and Project Management.

Strengthening Risk, Audit and Governance Systems

The Bank introduced new digital tools to support enterprise-wide risk management and internal audit activities, further strengthening governance and oversight.The procurement of Optro (formerly AuditBoard) represents a key step in strengthening audit workflows, improving compliance monitoring, and increasing visibility into risk management processes.

These systems support integrated governance by enabling more efficient coordination across audit, risk, and compliance functions, thereby reinforcing the Bank's institutional resilience.

The Bank's digital transformation efforts during the 2025–2026 financial year reflect a strategic commitment to leveraging technology in support of innovation, efficiency, and resilience. By strengthening data systems, modernising enterprise platforms, and investing in digital skills, the Bank is well-positioned to lead the ECCU's transition to a more digitally enabled and future-ready economy.

Digital and Data Transformation



Promoting Digital Resilience and Strategic Dialogue

The 9th Annual Growth and Resilience Dialogue, held on 10–11 April 2025 under the theme, **"In Pursuit of Extraordinary Excellence,"** brought together a diverse group of stakeholders to explore key issues impacting economic growth and resilience.

The two-day event featured discussions and interactive sessions focused on:

- ☑ **Indigenous and Regenerative Tourism** - Reimagining tourism to promote sustainability and cultural empowerment.
- ☑ **Sports Investment and Development** - Leveraging sports as a driver of economic growth and community transformation.
- ☑ **Data Infrastructure and Resilience** - Strengthening data ecosystems to support long-term economic and social resilience.
- ☑ **Electric Vehicles (EVs)** - Advancing sustainable mobility and clean energy solutions.

Day One keynote addresses and presentations delved into how to ensure sustainability in tourism, with a focus on indigenous and regenerative tourism practices. Additionally, interactive sessions including live demonstrations on data mining, data resilience and building robust digital infrastructures to support our region's technological landscape



laid out a strategic roadmap for digital resilience and transformation.

Day Two engagements highlighted the critical importance of developing the region's sports industry, and investing in and expanding the adoption of electric vehicles. Highlights included an insightful discussion with 2024 Triple Jump Olympic Champion, Thea Lafond-Gadson; a panel discussion on developing the region's ecosystem for electric vehicles (EV); a masterclass on business and career opportunities in EV sales and servicing, and an exciting demonstration of how to convert a traditional powered vehicle to an EV.

View presentations delivered at 9th Growth and Resilience Dialogue

Digital and Data Transformation

ECCU Generative AI and Python Showcase

The 2nd ECCU Generative AI and Python Competitive Showcase held on 29 August 2025 at the ECCB Headquarters featured the output of 387 ECCU participants of the ECCU Generative AI and Python 2025 Summer Camp across seven of the member countries.

Twenty-eight teams, representing seven of the eight ECCU member countries, showcased 21 Chatbots and seven multimedia projects focusing on crime prevention, financial education and heritage tourism. The projects designs were marked by impressive creativity, technical sophistication, and a clear vision of real-world applications, offering compelling proof of the practical and impactful knowledge they gained.

The Summer Camp, sponsored by the ECCB and the Republic of China (Taiwan), was conceived as a transformative educational experience designed to equip participants with cutting-edge skills in Python programming, artificial intelligence, data analytics, user experience design, and multimedia design.



Participants of the ECCU 2025 Generative AI and Python Summer Camp at the Competitive Showcase and Closing Ceremony held at the Sir Cecil Jacobs Auditorium at the ECCB Headquarters on 29 August 2025

View ECCU 2025 Generative AI and Python Summer Camp Competitive Showcase and Closing Ceremony

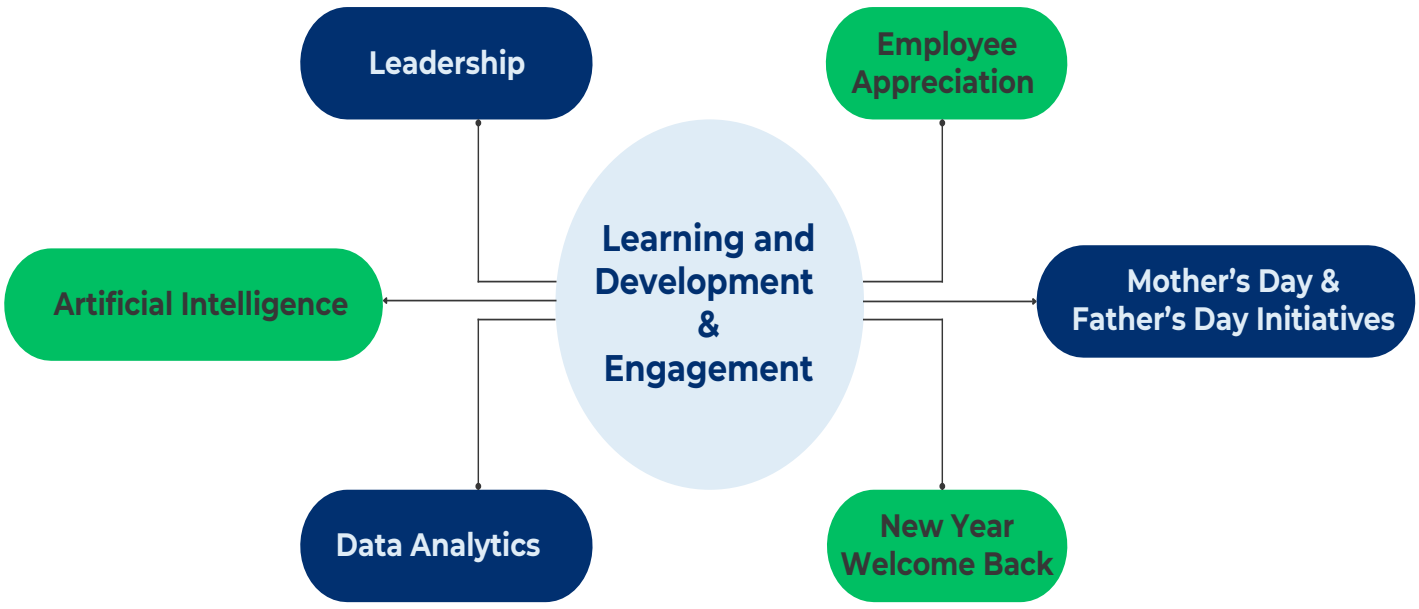
Organisational Effectiveness and Development

- ***A highly skilled, competent, caring and engaged staff focused on service excellence, teamwork, accountability and results***
- ***An operating environment that supports staff wellbeing, development, creativity and innovation***
- ***A responsive central bank that meets the needs of the people of the ECCU with speed***

Organisational Effectiveness and Development

Key Staff Statistics





Organisational Effectiveness and Development

During the 2025–2026 financial year, the Bank made significant strides in strengthening organisational effectiveness through enhanced statistical capacity, deeper stakeholder engagement, strengthened risk management practices, and continued investment in human capital development. These efforts collectively support the Bank's strategic objectives and its commitment to fostering resilience, innovation, and sustainable growth across the ECCU.

Strengthening Statistical Systems and Data Governance

The Bank advanced the compilation, analysis, and dissemination of external sector statistics for the ECCU. Key outputs included the completion of external sector statistics for 2024, the production of estimates for 2025, and forecasts for 2026–2027.

In-country compilation missions conducted between July and November 2025 across member countries facilitated comprehensive data validation, improved stakeholder engagement, and strengthened data coverage. The resulting datasets were disseminated on 31 December 2025 via the Bank's website and the IMF's Integrated Collection System (ICS), in accordance with the Advance Release Calendar.

The Bank further strengthened its publication outputs with the release of the External Sector Statistics Report 2024, complemented by an infographic to enhance accessibility for the general public. Additionally, revisions to Balance of Payments (BOP), International Investment Position (IIP), and Trade in Services statistics were completed and disseminated in March 2026, incorporating updated administrative data.

Collaboration with regional and international partners remained central. Engagements with CARTAC supported capacity building, data gap resolution, and improvements in national compilation systems. A regional workshop on Trade in Goods in June 2025 enhanced data quality, classification practices, and reconciliation between customs and Balance of Payments (BOP) statistics.

The Bank also continued its collaboration with the OECS Commission and the United Nations Conference on Trade and Development (UNCTAD), under the project "Strengthening Capacity for Evidence-Based Policymaking and the Economic Resilience of CARICOM". This work will support the development of Trade in Services statistics, including improvements in survey instruments, data processing, and the use of statistical tools to enhance the measurement of services trade. As part of this project, the ECCB participated in missions with the UNCTAD to the Commonwealth of Dominica and Grenada to test-launch the survey tool.

The Bank, as a repository for real sector data, focused on the collection of data from the member countries. The revision of the Gross Domestic Product (GDP) estimates for 2025 and forecasts for 2026 to 2027 continued as a collaborative effort with the institution and member countries.

In-country GDP compilation missions resumed in July 2025, commencing with four countries: Anguilla, Antigua and Barbuda, the Commonwealth of Dominica, and Saint Christopher (St Kitts) and Nevis. Those missions provided significant benefits, including improved data quality and validation through direct engagement with data providers, enhanced understanding of country-

Organisational Effectiveness and Development

specific economic developments to better inform estimates and forecasts, and strengthened collaboration with national statistical offices and other stakeholders. Additionally, the missions supported capacity building through hands-on training and facilitated a more timely resolution of data gaps and discrepancies. All member countries have transitioned to the 2018 base year for GDP compilation, with the exception of two countries, marking an important step toward improving the relevance and accuracy of national accounts estimates across the ECCU.

Policy Advisory, Research and Outreach

The Bank expanded its policy advisory and research functions. This included contributions to the "Big Push" Agenda, in collaboration with regional and international partners, and the preparation of analytical work to inform the 2026-2031 Strategic Plan. Additional policy research covered areas such as luxury cruise tourism, Citizenship-by-Investment (CBI) programmes, financial inclusion, and the finance-growth nexus. Key papers included 10 in 30: Stylised Facts on Economic Growth in the ECCU.

The Bank also strengthened its engagement with member governments through technical engagements with member governments, including contributions to Medium-Term Economic and Fiscal Frameworks for Anguilla, as well as ongoing analysis of debt sustainability, growth challenges, and the feasibility of Sovereign Wealth Funds.

Professional outreach and public engagement were also enhanced. The Bank participated in major regional and international fora, including the 56th Annual Monetary Studies Conference, the OECS Global Investment Summit in Saint Lucia, and the West Indies Economic Conference (WECON) in Jamaica. In addition, the Bank delivered targeted engagements with media and key stakeholders to improve the accessibility and understanding of economic policy issues, including monetary policy and the "Orange Economy". These efforts included sessions with media personnel in the Commonwealth of Dominica during the World Creole and Music Festival, as well as targeted presentations on regional monetary policy aimed at strengthening the quality of economic reporting.

With respect to Monetary and Financial Statistics (MFS), the Bank prioritised strengthening staff capacity through active participation in regional and international workshops, webinars, and seminars. The Bank strengthened collaboration with stakeholders to improve monetary and financial statistics and continued publishing selected data on individual ECCU commercial banks, enabling users to compare institutional performance against national and regional performance.

Capacity Building and Knowledge Sharing

The ECCB hosted a workshop on "Fuel Pricing", facilitated by the IMF from 16 to 17 March 2026. The need for the workshop emanated from a pilot project undertaken by the IMF in two countries - Antigua and Barbuda and Grenada. The overall intention is to assist ECCB member countries in building capacity to strengthen their fuel pricing frameworks. At the workshop, which was attended by representatives from all eight ECCB member countries, the IMF team presented the preliminary findings from the pilot, along with a number of recommendations to enhance transparency and sustainability of fuel pricing in the region.

Targeting technical staff from the Ministries of Finance and other relevant agencies, the sessions built capacity in areas such as fuel subsidy

Organisational Effectiveness and Development

measurement and automatic pricing mechanisms. The interactive sessions provided useful insights on fuel retail pricing formulas and the divergence in fuel supply costs. This initiative aligns with the Bank's ongoing commitment to support member countries in strengthening fiscal sustainability and climate resilience across the region.



Participants of the IMF Fuel Pricing Workshop held at the ECCB Headquarters, 16-17 March 2026

Knowledge dissemination was further supported through the Bank's blog series. The blogs published on the Bank's webpage throughout the period, focused largely on the key themes of the strategic plan. Among the subject areas covered were Financial Literacy and Inclusion, Payment System Integration, Improving Public Transport Systems, and the Impacts of Recent US Policies on the Economies of the Region.

The authors aptly identified several initiatives that the ECCB is currently undertaking to improve the quality of life of the region's populace. Importantly, the blogs posited policy recommendations for consideration and implementation to bolster stability and resilience in the region and ultimately contribute to the Big Push - doubling the size of the economy of the ECCU in the next decade. In addition, the Bank has selected related topics for production and publication in the coming year.

Stakeholder Engagement and Regional Collaboration

The Bank strengthened its collaborative process with critical partners in the ECCU. ECCB hosted and supported several engagements including virtual and in-person networking meetings with Financial Secretaries and executives from development banks in the region.

The Bank held engagements with one of its key stakeholders – Financial Secretaries – in May 2025 on the theme "Unlocking Financing for Climate Resilience." The discussions centered on leveraging the region to allow access to grants and concessional financing, fuel price reforms, climate resilience initiatives in the OECS, and the necessary updates to the region's legislative framework. Senior Representatives from the IMF, White Oak Advisory and the OECS Commission supported the discussions on the major policy considerations for the region. The Financial Secretaries provided some valuable insights on the main policy issues specific to their individual countries and identified the priorities and opportunities that the region could leverage collaboratively for the further development of its populace.

The Financial Secretaries reconvened in February 2026 for another round of discussions under the theme: "Empowering Financial Leadership for a Resilient ECCU." A presenter from McKinsey and Company led the discussion on economic growth by proposing a strategic approach to accelerating "The Big Push." Discussions also ensued on the region's debt sustainability target and a plethora of strategies that the countries have been implementing to achieve the same. A representative from the

Organisational Effectiveness and Development

IMF led a discussion on fiscal rules framework and tailoring them to small economies, like those of the ECCU. The Financial Secretaries shared their thoughts and ideas on fiscal and debt issues in the region and the potential to impact efforts geared towards pushing the economies, with the aim to double the gross domestic product of the ECCU in the next decade. The engagement culminated with an engaging capacity building session for the Financial Secretaries on leading successful teams and projects, led by a representative from The Small Countries Financial Management Centre.

The engagements with the development banks continued, as they remain pivotal players in the socioeconomic development of the ECCU. The Bank convened two consultative meetings with development banks during the financial year. The first, held in July 2025, featured presentations and discussions on the theme: "Development Banks in a Changing Economy: Balancing Social Impact and Commercial Banking Functions." The development bank executives embraced the opportunity to re-think their current modus operandi and funding architecture, with a view to be more efficient and effective in their local economies. The next meeting, convened in January 2026, focused on reimagining development banking in the ECCU to meet the challenges of the 21st century. The presentations and discussions, which included the role that development banks play in the new economic environment, were very insightful and prompted executives to further explore capacity building opportunities outside of the ECCU region.

The IMF held its Annual ECCU Common Policies Consultation with the ECCB in January and February 2026. The Bank and the IMF engaged in discussions on policy issues critical to the 'Big Push' and the economic transformation of the ECCU member countries. The management and staff of several policy departments of the ECCB participated in these sessions. The IMF noted that, despite the frequent exogenous shocks confronting the region, including geopolitical uncertainties and the war in the Middle East, macroeconomic stability has been sustained. The team proposed reforms towards strengthening resilience, and improving both trade connectivity and overall competitiveness.

The mission team, as customary, conducted a seminar, which was held in March, on Caribbean Trade Patterns and the Connectivity Constraint. The presenters shed light on the linkages among CARICOM member countries, relating to goods, tourists and cross-border finance links, and how these links impact trade patterns and vulnerabilities in the region, particularly the ECCU. The IMF's Concluding Statement of the 2026 ECCU Consultation Mission on Common Policies for Member Countries is accessible on the IMF website.

Access Mission Concluding Statement on IMF Website

Strengthening AML/CFT Capacity

AML/CFT/CPF Training and Sensitisation

a. The Quarterly AML/CFT/CPF Newsletter: The ECCB continued its quarterly publication of its AML/CFT/CPF Newsletter, which provided quarterly updates on topical AML/CFT/CPF issues affecting the region, as well as guidance on AML/CFT/CPF regulatory initiatives. Some of the topics included were: leveraging financial inclusion to strengthen AML/CFT regimes; SMS-based scams; the rise in wire transfer fraud; the opportunities and risks associated with artificial intelligence; the growing importance of addressing proliferation financing;

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effective implementation of targeted financial sanctions; and understanding the FATF approach to terrorist financing risk assessment.



Access AML/CFT/CPF Newsletters on ECCB Website

b. AML Virtual Learning Campus: The ECCB continued its AML Virtual Learning Campus, through the ACAMS Enterprise Membership programme. Topics included evaluating risks associated with high-net-worth global customers, enhanced due diligence (EDD) in wealth management and private banking, and trade-based money laundering involving dual-use goods. They also covered the use of human intelligence in EDD, transitioning to an intelligence-led approach, and core competencies for Bank Secrecy Act Officers and Money Laundering Reporting Officers. Additional topics included EDD investigations and report writing, the misuse of artificial intelligence by criminals, the impact of strategic corruption on financial institutions, navigating the evolving AI landscape for anti-financial crime programmes, onboarding marijuana-related businesses, incentivising a risk-based approach, detecting and disrupting money mule networks using technology, and the application of artificial intelligence in anti-financial crime, sanctions screening, and transaction monitoring.

c. Industry AML/CFT/CPF Training: the ECCB led multiple training and capacity-building initiatives aimed at inclusion and strengthening the overall AML/CFT/CPF framework within the ECCU. These initiatives resulted in regional knowledge-sharing, improved AML/CFT/CPF compliance, and strengthened coordination among financial regulators, prosecutors, law-enforcement agencies, and financial institutions. The following are noteworthy:

i. Joint AML/CFT Training with the Dominica Co-operatives Societies League Ltd and the Financial Services Unit - The ECCB presented on the topic, "The Future of Compliance in the Caribbean" at the Annual Regional Compliance Summit held in the Commonwealth of Dominica over the period 24 to 25 April 2025. Over 100 participants from the commercial banking, credit union, insurance and offshore banking sectors, and DNFBPs were in attendance.

ii. Presentation at the 7th Joint Meeting of the Attorney General and Chief Parliamentary - The ECCB presented on the topic 'Anti Money Laundering and Evolving Landscape' at the 7th Joint Meeting of the Attorney General and Chief Parliamentary held in Anguilla on 8 May 2025. The presentation provided an overview of the ECCB's supervisory programme and the performance of ECCU member countries during the 4th Round Mutual Evaluation Reviews. The ECCB provided recommendations to the member countries regarding the need for ongoing collaboration as the region prepares for the upcoming 5th Round Mutual Evaluation Review.

iii. Joint AML/CFT Training Enhancing AML/CFT/CPF Compliance through Effective Implementation - The ECCB and Office of National Drug and Money Laundering Control Policy of Antigua and Barbuda facilitated a joint training for financial institutions on 21 May 2025. The ECCB presented on the topic 'AML/

Organisational Effectiveness and Development

CFT Governance', with a focus on the ECCB's five pillar approach to effective oversight and the implementation of controls.

Regional Collaboration

Collaboration and cooperation forms part of an effective AML/CFT/CPF Supervisory framework. It seeks to foster mutual accountability, synergy leading to innovative solutions to address common challenges. During 2025, the ECCB engaged in the following collaborative initiatives:

a. **Stakeholder Meeting with the Regional Security System (January and February 2025)** - The ECCB held a series of collaborative meetings with the Regional Security System to address several critical issues aimed at strengthening financial investigations and enhancing supervision related to AML/CFT/CPF within the ECCU. The discussions focused on the following key areas:
   i. Judicial training for stakeholders within the ECCU;
   ii. Capacity building related to virtual assets;
   iii. Strengthening the AML/CFT/CPF Supervisory framework for DNFBPs;
   iv. Improving the quality of Suspicious Activity Reports (SARs) and investigative practices; and
   v. Conduct of a regional ML/TF/PF risk assessment.

b. **Institutional ML/TF/PF Risk Assessment Training** – In June 2025, the ECCB, in collaboration with ACAMs, hosted a two-day virtual regional training focused on ML/TF/PF risk assessment methodologies, the evaluation of internal controls, and strategies for effectively communicating and responding to financial crime risks. The training provided theoretical guidance to LFIs to support the development and completion of institutional ML/TF/PF risk assessments.

c. **AML/CFT/CPF Training for the Judiciary** - Over the period 28 July - 1 August 2025, the ECCB facilitated a five-day Caribbean Development Bank- funded workshop, hosted in conjunction with the RSS, which helped to strengthen AML/CFT/CPF capacity across the Organisation of Eastern Caribbean States (OECS). Participants included judges, magistrates, prosecutors, senior crown counsel and financial investigators. The workshop directly addressed deficiencies identified in countries' Caribbean Financial Action Task Force (CFATF) 4th Round Mutual Evaluation findings, with a focus on Immediate Outcomes 7 to 9. It provided practical guidance on investigative and prosecutorial processes, including confiscation and terrorist financing. This initiative significantly strengthened legal sector capacity, reduced regional ML/TF/PF risks, and reinforced the integrity of OECS financial systems.

d. **Contribution to Regional Gender-Lens Investing Dialogue** - The ECCB contributed to a series of one-day workshops hosted by the United Nations (UN) Women Multi-Country Office for the Caribbean titled: "Unlocking the Potential of Women MSMEs through Inclusive Financial Services." Held in Saint Lucia (9 September 2025) and Antigua and Barbuda (12 September 2025), the sessions focused on Gender-Lens Investing to enhance financial inclusion for women-

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led Micro, Small, and Medium Enterprises (MSMEs). The ECCB highlighted efforts to simplify account opening and upcoming amendments to the Banking Act, 2015 requiring LFIs to offer basic bank accounts. These initiatives support reduced barriers to financial access and promote a more inclusive financial ecosystem across the ECCU.

e. **Protecting Non-Profit Organisation (NPO) Integrity** – The ECCB collaborated with the Antigua and Barbuda Intellectual Property and Commerce Office (ABIPCO) to advance financial integrity for non-profit organisations (NPOs). This engagement took place in Antigua on 18 September 2025 and formed part of ABIPCO's 2nd educational outreach seminar, "Lunch and Learn: Strengthening Your Non-Profit Company – Essential Insights on Compliance and Accountability." The ECCB presented on, "Mitigating the Consequences of Inadequate Procedures and Guarding the Integrity of Non-Profit Organisations", which provided practical guidance on risk management, compliance obligations, and measures to prevent misuse. The initiative enhanced capacity, reduced sector vulnerabilities, and supported ongoing AML/CFT/CPF knowledge transfer.

f. **Saint Lucia's National Risk Assessment Consultations held on 30 October 2025** - The ECCB presented on its assessment of the ML/TF vulnerabilities impacting the banking sector. The assessment included a review of the Legislative framework and adequacy of controls instituted by the domestic, international and development banks. The consultation forms part of the broader efforts of the country's National Anti-Money Laundering Oversight Committee (NAMLOC), towards the updating of the National Risk Assessment. A follow-up session was held on 17 November 2025 with the banking sector, to allow for further discussion and feedback on the preliminary assessment.

g. **National AML/CFT/CPF Oversight** - The ECCB continued to serve and contribute to the NAMLOCs on which it sits . The NAMLOCs remain vigilant in monitoring the efforts of agencies to address the outstanding deficiencies outlined in the 4th round Mutual Evaluations (MEVAL) which assessed compliance, as the ECCU member countries prepare for subsequent CFATF follow-ups and the 5th round MEVALs, which will focus on effectiveness. The ECCB also continued to provide policy advice through its representatives on the Boards of Directors of the Grenada Authority for the Regulation of Financial Institutions, the AML Commission in Grenada, the Financial Services Regulatory Commission in St Kitts and Nevis, and the Financial Services Authority in Saint Vincent and the Grenadines.

Prudential Standards

The ECCB, to strengthen public sensitisation on various prudential standards, disseminated news releases for the following:

- ☑ Corporate Governance for Financial Institutions and Financial Holding Companies Licensed under the Banking Act, 2015, which becomes effective on 1 April 2026; and
- ☑ Prudential Standard for Basel I Capital Measurement for Credit Institutions Licensed under the Banking Act, 2015, which became effective 2 February 2026.

Organisational Effectiveness and Development

Additionally, these two prudential standards will be formally gazetted across all member countries, ensuring that their requirements now carry the full force of law. This formalisation provides the essential technical infrastructure to support the mandates of the Banking Act, 2015 and the Banking (Amendment) Bill 2024.

Risk Management

The Bank engaged in several key risk management activities which improved the Bank Enterprise Risk Management practices. These activities propelled the Bank's risk maturity from an established risk maturity level to the advanced risk maturity level by the International Operational Risk Working Group (IORWG) in September 2025. In addition, the Bank has seen steady and significant reduction in operational risks across the Bank, maintaining a moderate residual risk posture trend. A number of key activities were undertaken during the year.

Comprehensive Assessment of Risk Appetite Statement (RAS)

The Bank performed a comprehensive assessment of its Risk Appetite Statement (RAS) and tolerances to ensure that they remain relevant to manage the risks faced in fulfilling its strategic objectives, meeting regulatory requirements and meeting stakeholder expectations. The risk appetite statement guides the Bank's internal compliance processes and strategic decision-making. It informs all relevant parties of its expectations regarding how the Bank approaches risk on a daily basis and how these fulfil its risk strategy.

Implementation and Monitoring of its Key Risk Indicators (KRIs)

The Bank finalised the implementation of its KRI framework. The implementation of effective KRIs across the Bank is expected to improve risk oversight and strengthen the ECCB's risk management framework by cascading and articulating its risk appetite, proactively adjusting strategies in advance of/or in response to risk events and facilitating relevant and timely information for decision making. The implementation of the Key Risk Indicator (KRI) framework will continue to support the risk management function by providing key risk indicators for the identification and interception of high-risk events before they materialise and escalate further – which will signal any changes in operational risk exposure. During the year, KRIs were incorporated in risk management reporting for effectiveness in monitoring and management of risks across the Bank.

Acquisition and implementation of a Governance Risk and Compliance (GRC) Solution

The Bank procured and commenced implementation of a GRC Solution. Implementation is expected to be completed by the end of first quarter 2026-2027 financial year. The implementation of a GRC Solution is part of the Bank's ongoing mandate to modernise enterprise wide processes and functions. Transitioning to a dedicated GRC platform will streamline the risk management, compliance tracking, policy management and governance functions of Bank into an integrated system that centralises relevant information, enhances reporting capabilities and improves general efficiency.

Organisational Effectiveness and Development

Enterprise Risk Management and Governance

The Bank's risk strategy is based on a combination of the Organisation for Standards Organisation's (ISO) 31000 Risk Management Standard and COSO Framework, which is consistent with our ERM Policy Framework.

The Bank's risk appetite describes the extent to which we are accepting risks in realising our strategic objectives. Considering the public impact of our services, we follow a prudent approach with a low to moderate risk appetite. The Board has overall responsibility to ensure that appropriate risk management and internal control systems, designed to identify, manage and mitigate risks, which may affect the achievement of the Bank's objectives, are in place. The Board also ensures an appropriate risk appetite is approved and consider how the Bank's longer-term viability may be threatened by the realisation of one or more of these risks. The Board Audit and Risk Committee (BARC) provides structured and systematic oversight of the Bank's risk management and internal control systems. The BARC reviews and monitor the effectiveness of the Bank's risk management and internal control systems throughout the year.

Risk Management Governance Framework

Although the Bank has a generally conservative (Low) risk appetite, it is prepared to make certain financial and operational decisions in pursuit of growth objectives, accepting the risk that the anticipated benefits from these decisions may not always be fully realised. The Bank's acceptance of risk is subject to ensuring that potential benefits and risks are fully understood and appropriate measures to mitigate those risks are established. Each of the Bank's principal risks is assigned a management owner who is responsible for ensuring adequate mitigating actions are in place to reduce risks within the agreed appetite.

The Three Lines of Defense model embedded in our risk management practices ensures that these mitigations and internal controls are operating effectively throughout the organisation:

- ☑ The first line establishes and maintains appropriate processes for the management of operations and risk and internal control. It ensures compliance with legal, regulatory and ethical expectations.
- ☑ Operating from an independent position, the second line provides complementary expertise, support, monitoring and challenge related to the management of risk.
- ☑ The third line provides independent and objective assurance and advice to (senior) management on the adequacy and effectiveness of governance and risk management (including internal controls). The third line of defense is provided by the Internal Audit function.

The ECCB's enterprise risk management process is embedded across the Bank to support the delivery of its strategic objectives and its annual risk assessment is an integral part of this process. This risk assessment incorporates a Bank-wide evaluation to determine the likelihood of occurrence and potential impact of risks on the Bank at a residual level. A standard risk scoring methodology is utilised to ensure consistency in reporting and evaluation of risks. The output from this process is consolidated to determine the principal risks and uncertainties for the Bank. The Management Risk Committee (MRC) review and validate these risks, providing further input where necessary before submission to the BARC for final consideration and approval.

Organisational Effectiveness and Development

The Board and the BARC are furnished with quarterly updates from management risk owners in relation to the Bank's principal risks. These updates include the history of the risks to date, key mitigating actions and controls, remaining residual risk and any future actions planned to address control deficiencies.

Business Continuity and Operational Resilience

During the year, the Bank engaged in activities to finalise the implementation of its IT Disaster Recovery Strategy as part of its BCMS Policy implementation. These activities included the acquisition of Starlink Satellite Internet as a business continuity tool to mitigate existing internet unreliability and instability threats. The equipment for the installation of Starlink Satellite Internet was procured and successfully tested, and work is ongoing to with stakeholders to integrate Starlink into the infrastructure as a gateway option to the internet.

In addition, the development of the Bank's IT Disaster Recovery (DR) Cloud Solution was completed and tested. This included ensuring that network connectivity between all the replicated components and email were successfully tested via the DR Cloud solution, testing of the payment systems (transactions), email and Document Management solutions across the Bank.

Compliance Function Enhancement

The Compliance function is a key component of the Bank's ERM second line of defence governance role. At a minimum, the compliance function seeks to ensure that the operations of the Bank incorporate:

1. An alignment and adherence to the applicable policies, laws and regulations (internal and external), in keeping with regional and international best practices;
2. A Risk Based Approach in line with the approved risk appetite to identify, assess and mitigate compliance risks;
3. Continuous and up-to-date training and awareness across the bank with the aim to build and foster a strong culture of compliance; and
4. Development and documentation of adequate procedures in alignment with the Compliance Management Framework Policy.

The Bank achieved two major milestones in the implementation of the compliance management framework: (1) creating and building greater focus on awareness and foundational mapping of the Bank's compliance obligations and (2) the introduction of a structured reporting methodology to the second line of defense. This has strengthened the Bank's ability to identify emerging compliance typologies and heightened exposure areas. The Bank, consequently, has made notable progress in embedding compliance ownership across departments.

The Bank has made significant progress in providing targeted training to its staff, helping them to achieve professional development, including the Association of Certified Anti Money Laundering Specialist (ACAMS) certification and participation in regional conferences. These advancements have improved the technical capacity of the team and elevated the quality of compliance monitoring, analysis, and reporting to ensure that controls are appropriately calibrated to the specific threat landscape.

Work continued toward the development of the credit risk function as the Bank participated in a World Bank facilitated mission to two Latin American central banks. The visits allowed for observation of mature credit risk operations and engagement with relevant staff. The Bank's exposure to security analysis and portfolio

Organisational Effectiveness and Development

management increased via another World Bank led mission during the financial year.

Culture and Change Management

Throughout the year, the Bank advanced various programmes designed to promote a unified understanding of the Bank's culture, build team spirit, and celebrate organisational pride as part of its Culture and Change Management Initiatives (CCMI).

One such activity was the **#IAMECCB** Campaign, which sought to strengthen organisational identity and pride by fostering a shared sense of belonging and ownership, and reinforcing alignment with the Bank's culture, values, and mandate. Staff, through this campaign, got the opportunity to learn, connect, and showcase their ECCB spirit through fun and interactive activities including trivia, in-person presentations and a social media contest.

The Bank also worked to enforce the key tenets of its culture and core values - the S.T.A.R. Mantra, the Three Declarations and the Growth Mindset- through the 'Culture in Action' quiz competition, internal messaging and presentations at the monthly Staff Town Hall meetings.

Additionally, work advanced towards refining the Bank's Change Champions programme – a network of dedicated staff who will work to deepen cultural transformation across the organisation.

Currency Management

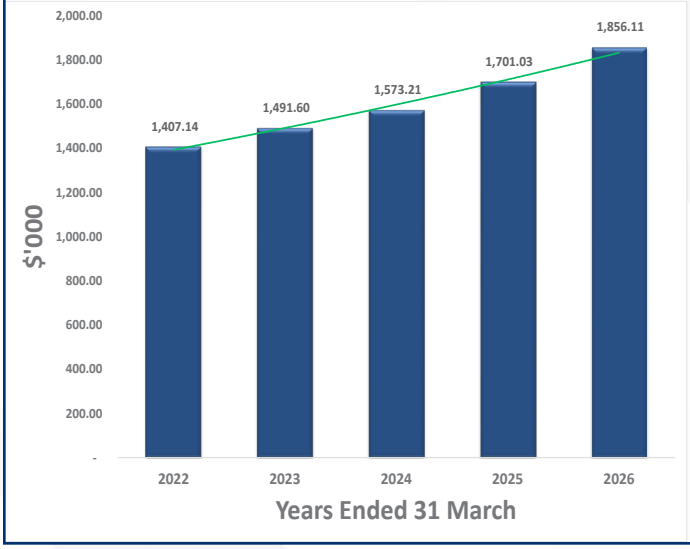
In accordance with the ECCB Agreement, which grants the Bank sole authority to issue banknotes and coins within participating territories, the Bank continued to ensure the availability of a family of high-quality notes and coins accessible to the public. During the period, the Bank finalised the designs for a new family of banknotes and coins, to mark the transition from the image of the British Monarch, and is poised for an official launch early in the second half of the year. Despite the availability of other forms of payments, the demand for cash continued to increase at an increasing rate over the previous year. In response to the evolving payment landscape, the Bank will continue to apply scientific forecasting methodologies and data analytics to strengthen currency demand projections and support optimal order quantities.

As of 31 March 2026, the total currency value in circulation (Chart 1) stood at $1,856.11 million—an increase of $155.08 million (9.12%) over the previous financial year. The distribution was as follows:

- ☑ Banknotes: $1,707.07 million (91.97 per cent)
- ☑ Coins: $149.04 million (8.03 per cent)

Chart 1

Currency in Circulation ($ Millions)



The continued expansion of Currency in Circulation (CIC) during the review period was driven primarily by a strong demand for banknotes.

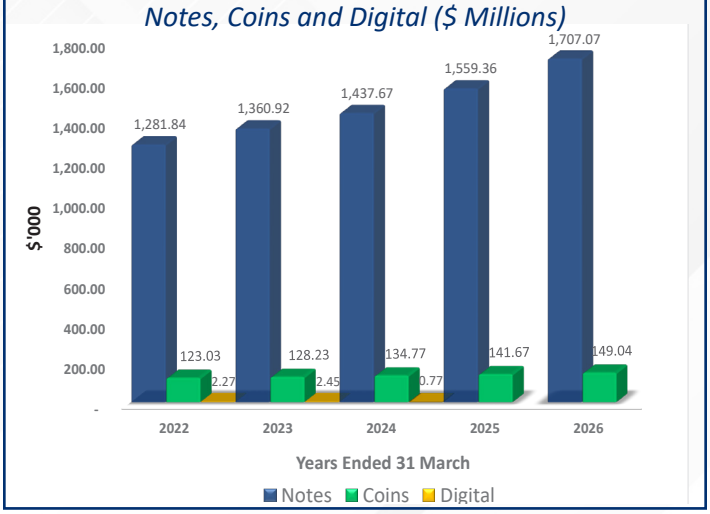
Organisational Effectiveness and Development

The demand for coins also increased albeit at a modestly decreased rate relative to last year. These developments emphasise the importance of continued efforts to strengthen currency management practices. Consistent with the Bank's strategic priority to advance innovation and data-driven operations, the focus will remain on enhancing forecasting accuracy, improving circulation efficiency, and building more agile and responsive currency management systems. Chart 2 shows the currency in circulation.

Chart 2

Distribution: Currency In Circulation

Notes, Coins and Digital ($ Millions)



Maintaining the smooth functioning of currency operations across the ECCU remained a central focus of the Bank during the financial year. The Bank continued to provide a timely and adequate supply of banknotes and coins in denominations aligned with the public's needs, supporting transactional efficiency and sustaining confidence in the Eastern Caribbean (EC) dollar.

A significant milestone was advanced with the approval for the removal of the image of the British monarch from the EC banknotes and coins, and subsequent engagements led to agreement on replacement images. This progress paves the way for the introduction of a new family of banknotes and coins, with issuance anticipated as early as 2026 with the five cent coin.

Efforts also progressed to strengthen coin circulation, with work commencing on a redemption strategy aimed at encouraging the return and recirculation of coins held by the public, in light of persistently low redemption levels. In addition, the Bank continued to explore viable and cost-effective options for the disposal of shredded polymer banknotes.

At the same time, the application of scientific forecasting methodologies and data analytics to enhance currency demand projections has begun and will continue as internal capacity and specialised software capabilities are further developed.

Portfolio Management

Having returned to active portfolio management in the prior financial year, the Bank took steps to restart its external asset management programme. The goals of the programme are the optimisation of return on a risk adjusted basis and the upskilling of staff in all areas of foreign currency reserve management. The Bank initiated the process by canvasing the marketplace for suitable external asset managers via a Request for Proposal (RFP) process. This process is expected to be completed by the beginning of the 2026/27 financial year.

Organisational Effectiveness and Development

Human Resource Development and Workforce Effectiveness

The Bank played a pivotal role in advancing organisational transformation and performance. Key initiatives strengthened workforce capability, supported digital transformation, and enhanced organisational resilience, contributing to a stable, diverse, and high performing workforce aligned with the Bank's evolving internal and external priorities.

Human Resource initiatives remained central to organisational effectiveness, with a focus on workforce capability, resilience, and alignment with strategic priorities.

Leadership initiatives included a Peer Coaching and Mentorship Programme and a Leadership Forum, enhancing executive alignment and collaboration.

Priorities and Outcomes

Workforce Diversity and Regional Representation

Workforce Composition
- 59 per cent female
- 41 per cent male
- Representation from 100 per cent of ECCU member countries

Outcomes
- Gender diversity within target range (40–60 per cent)
- Full regional representation achieved
- Increased diversity across disciplines and experience levels

Strategic Recruitment and Talent Acquisition

Recruitment
- 27 hired across nine departments

Outcomes
- 27 hires completed (aligned with workforce plan)
- Reduced time-to-fill through streamlined processes
- 100 per cent alignment with priority skill areas
- Expanded regional talent sourcing

Workforce Planning and Succession Management

Outcomes
- Increased internal mobility
- Expanded succession coverage
- Strengthened leadership readiness pipeline

Talent Pipeline Development (Internships)

Interns
- 26 interns engaged across 10 departments

Outcomes
- Broad regional representation
- Increased conversion potential for future employment

Learning and Development Transformation

Outcomes
- Stronger alignment with strategic priorities
- Introduction of ROI-based training evaluation
- Expanded focus on AI, data analytics, leadership, and digital transformation

Employee Retention and Workforce Stability

Departures and Turnover
- 10 voluntary departures
- Turnover rate: 3.26 per cent

Outcomes
- Turnover maintained below 5 per cent benchmark
- Sustained operational continuity
- Retention of critical institutional knowledge

Employee Engagement and Wellbeing

Outcomes
- Increased participation in engagement initiatives
- Strengthened organisational culture and morale
- Enhanced employee experience and productivity

Overall Impact

Outcomes
- Strengthened organisational resilience
- Enhanced workforce capability and leadership depth
- Improved talent attraction and retention
- Advanced alignment with the Bank's strategic transformation agenda

Legislative Agenda

"Promulgation and enactment of legislation to enhance the resilience of the ECCU financial sector"

Legislative Agenda

The Bank, in collaboration with member countries, continued to make strides in advancing the regional legislative agenda. Under Pillar 1, Financial Stability, the following legislative initiatives were advanced:

Banking (Amendment) Bill, 2024

Progress was achieved towards the enactment of the Banking (Amendment) Bill, 2024.

The Bill features enhancements to the regulatory framework which embody banking and supervisory best practices. In particular, the Bill introduces a new area of market conduct supervision which supports consumer protection, promotes financial literacy and inclusion and market integrity.

At its 108th Meeting convened on 19 July 2024, the ECCB Monetary Council considered and approved the Banking (Amendment) Bill, 2024 for passage in member countries. The Bill and explanatory Memorandum were submitted to member countries on 20 November 2024 for the consideration of Cabinets and subsequent enactment by the respective Parliaments.

To date, the Bill has been Gazetted in Saint Vincent and the Grenadines, Antigua and Barbuda and Saint Christopher (St Kitts) and Nevis and is awaiting Gazetting in Grenada and Montserrat.

Deposit Insurance Corporation Agreement Bill

Member countries advanced the enactment of the Eastern Caribbean Deposit Insurance Agreement Bill.

The Bill is meant to operationalise the Eastern Caribbean Deposit Insurance Agreement within the domestic sphere of each member country. It provides the framework for bringing the ECCU in line with international best practices with respect to having a comprehensive financial safety net system. Its purpose is to ensure the financial intermediation process is not severely disrupted by negative events, such as bank failures.

The Agreement, along with the Bill, was submitted on 24 January 2025 to member countries for the consideration of their respective Cabinets and enactment by their Parliaments.

The Deposit Insurance Corporation Agreement has been signed by all member countries. To date, the Deposit Insurance Corporation Agreement Bill has been passed in Grenada, Antigua and Barbuda and Saint Vincent and the Grenadines.

Eastern Caribbean Asset Management Corporation Agreement (Amendment) Bill

In February 2024, the Monetary Council approved the Eastern Caribbean Asset Management Corporation Agreement (Amendment) Bill. The objective of the Bill is to clarify that the Eastern Caribbean Asset Management Corporation (ECAMC) is eligible for appointment as a receiver of a financial institution under the Banking Act, 2015.

The Bill was submitted to member countries in March 2024 and, to date, has been passed in Grenada, Montserrat, Saint Lucia, Saint Christopher (St Kitts) and Nevis and Saint Vincent and the Grenadines.

This initiative is not relevant to Antigua and Barbuda as the legislation in Antigua and Barbuda already

Legislative Agenda

reflects the change.

Amendments to AML/CFT Legislation

In an effort to deal with the issue of de-risking, the Monetary Council at its 85th Meeting held on 22 July 2016, took the decision to recommend to member governments that the ECCB should assume supervisory authority for anti-money laundering and combatting the financing of terrorism (AML/CFT) for financial institutions licensed under the Banking Act.

The Central Bank sought the cooperation of the Ministries of Finance and the Attorneys General in coordinating a comprehensive review of the AML/CFT legislation in each member country with a view to recommending the appropriate amendments to address this matter.

Antigua and Barbuda, the Commonwealth of Dominica, Grenada, Montserrat and Saint Lucia have enacted the amendments. Discussions are ongoing with the remaining member countries on the enactment of the amendments to their AML/CFT Legislation.

This initiative is not relevant to Saint Vincent and the Grenadines as under its Anti Money Laundering and Terrorism Financing Regulations issued under the Proceeds of Crimes Act 2013 the Central Bank was already named as the AML/CFT supervisory authority.

Virtual Asset Business legislation

The Central Bank launched a project for the development of a legislative framework for the regulation of virtual assets and virtual asset service providers in the ECCU in November 2018 to address the Financial Action Task Force (FATF) Recommendation 15. The Monetary Council at its 97th Meeting, after numerous consultations with stakeholders and governments, approved the Virtual Asset Business Bill. The Bill was submitted to the member countries in November 2020 for enactment while the Virtual Asset Business Regulations were submitted in December 2023.

To date, the Bill has been passed by all Member Countries except Anguilla. The Regulations have been issued in all Member Countries except Anguilla and Saint Christopher (St Kitts) and Nevis.

Anguilla has passed its own Digital Asset Business Act 2023 to govern the sector.

Legislative Framework for the Establishment of the Eastern Caribbean Financial Standards Board

The Monetary Council of the ECCB approved an optimal regulatory framework to supplement the current regulatory arrangements within the ECCU, to support financial integration and strengthen financial stability in the region. This framework includes the establishment of an Eastern Caribbean Financial Standards Board (ECFSB) to remove regulatory gaps in the financial sector, reduce the scope for regulatory arbitrage and enhance the regulation of multi-jurisdictional firms and financial conglomerates.

The ECFSB will be responsible for designing and issuing standards for regulation of the non-bank financial sector across the eight member jurisdictions of the ECCU.

The Bank, in collaboration with the legislative drafting consultant, engaged in intensive stakeholder consultations in the member

Legislative Agenda

countries. The feedback will be used to inform the development of the ideal legislative framework.

Insurance and Pensions Legislation

During the year, efforts continued to update and complete the draft legislative framework for the insurance and pensions sector in the ECCU.

The legislative framework is intended to, inter alia:

- ☑ Reform the law relating to the insurance industry;
- ☑ Regulate insurance businesses and pension plans;
- ☑ Encourage the promotion of efficiency and competition in the insurance and pension industries;
- ☑ Provide for the protection of consumers; and
- ☑ Provide for a single financial space in the insurance sector.

In 2025 the Bank, together with the legislative drafting consultant engaged to develop the framework, held intensive consultations with stakeholders in the member countries. The feedback provided during those consultations will inform the completion of the draft legislative framework for this sector.

Development of the Legal and Regulatory Infrastructure to Support the Establishment of a Macro Prudential Risk Based Policy Framework in the Eastern Caribbean Currency Union Inclusive of Financial Stability Legislation

The Bank finalised the policy proposal in respect of the framework for macroprudential regulation of the financial system of the ECCU.

This macroprudential framework is expected to include the enactment of financial stability legislation with appropriate mandate, scope and powers, establishment of a Regional Financial Stability Committee and a technical secretariat to support the analytical functions related to the financial stability mandate.

Work continues on drafting the appropriate legislative framework to codify this framework.

Harmonised Insolvency and Bankruptcy Legislation

During the year, efforts to promote the development of a modern insolvency and bankruptcy framework in the ECCU continued. In this regard, an ECCU Insolvency Working Group (IWG) comprised of the regulators in the member countries was established to:

- ☑ Review and discuss existing insolvency legislation in the ECCU, specifically, the CARICOM draft Model Insolvency Bill, the Saint Lucia Insolvency Act and the Impact Justice Insolvency Bill.
- ☑ Develop recommendations on the optimal legislative framework for insolvency in the Eastern Caribbean region for consideration.

The IWG has received presentations from the respective consultants who drafted the existing model Bills and have submitted an interim report to the Bank.

The Working Group is expected to make specific policy recommendations on the adoption of an optimal insolvency framework for the ECCU.

Financial Results

- *The ECCB's Total Assets rose to $6,683.6 million*
- *Foreign Reserve Assets grew by $503.5 million*
- *Domestic Assets increased by $40.8 million*
- *The Bank recorded a net profit of $121.6 million*

Financial Results

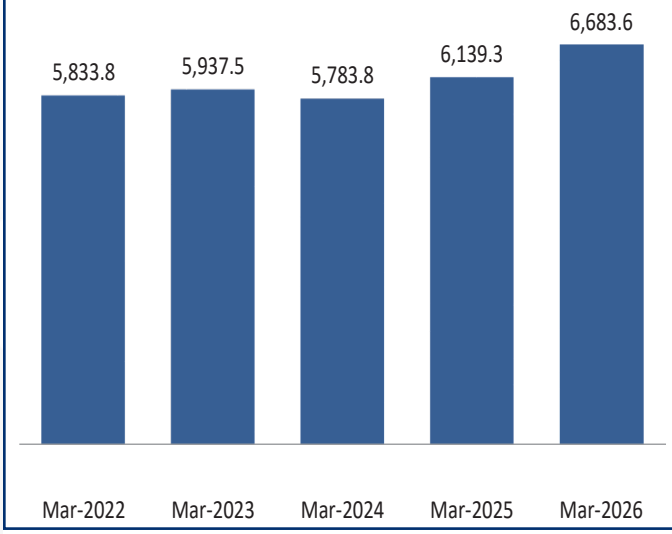
Statement of Financial Position

As at 31 March 2026, the Bank's total assets rose to $6,683.6 million, an increase of $544.3 million (8.9 per cent) compared with the previous financial year. The expansion in the asset base reflected growth in foreign reserve assets, which accounted for the majority of the increase, supplemented by a moderate rise in domestic assets.

Foreign reserve assets increased by $503.5 million (9.2 per cent) to $5,989.3 million. The increase was driven principally by a $473.3 million rise in money market instruments and money at call to $1,061.9 million, reflecting inflows from loans disbursed to participating governments by regional and international institutions and purchases of regional and foreign currency notes from commercial banks. These inflows were partially offset by the net sale of foreign currency balances to commercial banks. Regional and foreign currencies increased by $29.6 million to $98.9 million, while foreign investment securities remained broadly stable at $4,812.3 million.

Domestic assets increased by $40.8 million (6.2 per cent) to $694.3 million, primarily attributable to increases in participating governments' securities, pension asset, participating governments' advances and property and equipment, moderated by a decline in accounts receivable, prepaid expenses and other assets. Participating governments' securities and participating governments' advances rose by $17.7 million and $7.8 million, respectively, as the Bank extended credit to participating governments. Pension asset increased by $10.1 million, reflecting a remeasurement gain on the Bank's defined benefit pension plan, primarily driven by strong investment performance of the plan's assets. Property and equipment increased by $4.3 million, attributable to acquisitions of fixed assets during the year.

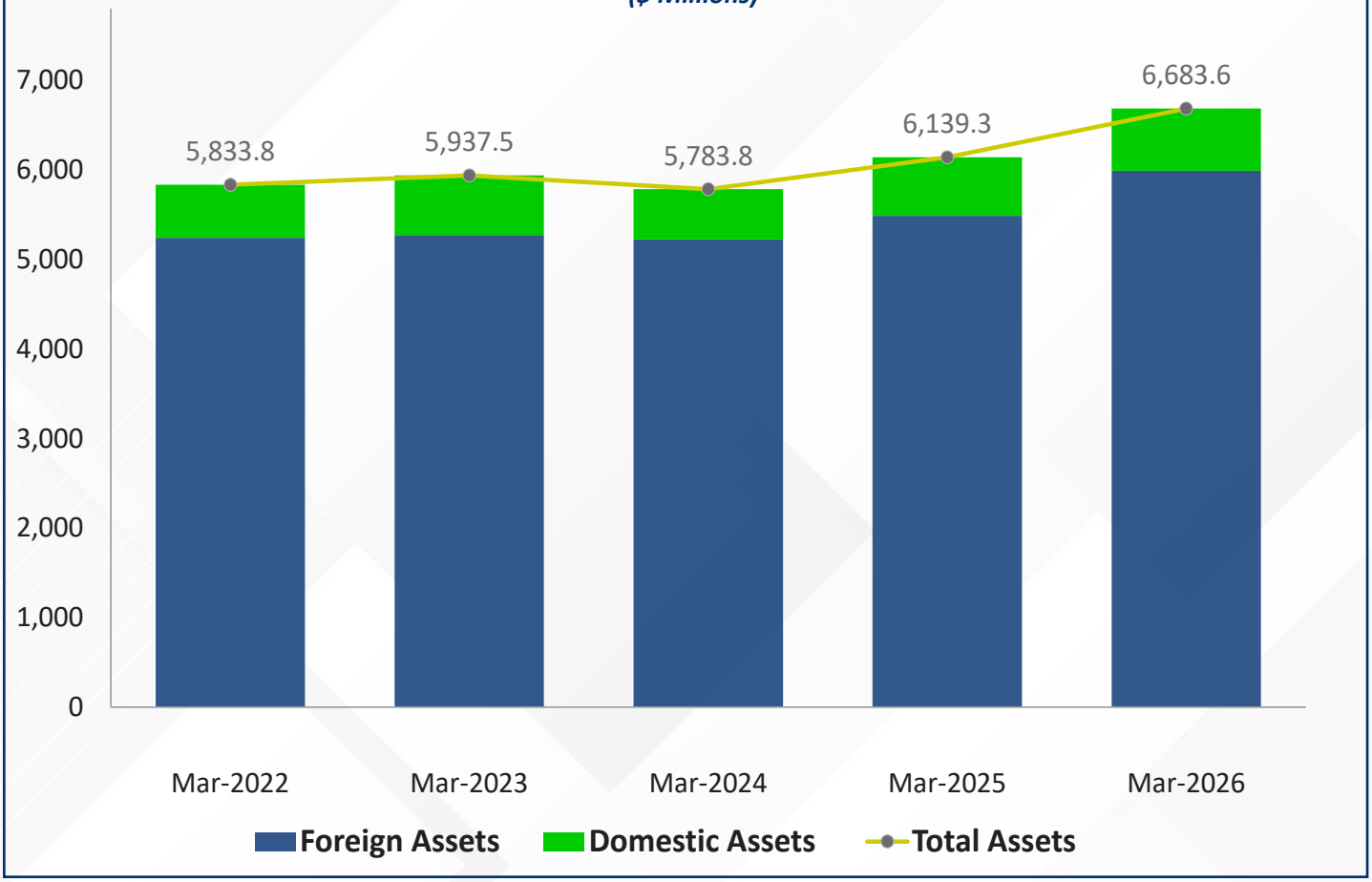
Chart 3
Total Assets
($ Millions)



Total liabilities rose by $506.8 million (9.0 per cent) to $6,163.1 million year on year. The increase was concentrated mainly within domestic demand liabilities, led by growth in currency in circulation ($155.1 million), participating governments' operating accounts ($133.4 million), and participating governments' call accounts ($93.1 million). Further notable increases arose in bankers' call accounts ($76.7 million), participating governments' fiscal tranche I call accounts ($72.1 million), the Eastern Caribbean Securities Registry account ($45.2 million), participating governments fiscal reserve tranche II account ($37.3 million) and participating governments' fixed deposits accounts ($31.5 million). These movements were partially offset by a $160.0 million decline in bankers' reserves and a $12.1 million reduction in foreign demand liabilities.

Financial Results

Chart 4
Total Assets and Asset Composition
($ Millions)



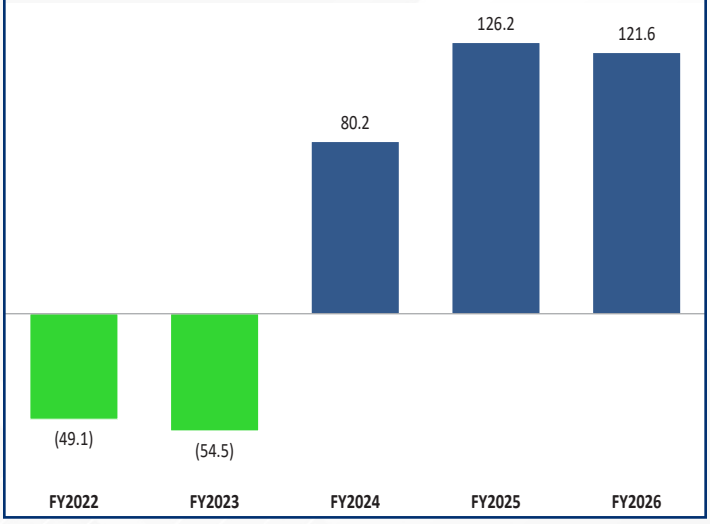
Total equity grew by $37.5 million (7.8 per cent) to $520.5 million, up from $483.0 million in the previous year. The growth comprised an increase of $25.3 million in the general reserve, following the allocation from the profit for the year, and a $12.2 million increase in other reserves. The movement in other reserves arose from a $10.1 million increase on pension reserve, driven by a remeasurement gain on the Bank's defined benefit pension plan.

Statement of Profit or Loss

The Bank delivered another year of solid financial performance, recording a profit of $121.6 million for the year ended 31 March 2026. This represented a marginal decrease of $4.7 million (3.7 per cent) from the prior year's profit of $126.2 million, as growth in operating income, led by net interest income and higher earnings on the Bank's foreign reserve assets, was offset by higher operating expenses.

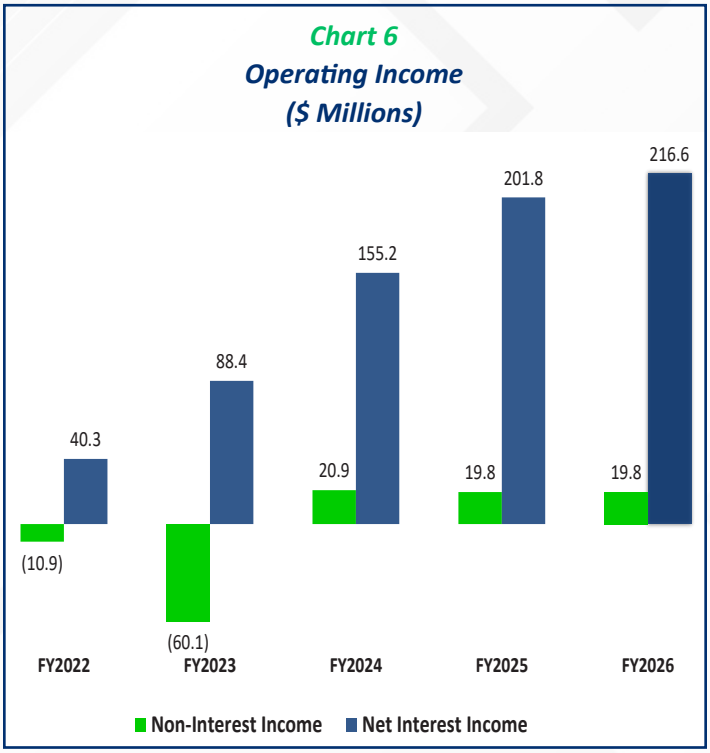
Financial Results

Chart 5
Profit/Loss
($ Millions)



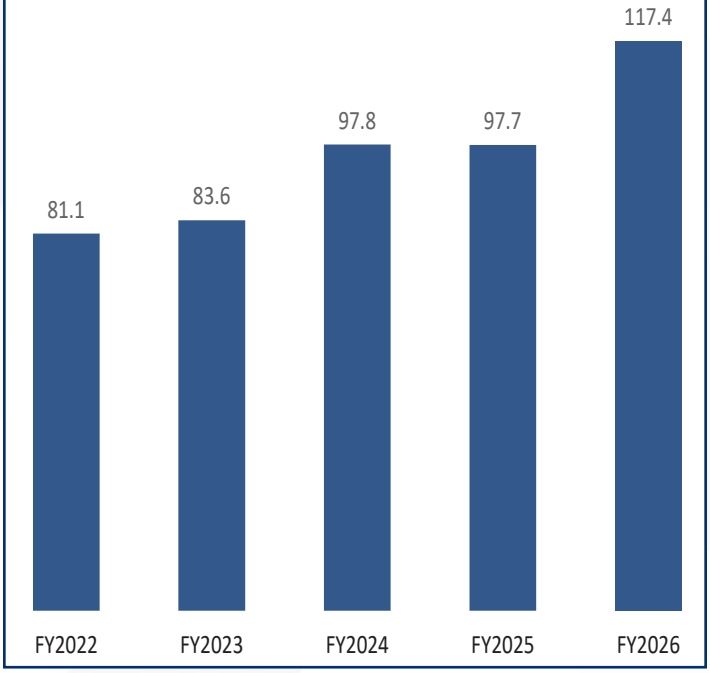
Operating income amounted to $236.4 million, an increase of $14.8 million (6.7 per cent) year on year. Net interest income, which rose by $14.7 million, accounted for the majority of this growth, reflecting improved yields on the Bank's foreign reserve assets.

Chart 6
Operating Income
($ Millions)



Net interest income rose by $14.7 million to $216.6 million for the year ended 31 March 2026. The increase reflected higher income from foreign investment debt securities, which rose by $18.8 million as the portfolio's average yield increased. Interest income from participating governments' advances also increased $1.9 million. These increases were partly offset by a $3.3 million fall in income from money market instruments and money at call. Moreover, interest expense rose by $2.4 million, reflecting higher average balances on interest-bearing liabilities.

Chart 7
Operating Expenses
($ Millions)



Operating expenses for the year ended 31 March 2026 totalled $117.4 million, an increase of $19.6 million (20.1 per cent) from $97.7 million in the previous year. The increase arose principally from a $7.4 million reduction in impairment recoveries on financial assets, together with higher administration and general expenses ($7.6 million), salaries, pensions and other staff benefits ($2.7 million), and depreciation expense ($1.2 million).

Financial Results

The decline in impairment recoveries reflected a significantly lower recovery on impaired receivables during the year. Administrative and general expenses increased primarily due to higher services costs, including expenditure on information technology systems upgrades and software support and maintenance contracts. Salaries, pensions and other staff benefits rose mainly as a result of the hiring of new staff during the year.

The Bank delivered another year of solid financial performance, supported by continued balance sheet growth and higher earnings from its foreign reserve assets. Although profit for the year declined as impairment recoveries moderated and operating expenses increased, improved yields on reserve assets contributed to higher operating income and net interest income. The Bank remained well positioned to support its policy objectives and continued to advance its strategic initiatives in support of its long-term priorities.

Areas of Focus 2026 - 2027

- *Preserve Financial Stability*
- *Advance Payment Modernisation and Financial Inclusion*
- *Promote Inclusive Economic Growth and Partnerships*
- *Enable Digital and Data-Driven Culture*
- *Enhance Organisational Development and Effectiveness*

Areas of Focus: 2026-2027

Guided by its 2026–2031 Strategic Plan, "The Big Push: Collective Action for Shared Prosperity in the ECCU", the Bank will prioritise a comprehensive set of initiatives aimed at strengthening financial stability, enhancing data systems, modernising regulatory frameworks, and advancing inclusive economic growth across the Eastern Caribbean Currency Union (ECCU).

Preserve Financial Stability

In alignment with the Bank's 2026–2031 Strategic Plan, "The Big Push: Collective Action for Shared Prosperity in the ECCU," the ECCB will continue to advance a comprehensive set of initiatives aimed at safeguarding financial stability across the ECCU. These efforts will focus on strengthening financial infrastructure, enhancing regulatory and supervisory frameworks, improving data quality, and advancing legislative reforms.

Establishment of the ECCU Credit Bureau

The Bank will focus on advancing the Credit Bureau to full operational status across all eight member states. This will be achieved through the onboarding and activation of all remaining credit unions, development banks, hire purchase companies and other designated Credit Information Providers (CIPs), alongside continued participation of banks, ensuring that credit information is both widely shared and actively utilised within the financial system.

The full participation of financial institutions will strengthen the effectiveness of the Credit Bureau by improving the availability and use of credit data in lending decisions. This is expected to contribute to:

- ☑ Faster and more efficient loan processing;
- ☑ Improved risk assessment by lenders;



Areas of Focus: 2026-2027

- ☑ Expanded access to credit for individuals and businesses; and
- ☑ Stronger financial stability across the ECCU.

Additionally, to increasing participation, the Bank will prioritise enhancing the quality, completeness, and reliability of credit data, including the integration and use of information from designated Credit Information Providers (CIPs). This will allow for more comprehensive credit profiles, particularly for individuals and micro, small and medium-sized enterprises (MSMEs) with limited traditional credit histories.

The Bank will also support the increased use of the Credit Bureau by financial institutions, encouraging its integration into day-to-day credit decision-making processes. This will help ensure that the system moves beyond availability to active usage, maximising its impact on the financial sector.

Further, efforts will be made to promote consumer awareness and engagement, including access to credit reports and tools that allow individuals to better understand and manage their credit standing. Presently, consumers can request their credit reports via email at eccu.customerservice@everydata.com. This will be enhanced by the introduction of a mobile application, expected after the second quarter of 2026, which will provide easier and more direct access to credit information. This will support more responsible financial behaviour and greater transparency within the credit market.

Through these combined efforts, the Bank will work with the necessary stakeholders to establish a fully functional and widely utilised Credit Bureau system that enhances trust, improves access to financing, and supports inclusive economic growth across the ECCU.

Enhancement of Monetary and Financial Statistics

The Bank will enhance the Monetary Statistics to include data on the IMF Special Drawing Rights (SDRs). This is aimed at ensuring consistency with External Sector Statistics. The Bank will also continue providing support to its Licensed Financial Institutions (LFIs) in achieving compliance with international data classification standards, by conducting data quality assurance missions. The Bank will complete its implementation of the IMF Financial Soundness Indicators (FSI) 2019 Guide as well as the expansion of the monetary and financial statistics to include Non-Bank Financial Intermediaries. This broadened coverage is aimed at enhancing the ECCB's monitoring of the financial sector in the member countries.

Strengthening the Regulatory and Supervisory Framework

Basel II/III Implementation: The Bank will continue to enhance the Supervisory framework including dialogue with banks on their ICAAPs and the implementation of Pillar 3, to bolster the LFIs' disclosure of their capital position and risk management function. The way forward includes: conducting Basel Compliance Reviews at two (2) additional banks; completion of feedback and dialogue with banks by quarter one (1) of 2027; and commencing the implementation of Pillar 3.

Integrating Climate-related Financial Risks in the Regulation and Supervision Activities of Regulators in the ECCU: The integration of climate-related risks into the monitoring of financial stability and microprudential supervision will continue. Activities will include ongoing data collection,

Areas of Focus: 2026-2027

climate risk modelling, scenario analysis, stress testing and reporting. The immediate focus will continue to be on strengthening the capacities of the ECCB, the national regulators, the Eastern Caribbean Securities Regulatory Commission and supervised financial institutions, to enable adequate knowledge and assessment of financial climate risks, as well as evaluation of green or environmentally friendly projects, using best international practices and the green taxonomies of intervention countries (where they exist).

Credit Bureau Framework: The ECCB will continue to fine tune its supervisory framework for the credit bureau. Key activities will include: approval of the framework by June 2026; and operationalisation of the framework to include development of prudential reporting forms and supervision of the credit bureau over the period October 2026 to March 2027 (Q3 and Q4 2026/2027).

Consolidated Supervision Framework: Full implementation of the Consolidated Supervision framework by March 2027, to include development of prudential reporting forms, reporting by LFIs and coordination with home regulators. The Consolidated Supervision framework will result in more effective coordination and communication, and enhanced trust and transparency among national and regional regulators.

Information Technology Examinations of Systemically Important Financial Market Infrastructures (FMI): The Bank has begun early-stage planning for an IT examination of a FMI during the 2026-2027 financial year, and will also assess the operations of the Eastern Caribbean Automated Clearing House (ECACH). This planned examination will provide an independent assessment of technology risk, operational resilience, cyber security, and vendor risk management, thereby strengthening oversight of critical payment infrastructures and supporting alignment with the Principles for Financial Market Infrastructures (PFMIs).

Legal Frameworks

Under Strategic Theme II "Preserve Financial Stability" the ECCB will Implement New Legal Frameworks with the Strategic Objective of Maintaining a Robust and Proactive Regulatory and Supervisory Framework inclusive of the following:

- ☑ The Legislative framework for the establishment of the Eastern Caribbean Financial Standards Board
- ☑ Financial Stability Legislation
- ☑ Insurance and Pensions Legislation
- ☑ Crisis Resolution Legislative Framework
- ☑ Bankruptcy and Insolvency Legislation

Legislative Framework for the Establishment of the Eastern Caribbean Financial Standards Board

The Bank anticipates completion of the draft legislative requirements for the establishment of the Eastern Caribbean Financial Standards Board (ECFSB) which will issue standards for the regulation of the non-bank financial sector in the ECCU.

Financial Stability Legislation

In the upcoming financial year, work will continue towards the development of the legislative framework that would seek to codify a suitable framework for the establishment of a macroprudential framework for the regulation and supervision of the ECCU financial system.

Consultations will be held with stakeholders

Areas of Focus: 2026-2027

in keeping with the ECCU legislative making framework approved by the Monetary Council.

Insurance and Pensions Legislation
The Bank anticipates completion of the draft legislative requirements for Insurance and Pensions in the ECCU.

Crisis Resolution Legislative Framework
The Bank will develop a policy framework for crisis resolution in the ECCU. The development of this framework is in keeping with the Bank's mandate to maintain financial stability and would, among other things, seek to facilitate the recovery and resolution of ECCU financial institutions experiencing distress while minimising systemic disturbances and large fiscal costs.

The framework also envisages the creation of a dispute resolution mechanism empowered to:
Direct financial institutions to create an institution specific recovery plan.

- ☑ Direct financial institutions to take remedial action as outlined in their recovery plan.
- ☑ Take actions to resolve the financial institutions.

Payment Systems and Services Bill
The Bank will continue to follow up with Participating Governments on the enactment of the Payment System and Services Bill and submit the Payment System and Services (Licensing) Regulations to member governments. The Bank will further develop subsidiary legislation for the proper administration and operationalisation of the Payments System and Services Act.

Bankruptcy and Insolvency Legislation
The Bank will continue to support the ECCU Insolvency Working Group in its efforts towards the development of recommendations for the optimal legislative framework for insolvency in the ECCU.

Harmonised Data Protection and Privacy Legislation
The Bank will continue to collaborate on the development and drafting of harmonised data protection and privacy legislation and foster open dialogue with stakeholder groups prior to the finalisation of the first draft.

Strengthening Oversight, Regulation and Resilience of Financial Market Infrastructures

The ECCB will intensify its efforts to strengthen oversight, regulatory frameworks, and operational resilience of Financial Market Infrastructures, while enhancing compliance standards and data governance across the payments ecosystem. In that regard, the following will be actioned:

- ☑ The Bank will prioritise the discharge of its oversight responsibilities for systemically important Financial Market Infrastructures and will finalise and issue the examination reports for Caribbean Credit Card Corporation (4Cs) and the ECACH. Subsequently, Letters of Commitment will be executed to remediate deficiencies. This process will enhance observance of the PFMIs and strengthen the safety and soundness of the regional clearing infrastructure.
- ☑ The Bank will review PFMI self-assessments and prioritise the conduct of a full-scope onsite examination of the Real Time Gross Settlement (RTGS) System to assess governance, operational risk and business continuity frameworks. Additionally, the Bank will undertake a targeted IT examination of 4Cs and the ECACH to examine safety, efficiency and resilience of the Financial Market Infrastructures.

Areas of Focus: 2026-2027

- ☑ The ECCB will prioritise oversight of 4Cs, ECACH and the RTGS System, with a strong focus on addressing identified gaps in governance, risk management and operational resilience.
- ☑ The Licensing Manual and other regulatory forms will be finalised for implementation. The Bank will continue to review and enhance the existing suite of data collection templates to ensure relevance.
- ☑ The Fit and Proper Rules for Payment Service Providers are expected to be published on the Bank's website, following approval.

Continued Migration to SWIFT ISO 20022

The ECCB will continue with remaining roadmap activities required for full implementation of SWIFT mandatory migration to International Organisation for Standardisation (ISO) standard (ISO20022), including the full migration from the MT101 to Customer Credit Transfer Initiation (pain.001) by November 2026 and preparation for a full move away from free-format MT199/299 messages to the structured ISO format by November 2027.

Through these targeted initiatives, the ECCB will reinforce financial system resilience by enhancing regulatory frameworks, improving data quality and transparency, strengthening financial infrastructure, and advancing legislative reforms. Collectively, these efforts will support a stable, inclusive, and well-regulated financial system capable of underpinning sustainable economic growth across the ECCU.

Office of Financial Conduct

The OFC's work for the 2026-2027 financial year will focus on drafting the 15 statutory codes of conduct, recruitment and training of staff, and overseeing the nomination of persons to the Financial Dispute Resolution Commission which has responsibility for resolving complex complaints; other matters forwarded by the OFC and receiving applications for review from persons who are not satisfied with a decision that the OFC has made.

To date the amendments to the Banking Act which give ECCB authority for market conduct supervision have been passed in five of the eight member territories. In anticipation of passage in the remaining three countries, the launch of OFC operations is being planned for September 2026.

The second survey to facilitate the work of the OFC will be administered during the new financial year. This will be another pilot survey intended to establish a baseline for consumers' awareness and understanding of financial consumer protection and customer satisfaction in advance of the full operationalisation of the OFC. Along with demographic information, it will include consumers' views on a number of areas including complaints handling and loyalty to LFIs.

Advance Payment Modernisation and Financial Inclusion

ECCU Financial Inclusion and Literacy Strategy (EFILS)

The Bank will focus on the launch and implementation of the ECCU Financial Inclusion and Literacy Strategy (2026–2031), aimed at improving access to and use of financial services, while strengthening financial capability across the region.

The Strategy provides a coordinated regional framework to address key gaps identified in financial access, usage, and knowledge, and outlines practical actions to support individuals

Areas of Focus: 2026-2027

and businesses in more effectively engaging with the financial system.

Implementation efforts will focus on three key priority areas:

- ☑ Promoting wider access to and use of financial accounts, particularly through simplified onboarding and inclusive banking initiatives;
- ☑ Increasing access to and adoption of digital financial services, with emphasis on improving digital payments usage among individuals and MSMEs; and
- ☑ Strengthening financial education, consumer empowerment, and protection, ensuring that individuals are equipped with the knowledge and tools to make informed financial decisions.

The Bank will work closely with national focal points, financial institutions, and regional partners to support coordinated implementation across member states. This will include stakeholder engagement, public awareness initiatives, and targeted programmes to address identified gaps.

Efforts will also be directed towards building awareness and understanding of financial services, ensuring that individuals are not only able to access services, but are confident in using them effectively. In addition, the Bank will advance the monitoring and evaluation framework to track progress against the Strategy's targets and support data-driven decision-making throughout the implementation period.

Through the effective rollout of the Strategy, the Bank aims to create a more inclusive financial system where individuals and businesses can access, use, and benefit from safe, affordable, and modern financial services, ultimately supporting economic resilience and sustainable growth across the ECCU.

Fast Payment System and CARICOM Payment and Settlement System

Priority will be given to the finalising the FPS policy considerations and the development of a road map to support the next phase of implementation planning, coordination and stakeholder alignment.

In parallel, the Bank will participate in the CARICOM Payment and Settlement System (CAPSS) Pilot Project. The pilot will test a regional cross-border payment and settlement arrangement capable of facilitating real-time transactions in the domestic currencies of participating central banks, leveraging their existing RTGS infrastructure, and inform the legal, regulatory, governance, and operational frameworks required for broader rollout. The pilot is also expected to provide practical insights into interoperability and regional settlement arrangements, while highlighting the potential to improve cross-border payment efficiency, support intra-regional trade and transfers and promote deeper regional financial integration.

Promote Inclusive Economic Growth and Partnerships

Under this strategic theme IV of the Bank's 2026–2031 Strategic Plan, the focus for the 2026–2027 financial year will be on strengthening regional collaboration, fostering inclusive economic growth, and advancing strategic partnerships to support resilience and sustainable development across the ECCU.

Areas of Focus: 2026-2027

Citizenship by Investment Programmes Initiative

The Bank will continue to give support to the IRC, particularly towards the establishment of the Eastern Caribbean Citizenship by Investment Regulatory Authority (ECCIRA). The Headquarters Agreement to host ECCIRA in Grenada is expected to be finalised early in the 2026-2027 financial year. The recruitment process will continue this year, until the Authority has hired its CEO and an initial staff complement of 14 members. Operations are scheduled to begin in the latter half of 2026.

Enable Digital and Data-Driven Culture

In alignment with this strategic theme of the Bank's 2026–2031 Strategic Plan, the Bank will continue to advance its transformation into a digitally enabled, data-driven institution. During the 2026–2027 financial year, priority will be given to strengthening data ecosystems, enhancing analytical capabilities, and fostering innovation through technology and skills development.

Looking ahead, the Bank aims to build on the progress made in 2025-2026. Efforts to enhance data collection and improve quality through deeper engagement with member countries, as well as through the refinement of survey methodologies and data reporting templates, will continue to strengthen coverage of trade in services and other external sector financial flows. Additionally, the Bank will continue working towards the implementation of the Balance of Payments Manual, seventh edition (BPM7), to ensure compliance with evolving international statistical standards.

The Bank will also continue to advance development work on integrating data management systems to capture and analyse payment systems indicators. Development work will continue the integration of data management systems to capture and analyse fuel imports and pricing, food imports, remittance flows, and payment systems indicators. The Bank will implement enhanced safeguards and quality controls to ensure the accuracy and reliability of its datasets.

Generative AI and Python Coding STEM Camps

Campers will design, develop and produce a minimum viable product (MVP) Chatbot AI Agent or multimedia product around identified needs of collaborating private and public sector institutions during Camp 2026.

The objective of this new camp format is to enhance measurable outcomes, collaboration, and project-based learning by aligning the focus and camp groups with the specific development needs of an identifiable client.

Over a five-year pilot period, the Bank's vision is to support camps that provide young people with opportunities to learn artificial intelligence, coding, and programming skills, while also creating avenues for them to apply these skills.

Enhance Organisational Development and Effectiveness

Under this strategic theme, of the Bank's 2026–2031 Strategic Plan, the 2026–2027 financial year will focus on strengthening institutional capability, enhancing governance and risk management systems, deepening stakeholder engagement, and advancing organisational effectiveness through people, processes, and technology. These initiatives will support the Bank's transformation into a more agile, resilient, and high-performing institution.

Areas of Focus: 2026-2027

Capacity Development and Knowledge Enhancement

The Bank will prioritise strengthening staff capability through structured learning and exposure to regional and international best practices.

ECCB Blog and Digital Dialogues

The topics for the 2026/2027 blog series will reflect the Bank's priorities for the region, as outlined in its new strategic plan. Additionally, the Bank will re-establish its Digital Dialogues series in the upcoming year to deliver high-level conversations on contemporary and relevant issues pertinent to the people of the ECCU. The first series will focus on the Big Push and how the theatres of transformation can be leveraged to double the size of the region's economy in the next decade.

Stakeholder Engagement and Regional Collaboration

The Bank remains focused on transforming the region and in this light will persist in the engagement of its stakeholders and partners in taking collective action towards the development of the region's transformative agenda. The consultative meetings and networking engagements with Financial Secretaries and development banks will be major avenues for policy discussion and advice. The Bank looks forward to the annual Common Policies engagements with the International Monetary Fund. The country outreach programme is expected to resume with missions to the ECCB member countries in 2026-2027.

Prudential Standards and Regulatory Development

The Bank continues its strategic approach in identifying and assessing risks to the financial system, and have identified prudential standards and Regulations to help manage and mitigate risks identified. Standards have been identified, particularly to treat AML/CFT/CPF issues. These include:

- ☑ Institutional ML/TF Risk Assessments - To identify, assess, and understand the potential vulnerabilities in relation to ML or TF activities.
- ☑ Ongoing monitoring - To detect and prevent illicit financial activities, including ML and TF, by continuously assessing the risks associated with customers and transactions.
- ☑ Customer Due Diligence and Enhanced Due Diligence - To identify and mitigate risks associated with customers, particularly the risks of ML, TF, and other financial crimes.
- ☑ Beneficial Ownership - To enhance transparency and combat financial crimes and tax evasion, by knowing who ultimately owns or controls a legal entity.
- ☑ Targeted Financial Sanctions - To provide guidance regarding sanctions designed to prevent designated persons from acquiring funds, assets, or financial support from terrorism or proliferation of weapons of mass destruction.

The Bank will issue the Fit and Proper Prudential Standard for Licensed Financial Institutions and Licensed Financial Holding Companies Under the Banking Act, 2015, by September 2026. This standard will provide guidance on the Bank's assessment of whether directors, officers and significant shareholders meet the required fit and proper criteria of the Banking Act, 2015. Additionally, efforts will continue to replace the Liquidity Risk Management Guidelines with the Prudential Standard for the Management of Liquidity Risk. The tentative issuance date is October 2026, with the effective date of January 2027.

Areas of Focus: 2026-2027

Risk Management

The Bank will undertake key risk management activities aimed at reducing its risk posture from moderate to low. These will include:

- ☑ Finalisation of the implementation of its Governance Risk and Compliance (GRC) Solution to achieve automation of its risk management practices;
- ☑ Utilisation of dynamic risk dashboards and revised risk appetite statement to reduce overall residual risk posture from moderate to low;
- ☑ Development of an IT Risk Governance Framework;
- ☑ Development of a Third party Risk Framework; and
- ☑ Implementation of an AML/CFT Programme.

Business Continuity Management

The ECCB will finalise further testing of the DR Solution and the implementation of Starlink Satellite Internet in its BCMS Strategy. Subsequently, it will engage in bank wide activities to raise awareness and provide training for the persons within the various roles and responsibilities.

Compliance

The Bank is geared at developing a comprehensive training and capacity-building programme for compliance management with the aim to close identified gaps, strengthen ownership of obligations, and reinforce a mature and resilient compliance culture across the Bank. The training sessions are anticipated to translate into improved technical compliance capabilities, faster decision-making, and stronger alignment between daily activities and regulatory expectations Bank-wide. Other functions will be undertaken such as the implementation of the Bank's AML/CFT Programme to ensure that the Bank's ERM System remains strong and comparable to its peers.

Communications and Strategic Planning

In support of its strategic objectives, the Bank will enhance communication, execution, and accountability frameworks to ensure the effective implementation and monitoring of its Strategic Plan 2026–2031 initiatives. The following will be actioned in that regard:

- ☑ Continued implementation of the ECCB Communications Strategy;
- ☑ Strengthening of internal and external communication effectiveness;
- ☑ Operationalisation of Strategic Plan 2026–2031 initiatives;
- ☑ Continuous monitoring and performance tracking; and
- ☑ Strengthened accountability and delivery mechanisms.

Culture and Change Management

The Bank will deepen its efforts to embed organisational culture and strengthen employee engagement. Focus will be placed on translating the S.T.A.R. values and Three Declarations into day-to-day behaviours, strengthening employee engagement, and supporting the implementation the Bank's strategic initiatives.

Targeted actions will reinforce a shared understanding of "what the culture is", strengthen alignment, and support employees in navigating change. The following areas of focus will be pursued:

- ☑ Employee Engagement and Dialogue
- ☑ Defining and Communicating the Culture of Team ECCB
- ☑ Organisational Identity and Employee Connection
- ☑ Strengthening Change Management and Governance Practices

Areas of Focus: 2026-2027

Governance and Meetings Management

The Bank will host and support key regional meetings and statutory engagements, including:

- ☑ Change of Chairmanship of the Monetary Council (July 2026, Commonwealth of Dominica)
- ☑ Meeting with ECCU Police Commissioners (July 2026)
- ☑ 4th Regional Central Bank Communication Directors' Conference (September 2026)
- ☑ Ongoing statutory, consultative, and networking meetings across the ECCU

Internal Audit and Assurance Activities

The Bank will seek to strengthen organisational effectiveness through various initiatives.

Process Improvement and Assurance

- ☑ Inaugural Process Improvement Review (Human Resource Department)
- ☑ Additional Process Improvement Review
- ☑ Internal Audit Quality Assessment Self-Review

Continuous Assurance Activities

- ☑ Spot checks across:
- ☑ Human resource processes
- ☑ Information technology operations
- ☑ Procurement systems
- ☑ Conducted at regular intervals throughout the financial year

Through these initiatives, the Bank aims to:

- ☑ Strengthen institutional resilience and effectiveness
- ☑ Enhance governance, compliance, and risk management frameworks
- ☑ Improve operational efficiency and business continuity
- ☑ Deepen stakeholder engagement and regional collaboration
- ☑ Build a strong, agile, and high-performing organisational culture

Collectively, these efforts will reinforce the Bank's role as a modern, responsive, and accountable institution, fully aligned with the objectives of the 2026–2031 Strategic Plan and the broader "Big Push" transformation agenda.

Enterprise Content Management (ECM) Solution Implementation

ECCB will migrate from its legacy Document Management solution to an Enterprise Content Management (ECM) solution. The Enterprise Content Management (ECM) solution will improve operational effectiveness through centralised enterprise content, workflow automation, and integration with core business systems.

Microsoft 365 Implementation

ECCB will transition to the Microsoft 365 platform, which will enhance operational efficiency, scalability, cybersecurity and collaboration.

Currency Management

Building on the progress achieved in 2025-2026, the Bank will continue to enhance operational efficiency, strengthen currency integrity, and modernise key processes. Focus for 2026-2027 will center on the introduction of the new EC currency, advancing forecasting capabilities through data analytics, and further development of the coin redemption strategy. In addition, work will commence on the implementation of a new vault management system, supporting more efficient and resilient currency operations across the ECCU.

Areas of Focus: 2026-2027

The major activities will include efforts to:

- ☑ Strengthen data-driven decision-making frameworks to support currency management operations.
- ☑ Standardise and document core processes to enhance operational efficiency and succession planning.
- ☑ Enhance currency demand forecasting using analytical models and historical data trends.
- ☑ Build staff capacity through cross-training and targeted technical development.
- ☑ Review and refine currency management policies and operational guidelines.
- ☑ Commencement of work towards the implementation of a new vault management system.
- ☑ Continue the delivery of 'Know Your Money' training for cash handlers across the ECCU, focusing on the features of the EC polymer banknotes.

List of Clearing Banks Maintaining Accounts with the ECCB

As at 31 March 2026

Anguilla
- National Commercial Bank of Anguilla Ltd
- Republic Bank (Anguilla) Limited

Antigua and Barbuda
- Antigua Commercial Bank
- Caribbean Union Bank Ltd
- Eastern Caribbean Amalgamated Bank Limited
- CIBC Caribbean Bank (Barbados) Limited

Commonwealth of Dominica
- National Bank of Dominica Ltd
- Republic Bank (EC) Limited

Grenada
- Grenada Co-operative Bank Ltd
- Republic Bank (Grenada) Ltd
- ACB Grenada Bank Ltd

Montserrat
- Bank of Montserrat

Saint Christopher (St Kitts) and Nevis
- The Bank of Nevis Ltd
- St Kitts-Nevis-Anguilla National Bank Ltd
- Republic Bank (EC) Limited
- CIBC Caribbean Bank (Barbados) Limited

Saint Lucia
- 1st National Bank of St Lucia Ltd
- Bank of Saint Lucia Ltd
- CIBC Caribbean Bank (Barbados) Limited
- Republic Bank (EC) Limited

Saint Vincent and the Grenadines
- 1st National Bank of St Lucia Ltd (St Vincent Branch)
- Bank of St Vincent and the Grenadines
- Republic Bank (EC) Limited

Independent Auditors' Report and Financial Statements

The financial statements of the Eastern Caribbean Central Bank comprise the statement of financial position as at 31 March 2026, the statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

The financial statements were audited by PricewaterhouseCoopers Eastern Caribbean in accordance with International Standards on Auditing (ISAs).

Independent auditors' report

To the Participating Governments of Eastern Caribbean Central Bank

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Eastern Caribbean Central Bank (the Bank) as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Bank's financial statements comprise:

- the statement of financial position as at 31 March 2026;
- the statement of profit or loss for the year then ended;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers East Caribbean, P.O. Box 535,
Ram's Complex, Bird Rock, St. Kitts
T: +1 246 626 6700, F: +1 246 436 1275

www.pwc.com/bb

A full listing of the partners of PricewaterhouseCoopers East Caribbean is available upon request.

Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises the annual report (but does not include the financial statements and our auditors' report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management and those charged with governance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and those charged with governance is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and those charged with governance either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and those charged with governance.
- Conclude on the appropriateness of management and those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers

Chartered Accountants
25 June 2026

Eastern Caribbean Central Bank

Financial Statements
31 March 2026
(Expressed in Eastern Caribbean dollars)

Eastern Caribbean Central Bank

Financial Statements
31 March 2026
(Expressed in Eastern Caribbean dollars)

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Eastern Caribbean Central Bank

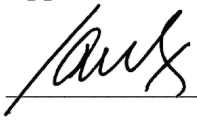
Statement of Financial Position

As at 31 March 2026

(Expressed in Eastern Caribbean dollars)

	Notes	**31 March 2026** $	31 March 2025 $
Assets			
Foreign assets			
Regional and foreign currencies		**98,930,412**	69,274,294
Balances with other central banks	5	**16,066,360**	13,389,423
Balances with foreign banks	5	**78,314**	100,602
Money market instruments and money at call	6	**1,061,907,545**	588,605,513
Derivative financial instruments	7	**76,723**	2,762
Foreign investment securities	9	**4,812,268,586**	4,814,468,816
		5,989,327,940	5,485,841,410
Domestic assets			
Cash and balances with local banks		**6,594,027**	4,615,179
Domestic investment securities	9	**624,186**	624,186
Participating governments' securities	10	**228,096,453**	210,361,927
Participating governments' advances	11	**117,302,113**	109,482,517
Accounts receivable, prepaid expenses and other assets	12	**25,530,712**	28,541,169
Investments in associates	13	**17,655,775**	15,416,847
Intangible assets	14	**508,708**	1,175,577
Property and equipment	15	**257,397,217**	253,052,617
Right-of-use assets	16	**3,532,660**	3,251,058
Pension asset	22	**37,014,000**	26,954,000
		694,255,851	653,475,077
Total Assets		**6,683,583,791**	6,139,316,487
Liabilities			
Demand and deposit liabilities - domestic	17	**6,088,500,127**	5,569,924,396
Demand and deposit liabilities - foreign	18	**69,474,357**	81,613,821
IMF government general resource accounts	19	**1,186,956**	1,153,537
Derivative financial instruments	20	**7,076**	60,618
Lease liabilities	16	**3,884,535**	3,549,841
Total Liabilities		**6,163,053,051**	5,656,302,213
Equity			
General reserve		**307,958,072**	282,634,588
Other reserves	21	**212,572,668**	200,379,686
Total Equity		**520,530,740**	483,014,274
Total Liabilities and Equity		**6,683,583,791**	6,139,316,487

Approved for issue by the Board of Directors on 19 June 2026 and signed on its behalf by:



Governor



Director, Accounting Department

The accompanying notes are an integral part of these financial statements.

Eastern Caribbean Central Bank

Statement of Profit or Loss

For the year ended 31 March 2026

(Expressed in Eastern Caribbean dollars)

	Notes	**2026** **$**	2025 $
Interest income	26	**228,511,959**	211,352,025
Interest expense	26	**(11,939,078)**	(9,527,759)
Net interest income		**216,572,881**	201,824,266
Commission income – foreign transactions		**9,944,169**	11,451,523
Commission income – other transactions		**4,659,893**	4,122,961
Net gains on sale of foreign investment securities at fair value through other comprehensive income (FVOCI)	9	**1,563,857**	647,984
Other income	27	**3,638,726**	3,552,581
Operating income		**236,379,526**	221,599,315
Salaries, pensions and other staff benefits	28	**50,530,650**	47,833,573
Currency expenses		**5,579,563**	4,780,621
Amortisation	14	**832,605**	871,680
Depreciation	15, 16	**9,552,658**	8,372,086
Administrative and general expenses	30	**51,552,170**	43,944,797
Impairment reversals/recoveries on financial assets, net	29	**(673,700)**	(8,054,354)
Operating expenses		**117,373,946**	97,748,403
Operating profit for the year		**119,005,580**	123,850,912
Share of profit of associates	13	**2,563,761**	2,377,602
Profit for the year		**121,569,341**	126,228,514

The accompanying notes are an integral part of these financial statements.

Eastern Caribbean Central Bank

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

(Expressed in Eastern Caribbean dollars)

	Notes	**2026** **$**	2025 $
Profit for the year		**121,569,341**	126,228,514
Other comprehensive income			
Items that are or may be subsequently reclassified to profit or loss:			
Net gains from changes in the fair value of foreign debt investments at FVOCI	21	**1,138,906**	59,832,085
Gains on sale of foreign debt investment securities at FVOCI recycled to profit or loss	9	**(1,563,857)**	(647,984)
Impairment losses/(reversal) on foreign debt investment securities at FVOCI	21	**92,003**	(73,091)
Share of associates fair value gains on investments at FVOCI	13	**418,501**	859,051
		85,553	59,970,061
Items that will not be reclassified to profit or loss:			
Revaluation of land and buildings	15	-	45,400,719
Remeasurement gains/(losses) on defined benefit pension plan	22	**9,232,000**	(10,062,000)
Total other comprehensive income for the year		**9,317,553**	95,308,780
Total comprehensive income for the year		**130,886,894**	221,537,294

The accompanying notes are an integral part of these financial statements.

Eastern Caribbean Central Bank

Statement of Changes in Equity

For the year ended 31 March 2026

(Expressed in Eastern Caribbean dollars)

	Retained Earnings $	General Reserve $	Capital Reserve $	Property Revaluation Reserve $	Investment Revaluation Reserve $	Self-Insurance Reserve Fund $	Pension Reserve $	Export Credit Guarantee Fund $	Total $
Balance, 31 March 2025	-	**282,634,588**	**6,537,928**	**164,311,451**	**(16,429,085)**	**17,196,515**	**26,954,000**	**1,808,877**	**483,014,274**
Profit for the year	121,569,341	-	-	-	-	-	-	-	121,569,341
Remeasurement gain on defined benefit pension plan (note 22)	-	-	-	-	-	-	9,232,000	-	9,232,000
Net change in fair value of investment securities at FVOCI	-	-	-	-	(332,948)	-	-	-	(332,948)
Share of associates fair value gains on investment securities at FVOCI	-	-	-	-	418,501	-	-	-	418,501
Total comprehensive income	121,569,341	-	-	-	85,553	-	9,232,000	-	130,886,894
Allocation to general reserve	(25,323,484)	25,323,484	-	-	-	-	-	-	-
Allocation to pension reserve (note 21)	(828,000)	-	-	-	-	-	828,000	-	-
Allocation to self-insurance fund (note 21)	(2,047,429)	-	-	-	-	2,047,429	-	-	-
Allocation to fiscal tranche I (note 17)	(56,022,257)	-	-	-	-	-	-	-	(56,022,257)
Allocation to fiscal tranche II (note 17)	(37,348,171)	-	-	-	-	-	-	-	(37,348,171)
Balance, 31 March 2026	-	**307,958,072**	**6,537,928**	**164,311,451**	**(16,343,532)**	**19,243,944**	**37,014,000**	**1,808,877**	**520,530,740**

The accompanying notes are an integral part of these financial statements.

Eastern Caribbean Central Bank

Statement of Changes in Equity *(continued)*

For the year ended 31 March 2026

(Expressed in Eastern Caribbean dollars)

	Retained Earnings $	General Reserve $	Capital Reserve $	Property Revaluation Reserve $	Investment Revaluation Reserve $	Self-Insurance Reserve Fund $	Pension Reserve $	Export Credit Guarantee Fund $	Total $
Balance, 31 March 2024	-	**214,294,966**	**6,537,928**	**118,910,732**	**(76,399,146)**	**15,725,745**	**35,347,000**	**1,808,877**	**316,226,102**
Profit for the year	126,228,514	-	-	-	-	-	-	-	126,228,514
Revaluation adjustment (note 15)	-	-	-	45,400,719	-	-	-	-	45,400,719
Remeasurement loss on defined benefit pension plan (note 22)	-	-	-	-	-	-	(10,062,000)	-	(10,062,000)
Net change in fair value of investment securities at FVOCI	-	-	-	-	59,111,010	-	-	-	59,111,010
Share of associates fair value gains on investment securities at FVOCI	-	-	-	-	859,051	-	-	-	859,051
Total comprehensive income	126,228,514	-	-	45,400,719	59,970,061	-	(10,062,000)	-	221,537,294
Allocation to general reserve	(68,339,622)	68,339,622	-	-	-	-	-	-	-
Allocation to pension reserve (note 21)	(1,669,000)	-	-	-	-	-	1,669,000	-	-
Allocation to self-insurance fund (note 21)	(1,470,770)	-	-	-	-	1,470,770	-	-	-
Allocation to fiscal tranche I (note 17)	(32,849,473)	-	-	-	-	-	-	-	(32,849,473)
Allocation to fiscal tranche II (note 17)	(21,899,649)	-	-	-	-	-	-	-	(21,899,649)
Balance, 31 March 2025	-	**282,634,588**	**6,537,928**	**164,311,451**	**(16,429,085)**	**17,196,515**	**26,954,000**	**1,808,877**	**483,014,274**

Eastern Caribbean Central Bank

Statement of Cash Flows

For the year ended 31 March 2026

(Expressed in Eastern Caribbean dollars)

	Notes	2026 $	2025 $
Cash flows from operating activities			
Profit for the year		**121,569,341**	126,228,514
Adjustments for:			
Depreciation of property and equipment	15	**8,695,697**	7,424,008
Depreciation of right-of-use assets	16	**856,961**	948,078
Amortisation of intangible assets	14	**832,605**	871,680
Net gains on sale of foreign investment securities at FVOCI	9	**(1,563,857)**	(647,984)
Share of profit of associates	13	**(2,563,761)**	(2,377,602)
Net pension cost during the year	28	**2,722,000**	1,912,000
Gain on sale of property and equipment	27	**(86,777)**	(50,981)
Gain on lease modification	27	**(29,335)**	(10,068)
Impairment reversals/recoveries on financial assets	29	**(673,700)**	(8,054,354)
Derecognition of intangible asset	30	**-**	5,389,505
Interest income	26	**(228,511,959)**	(211,352,025)
Interest expense on demand and deposit liabilities	26	**11,716,503**	9,338,632
Interest expense on lease liabilities	26	**222,575**	189,127
Cash flows used in operations before changes in operating assets and liabilities		**(86,813,707)**	(70,191,470)
Changes in operating assets and liabilities			
Money market instruments	6	**(179,598,841)**	544
Participating governments' securities	10	**(17,525,935)**	9,773,563
Participating governments' advances	11	**(7,920,953)**	(47,829,862)
Accounts receivable and prepaid expenses	12	**3,516,357**	1,600,782
Derivative financial assets	7	**(73,961)**	57,846
Derivative financial liabilities	20	**(53,542)**	35,321
Demand and deposit liabilities - domestic and foreign	17, 18	**506,342,077**	188,023,800
IMF government general resource accounts	19	**33,419**	(25,459)
Cash generated from operations before interest and pension contributions		**217,904,914**	81,445,065
Interest received		**223,070,635**	200,193,288
Interest paid		**(11,844,888)**	(9,674,985)
Pension contributions paid	22	**(3,550,000)**	(3,581,000)
Net cash generated from operating activities		**425,580,661**	268,382,368
Cash flows from investing activities			
Acquisition of property and equipment	15	**(13,062,570)**	(17,598,020)
Acquisition of intangible assets	14	**(165,736)**	(34,290)
Proceeds from sale of property and equipment		**109,050**	62,588
Proceeds from sales and maturities of foreign investment securities at FVOCI	9	**11,411,959,833**	10,087,286,927
Purchase of foreign investment securities at FVOCI	9	**(11,402,893,946)**	(10,504,079,084)
Dividends received from associates	13	**743,334**	661,479
Net cash used in investing activities		**(3,310,035)**	(433,700,400)

Cash flows from financing activities			
Repayment of lease liabilities	16	**(774,534)**	(899,336)
Portion of current year's profit distributed to participating governments	17	**(93,370,428)**	(54,749,122)
Net cash used in financing activities		**(94,144,962)**	(55,648,458)
Net increase (decrease) in cash and cash equivalents		**328,125,664**	(220,966,490)
Cash and cash equivalents, beginning of year	25	**675,368,098**	896,334,588
Cash and cash equivalents, end of year	25	**1,003,493,762**	675,368,098

The accompanying notes are an integral part of these financial statements.

1. Incorporation and principal activity

The Eastern Caribbean Central Bank ("ECCB" or the "Bank") was established under the Eastern Caribbean Central Bank Agreement Act 1983 (the "Act") on July 5, 1983 with the ratification of the Act by Governments participating in the Eastern Caribbean Currency Authority (the "Authority"). In accordance with Article 54(2) of the Act, the ECCB was formally established on October 1, 1983 on which date the Authority ceased to exist. Effective from that date, all the assets and liabilities of the Authority, together with all its rights and obligations that are consistent with the provisions of the Act were deemed to have been transferred to and vested in the Bank.

The principal activity of the ECCB is to issue, manage and safeguard the international value of the Eastern Caribbean currency, to regulate the availability of money and credit, to promote and maintain monetary stability and a sound financial structure, and to promote economic development in the territories of the Participating Governments.

The Participating Governments include Anguilla, Antigua and Barbuda, Commonwealth of Dominica, Grenada, Montserrat, Saint Christopher (St Kitts) and Nevis, Saint Lucia and Saint Vincent and the Grenadines, which also compose the Eastern Caribbean Currency Union ("ECCU").

The primary office of the ECCB is at Bird Rock, Basseterre, Saint Christopher (St Kitts) and Nevis and its agency offices are located in the other seven member territories.

2. Material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost convention, except for the following:

- Financial assets measured at fair value through other comprehensive income;
- Financial assets and liabilities measured at fair value through profit or loss;
- Land and buildings measured at fair value.

On the statement of financial position, domestic assets and liabilities are those which are located within the Eastern Caribbean Currency Union, and include certain regional assets and liabilities, which are located within other Caribbean territories. Foreign assets and liabilities are those which are located outside of the Caribbean.

The financial statements were authorised for issue by the Board of Directors on 19 June 2026.

Neither the Bank's member governments nor others have the power to amend the financial statements after issue.

2. Material accounting policies *(continued)*

a) Basis of preparation *(continued)*

New standards, interpretations and amendments to existing standards effective in the current financial year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Bank has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following are relevant to its operations:

Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates (effective for annual reporting periods beginning on or after 1 January 2025). These amendments add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Therefore, the amendments will impact an entity when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. With these amendments, entities will be better able to assess exchangeability between two currencies and determine the spot rate when exchangeability is lacking. This amendment did not have a significant impact on the Bank.

New standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted

At the date of authorisation of these financial statements, certain new and amended standards and interpretations have been issued, which are not yet effective and have not been early-adopted by the Bank.

Amendments to IFRS 9, 'Financial Instruments' and IFRS 7, 'Financial Instruments: Disclosures', - 'Classification and Measurement of Financial Instruments', (effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic and cash transfer system;
(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets): and
(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

2. Material accounting policies *(continued)*

a) Basis of preparation *(continued)*

New standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted *(continued)*

Annual improvements to IFRS Volume 11 (effective for annual periods beginning on or after 1 January 2026). Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

IFRS 18, 'Presentation and Disclosure in Financial Statements', (effective for annual periods beginning on or after 1 January 2027). This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss with defined subtotals;
- requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhance principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements (effective for annual periods beginning on or after 1 January 2027). These amendments include Examples illustrating how an entity applies the requirements in IFRS Accounting Standards to disclose the effects of uncertainties in its financial statements. The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate.

The Bank is still assessing the impact of adopting the above amendments and new standards.

2. Material accounting policies *(continued)*

b) Associates

Associates are all entities over which the Bank has significant influence but not control, generally accompanied by a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost.

The Bank's share of its associates' post-acquisition profits or losses is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income or loss is recognised in other comprehensive income or loss with a corresponding adjustment to the carrying amount of the investment.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Bank's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Bank does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Bank determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Bank calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit (loss) of associates' in the statement of profit or loss.

Unrealised gains on transactions between the Bank and its associates are eliminated to the extent of the Bank's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. For the preparation of the financial statements, common accounting policies for similar transactions and other events in similar circumstances are used. Dilution gains and losses in associates are recognised in the statement of profit or loss.

2. Material accounting policies *(continued)*

c) Fair value measurement

The Bank measures financial instruments, such as investment securities, certain money market instruments and derivatives at fair value at each financial reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

When measuring fair value, an entity uses the assumptions that market participants would use when pricing the asset or the liability under current market conditions, including assumptions about risk. As a result, an entity's intention to hold an asset or to settle or otherwise fulfil a liability is not relevant when measuring fair value.

IFRS 13 requires that the fair value of a liability or equity instrument of the entity be determined under the assumption that the instrument would be transferred on the measurement date, but would remain outstanding. Accordingly, the fair value of a liability must take account of non-performance risk, including the entity's own credit risk.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. When one is available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described in Note 3(e).

d) Use of judgements and estimates

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, income and expenses. It also requires management to exercise its judgement in the process of applying the Bank's accounting policies. Actual results may differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2. Material accounting policies *(continued)*

e) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the ECCB operates (the "functional currency"). The financial statements are presented in Eastern Caribbean dollars, which is the ECCB's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss. Changes in fair value of monetary securities denominated in foreign currency are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security.

Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount, except impairment, are recognised in other comprehensive income or loss.

All foreign exchange gains and losses recognised in the statement of profit or loss are presented net. Foreign exchange gains and losses on other comprehensive income or loss items are presented in other comprehensive income or loss.

f) Comparative information

The Bank's financial statements provide comparative information in respect of the preceding period for all amounts reported in the current period. Except when an IFRS permits or requires otherwise, comparative information shall be disclosed in respect of the preceding period for all amounts reported in the financial statements. Where necessary, comparative figures have been reclassified to be consistent with the current year's presentation. These changes had no impact on the total assets or total equity.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities

(i) Initial recognition and measurement of financial assets and liabilities

A financial instrument (financial asset or financial liability) is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially recognised on the settlement date, which is the date that an asset is delivered to or by the Bank. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the instrument, such as fees and commissions. Subsequent measurement of financial assets and financial liabilities is described below.

(ii) Classification and measurement of financial assets

The Bank classifies its financial assets in the following measurement categories based on the business model for managing the assets and the assets' contractual cash flow characteristics under IFRS 9:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A debt financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. All other equity investments are classified as measured at FVTPL.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ii) ***Classification and measurement of financial assets*** *(continued)*

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(iii) ***Business model assessment***

Business model assessment entails a determination of the way financial assets are managed in order to generate cash flows. There are three business models available under IFRS 9:

- Hold to collect: it is intended to hold the asset to maturity to earn interest, collecting repayments of principal and interest form the counterparty.
- Hold to collect and sell: this model is similar to the hold to collect model, except that the entity elects to sell some or all of the assets before maturity as circumstances change or to hold the assets for liquidity purposes.
- Other: all those models that do not meet the 'hold to collect' or 'hold to collect and sell' qualifying criteria.

The assessment of business model requires judgement based on facts and circumstances at the date of initial application. The business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios per instrument type and is based on observable factors.

The Bank determines its business model at the portfolio level (foreign reserves and domestic assets portfolios) as this best reflects the way the Bank manages its financial assets to achieve its business objective. The Bank's business model assessment considers the following qualitative and observable factors:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolios is evaluated and reported to the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how asset managers are compensated (e.g. whether compensation is based on the fair value of the asset managed or the contractual cash flows collected); and

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(iii) Business model assessment *(continued)*

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

(iv) Assessment of whether contractual cash flows are solely payments of principal and interest

The second criteria in the classification process is the Bank's assessment of the contractual terms of financial assets to determine whether they meet the solely payments of principal and interest (SPPI) test. Contractual cash flows that represent solely payments of principal and interest on the principal amount outstanding are consistent with basic lending arrangements.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding during a particular period of time. It can also include consideration for other basic lending risks (e.g. liquidity risk) and costs (e.g. administrative costs) associated with holding the financial asset for a particular period of time, and a profit margin that is consistent with a basic lending arrangement.

If a financial asset is held in either a 'Hold to Collect' or a 'Hold to Collect and Sell' business model, then assessment to determine whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding at initial recognition is required to determine the classification. The SPPI test is performed on an individual instrument basis.

In assessing whether the contractual cash flows are SPPI, the Bank considers whether the contractual terms of the financial asset contain a term that could change the timing or amount of contractual cash flows arising over the life of the instrument, which could affect whether the instrument is considered to meet the SPPI test. If the SPPI test failed, such financial assets are measured at FVTPL with interest earned recognised in other interest income.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(v) Debt instruments measured at amortised cost

Debt instruments are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortised cost. Interest income on these instruments is recognised in interest income using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortised cost is calculated by taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate.

Impairment on debt instruments measured at amortised cost is calculated using the expected credit loss approach. Loans and debt securities measured at amortised cost are presented net of expected credit losses (ECL) in the statement of financial position.

(vi) Debt instruments measured at FVOCI

The Bank measures debt investment securities at FVOCI when both of the following categories are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt investment securities are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On de-recognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(vii) Equity instruments

Equity instruments are classified into one of the following measurement categories:

- Fair value through profit or loss (FVTPL); or
- Designated at fair value through other comprehensive income (FVOCI).

Equity instruments measured at Fair value through profit or loss (FVTPL)

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase, with transaction costs recognised immediately in profit or loss. Subsequent to initial recognition the changes in fair value are recognised in the statement of profit or loss. Equity instruments at FVTPL are primarily assets held for trading.

Equity instruments measured at FVOCI (designated)

The Bank made an irrevocable election to classify certain equity instruments at FVOCI when they are not held for trading as these investments are expected to be held for the long-term and for strategic purposes. This election is made on an instrument-by-instrument basis and is not available for equity instruments that are held for trading purposes. Gains and losses on these instruments including when derecognised/sold are recorded in OCI and are not subsequently reclassified to the statement of profit or loss. As such, there is no specific impairment requirement. Dividends received are recorded in profit or loss. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to profit or loss on sale of the security.

(viii) Financial assets at fair value through profit or loss

Groups of financial assets for which the business model is other than held to collect and held to collect and sell are measured at FVTPL. Financial assets at fair value through profit or loss include financial assets held for trading, e.g., derivative instruments, financial assets designated upon initial recognition at fair value through profit or loss, e.g., debt or equity instruments, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets

IFRS 9 requires the Bank to record ECLs on all debt instruments measured at amortised cost or FVOCI.

The Bank conducted ECL assessment for the following categories of financial assets:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI.

Equity investment securities are not subject to impairment testing under IFRS 9.

The Bank measures loss allowances at an amount equal to 12-month ECL on the following:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

The Bank considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Expected credit loss impairment model

The Bank applies a three-stage approach to measure the allowance for credit losses as required under IFRS 9. The ECL allowance is based on credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The Bank's policies for determining if there has been a significant increase in credit risk are set out in Note 3(b)(iii). The 12-month ECL is the portion of lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both lifetime and 12-month expected credit losses are calculated on an individual basis.

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

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets *(continued)*

Expected credit loss impairment model *(continued)*

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

Stage 1: 12 months ECL
The Bank assesses ECLs on financial assets where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. When financial assets are first recognised and continue to perform in accordance with the contractual terms and conditions at initial recognition, the Bank recognises a loss allowance based on 12 months ECLs. This represents the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date.

Stage 2: Lifetime ECL – not credit impaired
The Bank collectively assesses ECLs on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Bank recognises as a collective provision a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: Lifetime ECL – credit impaired
The Bank identifies, both collectively and individually, ECLs on those exposures that are assessed as credit impaired based on whether one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. If the asset is no longer credit impaired, then the calculation of the interest income reverts to the gross basis.

Financial instruments within the scope of the impairment requirements of IFRS 9 are classified into one of the above three stages. Unless purchased or originated credit impaired, newly originated assets are classified as Stage 1 and remain in that stage unless there is considered to have been a significant increase in credit risk since initial recognition, at which point the asset is reclassified to Stage 2.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets *(continued)*

Measurement of expected credit losses (ECL)

The Bank derives ECLs from probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive.

- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

PD – The Probability of Default (PD) is an estimate of the likelihood of default over a given period of time. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PDs is further explained in Note 3.

EAD – The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD – The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Bank considers among other factors the risk rating category and aging of the financial asset. Each of these is associated with different PDs, EADs and LGDs.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets *(continued)*

Measurement of expected credit losses (ECL) *continued)*

The mechanics of the ECL method are summarised below:

Stage 1
The 12 months ECL is calculated as the portion of the lifetime expected credit losses that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Bank calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD.

Stage 2
When a financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the lifetime expected credit losses. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3
For financial assets considered credit-impaired, the Bank recognises the lifetime expected credit losses for these financial assets. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Purchased or originated credit-impaired (POCI) assets are financial instruments that are credit-impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit adjusted effective interest rate. Expected credit losses are recognised to the extent that there is a subsequent change where ECLs are calculated based on lifetime expected credit loss. Once the financial asset is recognised as POCI, it retains this status until derecognised.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets *(continued)*

Measurement of expected credit losses (ECL) *(continued)*

Macroeconomic factors

The standard requires incorporation of macroeconomic factors in models for ECLs. In its models, the Bank utilises an automated solution which incorporates an assessment of a broad range of forward-looking economic information as possible inputs, such as: GDP growth, unemployment rates, inflation and interest rates.

Incorporation of forward looking information

IFRS 9 requires the incorporation of forward looking information in the estimation of expected credit losses for each stage and the assessment of significant increases in credit risk. It considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

Definition of default

The Bank considers a financial asset to be in default as a result of one or more loss events that occurred after the date of initial recognition of the instrument and the loss event has a negative impact on the estimated future cash flows of the instrument that can be reliably estimated. The Bank considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Bank. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Bank considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

Financial assets classified as 'default' are transferred to stage 3 and impairment loss is measured based on lifetime expected credit losses.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets *(continued)*

Measurement of expected credit losses (ECL) *(continued)*

Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- default or delinquency in interest or principal payments;
- high probability of the borrower entering a phase of bankruptcy or a financial reorganization;
- measurable decrease in the estimated future cash flows from the loan or the underlying assets that secure the loan;
- The restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise.

Significant increase in credit risk

A significant increase in credit risk is defined as a significant increase in the probability of a default occurring since initial recognition. When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers both quantitative and qualitative information and analysis based on historical experience and credit risk assessment. As a backstop, the Bank considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

IFRS 9 also requires that (other than for purchased or originated credit impaired financial instruments) if a significant increase in credit risk that had taken place since initial recognition, has reversed by a subsequent reporting period then the loss allowance reverts from lifetime ECL to 12-month.

2. Material accounting policies *(continued)*

g) Financial assets and financial liabilities *(continued)*

(ix) Impairment of financial assets *(continued)*

Measurement of expected credit losses (ECL) *(continued)*

Write-offs

Financial assets and the related impairment allowances, are written off, either partially or in full, when there is no realistic prospect of recovery.

Presentation of allowance for ECL

Loss allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

- Debt instruments measured at fair value through OCI - the ECLs are not recognised in the statement of financial position because the carrying amounts of these assets remain their fair values. However, the loss allowance is disclosed and is recognised in the investment revaluation reserve in equity with a corresponding charge to the statement of profit or loss. The accumulated loss recognised in OCI is recycled to profit or loss upon derecognition of the financial assets.

2. Material accounting policies (*continued)*

g) Financial assets and financial liabilities *(continued)*

(x) Financial Liabilities

Initial recognition and measurement

The Bank classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Bank that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income.

Financial liabilities at amortised cost

Other financial liabilities are initially recognised at fair value net of any transaction costs. After initial recognition, interest-bearing financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(xi) Derecognition of financial assets and financial liabilities

Financial assets

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognised as a separate asset or liability.

2. Material accounting policies (*continued)*

g) Financial assets and financial liabilities *(continued)*

(xi) Derecognition of financial assets and financial liabilities *(continued)*

Financial liabilities

The Bank derecognises a financial liability when its contractual obligations are discharged, or cancelled, or expire.

(xii) Modification of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Bank evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

— fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and

— other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

2. Material accounting policies (*continued)*

g) Financial assets and financial liabilities *(continued)*

(xii) Modification of financial assets and financial liabilities *(continued)*

Financial liabilities

The Bank derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

(xiii) Measurement and gains and losses

The 'foreign investment securities' caption in the statement of financial position includes:

- debt securities measured at FVOCI;
- U.S. Government Agency Residential Mortgage-Backed Securities measured at FVTPL;
- equity investment securities designated as at FVOCI; and
- debt investment securities measured at amortised cost which are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method.

For debt securities measured at FVOCI, gains and losses are recognised in OCI, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL charges and reversals; and
- foreign exchange gains and losses.

When debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

2. Material accounting policies (*continued)*

g) Financial assets and financial liabilities *(continued)*

(xiii) Measurement and gains and losses *(continued)*

The Bank elects to present in OCI, changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

(xiv) Other financial instruments

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with other banks, short-term highly-liquid funds and investments with original maturities of 90 days or less from the date of acquisition that are readily convertible to know amounts of cash, and which are subject to an insignificant risk of changes in value.

Accounts receivable

Trade and other receivables are measured at amortised cost, less expected credit loss.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets including recent market transactions. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value of the Bank's derivative instruments are recognised immediately in the statement of profit or loss.

The best evidence of the fair value of a derivative at initial recognition is the transaction price, that is, the fair value of the consideration given or received unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (that is, without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

The Bank’s derivative financial instruments are foreign currency forward contracts. Derivative financial instruments are measured at fair value and disclosed in Notes 7 and 20. None of the Bank's derivative instruments have been designated as hedging instruments.

2. Material accounting policies (*continued)*

g) Financial assets and financial liabilities *(continued)*

(xiv) Other financial instruments *(continued)*

Demand and deposit liabilities - domestic

Demand and deposit liabilities – domestic are the Bank's Eastern Caribbean dollar obligations to clients/institutions in the Organisation of Eastern Caribbean States (OECS) settled on demand and are measured at amortised cost. Note 2(p) sets out information regarding notes and coins in circulation.

Demand and deposit liabilities - foreign

Demand and deposit liabilities – foreign are the Bank's obligations to clients/institutions outside of the OECS that are settled on demand and are measured at amortised cost.

IMF government general resource accounts

The ECCB acts as fiscal agent of the participating governments in their transactions with the International Monetary Fund (IMF). To facilitate its role as fiscal agent, governments IMF general resource accounts are held at the ECCB. The accounts with the IMF, which records all transactions with the IMF, have been included in these financial statements. Participating governments position in the general resource accounts is reported on a net asset or net liability basis. IMF related assets and liabilities accounts are measured at amortised cost.

Other liabilities and payables

Other liabilities and payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other liabilities and payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(xv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when, and only when, there is a current legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

2. Material accounting policies *(continued)*

h) Property and equipment

Property and equipment are initially recognised at cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Land and buildings are subsequently carried at fair value, based on periodic independent valuations by a professional qualified valuer. These revaluations are carried out with sufficient regularity to ensure that the carrying value of land and buildings does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognised in profit or loss.

At the date of revaluation, the accumulated depreciation on the revalued property is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method at rates estimated to write down the cost or valuation of such assets to their residual values over their estimated useful lives as follows:

Buildings	50 years;
Furniture and Equipment	5 – 15 years;
Motor vehicles	5 – 7 years;
Land improvements	10 years;
Building improvements	10 years;
Computer systems	3 – 5 years.

Land is not depreciated. Donated property is recorded at fair value at the time of receipt.

Property and equipment are periodically reviewed for impairment or when indicators exist that there may be impairment. When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. No property and equipment were impaired as at 31 March 2026 (2025: nil).

Gains and losses on the disposal of property and equipment are determined by comparing proceeds with carrying amount and are taken into account in determining operating profit. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2. Material accounting policies *(continued)*

i) Intangible assets

Intangible assets are substantially comprised of acquired computer software programmes. These are capitalised on the basis of the cost incurred to acquire and bring to use the specific software. The Bank chooses to use the cost model for the measurement after recognition. These costs are amortised using the straight-line method on the basis of the expected useful life of three years. Generally, the identified intangible assets of the Bank have a definite useful life. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

At each reporting date, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analysed to assess whether their carrying amount is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

j) Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less costs to sell or the value in use can be determined reliably. Non-financial assets that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

k) Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2. Material accounting policies *(continued)*

l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Bank recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Bank's activities, as described below.

Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within "interest income" and "interest expense" in the statement of profit or loss for all instruments measured at amortised cost, FVOCI and FVTPL using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses.

The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest to discount the future cash flows for the purpose of measuring the impairment loss.

Commissions' income

Commissions income are generally charged on transactions with commercial banks and other institutions except participating governments, and are generally recognised when the Bank transfers control of a product or service to a customer. Transactions that attract commissions include purchase and sale of foreign currency notes and balances and issue and redemption of Eastern Caribbean currency notes. Revenue related to transactions is recognised at the point in time when the transaction takes place.

Other income

Licence fees due under the Banking Act, are fixed and non-cancellable and are recorded in profit or loss when due. Pension fund administrative and management fees are charged for administrative and investment management services on behalf of the scheme, and are recognised as the related services are performed. Income from banking licence fees and pension fund administrative and management fees are reported in the statement of profit or loss in the 'other income' grouping.

2. Material accounting policies (*continued)*

m) Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Bank has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term.

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. The Bank uses its incremental borrowing rate as the discount rate.

The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;

2. Material accounting policies (*continued)*

m) Leases (*continued)*

As a lessee (*continued)*

- the exercise price under a purchase option that the Bank is reasonably certain to exercise;
- lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank presents right-of-use assets and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and low-value assets. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases as lessor

Operating lease

The Bank leases out office spaces to associated institutions under operating leases with rentals payable monthly. These leases are classified as operating leases, as they do not transfer all of the risks and rewards incidental to ownership of the assets. Note 27 sets out information about the operating leases.

n) Employee benefits

Staff pension plan

The Bank operates a defined benefit pension plan for its eligible employees. The assets of the plan are held in a single trustee administered fund, established by the Eastern Caribbean Central Bank. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The pension benefit is based on the final salary of the employee.

2. Material accounting policies (*continued)*

n) Employee benefits *(continued)*

Staff pension plan *(continued)*

An asset or liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. An approximate value of the defined benefit obligation is calculated every year by independent actuaries using the projected unit credit method based on detailed calculations carried out for the most recent triennial funding valuation. Under this method, the cost of providing pensions is charged to the statement of profit or loss so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plan every three years.

The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of long-term government bonds that are denominated in the currency in which the benefits will be paid, and which have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in other comprehensive income. Net interest expense and other expense related to defined benefit plan are recognised in profit or loss. Past-service costs are recognised immediately in the statement of profit or loss. The pension plan is funded by payments from employees and the Bank, taking into account the recommendations of independent qualified actuaries.

Prepaid employee short term benefit

The Bank facilitates loans to its staff at rates that are relatively low in comparison to the normal market rates in the Eastern Caribbean Currency Union (ECCU). These loans are recognised at fair value using a normal market rate, and the difference between the fair value and the consideration given to the employees is recorded as a pre-paid short term employee benefit. The pre-paid short-term employee benefit is amortised through the statement of profit or loss over the expected service life of the relevant individual employees or the expected life of the relevant individual loans, whichever is shorter.

o) Commemorative coins

The nominal value of commemorative coins sold is excluded from the balance of 'Notes and Coins in circulation' while the net proceeds from sales are included in the statement of profit or loss.

p) Currency in circulation

In accordance with the ECCB Agreement Act, the Bank is the sole authority to issue currency notes and coins for circulation in the Eastern Caribbean Currency Union. Bank notes and coins in circulation are non-interest bearing and are redeemable on demand.

2. Material accounting policies (*continued)*

p) Currency in circulation *(continued)*

The value of notes and coins in circulation is disclosed in Note 17.

q) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 Related Party Disclosures as the "reporting entity, in this case, the Bank").

(a) A person or a close member of that person's family is related to the Bank if that person:

(i) has control or joint control over the Bank;
(ii) has significant influence over the Bank; or
(iii) is a member of the key management personnel of the Bank or of a parent of the Bank.

(b) An entity is related to the Bank if any of the following conditions applies:

(i) The entity and the Bank are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Bank or an entity related to the Bank.
(vi) The entity is controlled, or jointly controlled by a person identified in (a).
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) The entity or its parent is provided with key management personnel services by the management entity.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

r) Taxation

In accordance with Article 50 (8) (a) of the Eastern Caribbean Central Bank Agreement Act 1983, the Bank's income is exempt from any form of taxation.

3. Financial risk management

a) Introduction and overview

Risk is inherent in the Bank's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. By its nature, the Bank's activities are principally related to the use of financial instruments. The Bank has exposure to the following risks from its use of financial instruments:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk

The strategy for using financial instruments is embedded in the mission of the Bank to maintain the stability of the Eastern Caribbean Dollar and the integrity of the banking system in order to facilitate the balanced growth and development of member states.

The activities of the Bank require the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. In executing its duties as a central bank, there are significant inherent risks, which the Bank faces, both at the macro and micro levels of its operations. These risks arise primarily through the Bank's execution of its reserve management function, the provision of banking services to governments and commercial banks and from the broad areas of monetary policy, financial sector stability, management of the payment system and the daily operational tasks undertaken to support these functions.

The Bank's aim is therefore to achieve an appropriate balance between risk and the objectives of its reserve management function which are: (i) preservation of capital, (ii) meeting liquidity requirements and (iii) realizing a satisfactory return. The Bank also seeks to minimise potential adverse effects on the Bank's financial performance.

Risk Management Structure

The Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices. In addition, the Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their role and obligations.

The Bank's Board of Directors has overall responsibility for the establishment of the Bank's risk management framework. The Board has established committees for managing and monitoring risks.

3. Financial risk management (*continued)*

a) Introduction and overview *(continued)*

Risk Management Structure (*continued)*

The key committees for managing risks are as follows:

Board Audit and Risk Committee

The Board Audit and Risk Committee (BARC) assists the Board in relation to the oversight of the Bank's governance, risk, internal controls and the Bank's financial reporting processes. The BARC reviews the Bank's risk appetite in line with strategy, identifies and monitors risk exposure and the risk management infrastructure, oversees the implementation of strategy to address risk, and assesses the strength and effectiveness of the risk management and internal control framework. Additionally, the BARC monitors the integrity of the financial statements and is responsible for oversight of both the Internal Audit and Enterprise Risk Management functions and reports back to the Board. The BARC reviews the effectiveness of the policies, procedures and systems in place related to, among others, operational risks, compliance, Information Technology (IT) (including cyber-security) and internal security.

Board Investment Committee

The purpose of the Board Investment Committee (BIC) is to assist the Board in fulfilling its responsibilities in the management of the foreign reserves as per Part VI of the ECCB Agreement. The BIC is responsible for submitting recommendations to the Board for approval regarding the following:

(i) Changes to the Foreign Reserve Investment Policy;
(ii) Changes to the Strategic Asset Allocation;
(iii) The retention and termination of asset managers and custodian; and
(iv) Changes to the Terms of Reference for the Reserve Management Committee.

The BIC also receives and considers periodic reports on the following:

(i) Compliance of the external fund managers and the internal fund manager with the Investment Guidelines;
(ii) Performance of the external fund money managers and the internal fund manager; and
(iii) A review of the custodian's performance.

3. Financial risk management *(continued)*

a) Introduction and overview *(continued)*

Risk Management Structure (*continued)*

The Bank has also established internal committees and departments for managing and monitoring risks.

Executive Committee

The Executive Committee of the Bank has the responsibility to ensure that efficient and effective risk management mechanisms are in place. Key to the management of risk within the context of the reserve management function is the reserve management framework, which embodies the Bank's risk tolerance. Included in this framework are the Bank's Investment Policy, Strategic Asset Allocation and investment guidelines, which establish the parameters within which the reserve management function is executed. The Board approves the written policies for overall risk management as well as specific policies relating to the reserve management function. Additionally, the provision of banking services is governed by policy decisions of the Board.

Office of Risk Management

The Office of Risk Management (ORM) has responsibility for designing and implementing the Bank's Enterprise Risk and Compliance Management Frameworks, as well as overseeing the development and implementation of the Bank's Business Continuity Management System (BCMS). ORM also reports on risk matters, including the review of risk and compliance management and the controls environment, to the Executive Committee and the Board Audit and Risk Committee.

Internal Audit Department

The Internal Audit Department is responsible for providing independent assurance that the Bank's risk management, internal control and governance processes are adequately designed and operating effectively. The Internal Audit Department discusses the results of all assessments with the Executive Committee, and reports its findings and recommendations to the Board Audit and Risk Committee. The Internal Audit Department also monitors the departments' implementation of audit recommendations and reports progress to the Executive Committee and the BARC.

3. Financial risk management *(continued)*

b) Credit risk

Credit risk is the risk of financial loss to the Bank if a customer, client or counterparty to a financial instrument fail to meet its contractual obligations. The Bank is exposed to credit risk primarily on account of its reserve management activities. These exposures arise mainly through investments in debt securities of international governments, government agencies, supranational agencies and official institutions. The Bank also has exposures through investments in debt securities of participating governments and through lending to governments and commercial banks.

Management of credit risk

The Bank manages and controls credit risk in the foreign reserves at the issuer level by specification of minimum rating levels according to international rating agencies in the Foreign Reserves Investment Policy. Credit risk is also managed via Investment Guidelines, which stipulate issue and issuer concentration limits and by monitoring exposures in relation to such limits. Credit risk is important to the Bank's business; therefore, management carefully manages the Bank's exposure to credit risk. As it relates to lending to Member Governments and commercial banks, credit risk is managed based on strict adherence to exposure limits outlined in the ECCB agreement Act and the ECCB Board approved policy decision on the matter.

The estimation of credit risk of a portfolio of assets entails estimations as to the likelihood of defaults The Bank measures credit risk using probability of default (PD), exposure at default (EAD) and loss given default (LGD).

The Bank manages the credit risk on items exposed to such risk as follows:

Debt investment securities at FVOCI

The Bank manages credit risk by placing limits on its exposure to international governments, government agencies, supranational agencies and official institutions. It places limits on the amount of risk accepted in relation to one borrower and country. Such risks are monitored on a revolving basis and subject to an annual or more frequent review.

The investment policy and guidelines approved by the Board of Directors, stipulate the limits on the level of credit risk by borrower, product, industry, sector and country. They also stipulate the minimum required ratings issued by Moody's, Standard & Poor's (S&P) or Fitch for its international investments. The Bank further manages this risk by ensuring that business is only conducted with approved banks and by monitoring those banks' deposit ratings via the aforementioned rating agencies. The activities of the global custodian are also monitored daily and their overall performance is periodically reviewed.

The Bank's debt investment securities at FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected credit losses. Foreign investment securities measured at fair value through other comprehensive income (FVOCI) include listed securities. PDs and LGDs for traded instruments were based on the global credit ratings assigned to the instruments or the country for sovereign exposures.

3. Financial risk management (*continued)*

b) Credit risk (*continued)*

Debt investment securities at FVOCI *(continued)*

Management considers 'low credit risk' for listed securities to be an investment grade credit rating from Moody's, S&P or Fitch.

Debt investment securities at Amortised Cost

Other debt instruments (including unlisted participating government securities) are considered to be low credit risk as they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. PDs and LGDs for non-traded instruments were based on proxy ratings where they existed.

Cash and cash equivalents

Cash and cash equivalents are held in financial institutions which management considers as strong and there is no significant concentration. Balances with other central banks, balances with foreign banks, cash and balances with local banks and term deposits are short-term funds and the Bank therefore considers the risk of default to be very low.

Accounts receivable

Exposure to credit risk is managed by regular analysis of the ability of customers and other counter parties to meet repayment obligations.

3. Financial risk management (*continued)*

b) Credit risk (*continued)*

(i) Credit quality of financial assets

The credit quality of financial assets is managed by the Bank through external credit ratings used in ECL calculations. The table below shows internal and external grades used in ECL calculation.

Moody's	S&P	Fitch	Grade Description
Aaa	AAA	AAA	Investment Grade
Aa1	AA+	AA+	
Aa2	AA	AA	
Aa3	AA-	AA-	
A1	A+	A+	
A2	A	A	
A3	A-	A-	
Baa1	BBB+	BBB+	Standard Grade
Baa2	BBB	BBB	
Baa3	BBB-	BBB-	
Ba1	BB+	BB+	
Ba2	BB	BB	
Ba3	BB-	BB-	
B1	B+	B+	
B2	B	B	
B3	B-	B-	
Caa1	CCC+	CCC	Low Grade
Caa2	CCC		
Caa3	CCC-		
Ca	CC	CC	
	C	C	
C	D	D	Default

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(ii) **Credit quality analysis**

The following tables set out information about the credit quality of financial assets measured at amortised cost and FVOCI debt investments without taking into account collateral or other credit enhancement. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 2(g)(ix).

Foreign Investment Debt Securities at FVOCI

	2026				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased Credit-Impaired**	**Total**
Foreign Investment Securities at FVOCI					
Investment grade	**4,812,190,381**	**-**	**-**	**-**	**4,812,190,381**
Gross carrying amount	**4,812,190,381**	**-**	**-**	**-**	**4,812,190,381**
Loss allowance (recognised in other comprehensive income)	**(382,952)**	**-**	**-**	**-**	**(382,952)**
Carrying amount - fair value	**4,812,190,381**	**-**	**-**	**-**	**4,812,190,381**

	2025				
	Stage 1	Stage 2	Stage 3	Purchased Credit-Impaired	Total
Foreign Investment Securities at FVOCI					
Investment grade	4,814,390,611	-	-	-	4,814,390,611
Gross carrying amount	4,814,390,611	-	-	-	4,814,390,611
Loss allowance (recognised in other comprehensive income)	(326,477)	-	-	-	(326,477)
Carrying amount - fair value	4,814,390,611	-	-	-	4,814,390,611

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(ii) **Credit quality analysis** *(continued)*

Money Market Instruments at FVOCI

	2026				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased Credit-Impaired**	**Total**
Money Market Instruments at FVOCI					
Investment grade	**225,120,456**	**-**	**-**	**-**	**225,120,456**
Gross carrying amount	**225,120,456**	**-**	**-**	**-**	**225,120,456**
Loss allowance (recognised in other comprehensive income)	**(35,766)**	**-**	**-**	**-**	**(35,766)**
Carrying amount - fair value	**225,120,456**	**-**	**-**	**-**	**225,120,456**

	2025				
	Stage 1	Stage 2	Stage 3	Purchased Credit-Impaired	Total
Money Market Instruments at FVOCI					
Investment grade	8,113,067	-	-	-	8,113,067
Gross carrying amount	8,113,067	-	-	-	8,113,067
Loss allowance (recognised in other comprehensive income)	(238)	-	-	-	(238)
Carrying amount - fair value	8,113,067	-	-	-	8,113,067

Money Market Instruments at Amortised Cost

	2026				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased Credit-Impaired**	**Total**
Money Market Instruments at Amortised Cost					
Investment grade	**809,791,871**	**-**	**-**	**-**	**809,791,871**
Unrated	**27,000,000**	**-**	**-**	**-**	**27,000,000**
Gross carrying amount	**836,791,871**	**-**	**-**	**-**	**836,791,871**
Loss allowance	**(4,781)**	**-**	**-**	**-**	**(4,781)**
Carrying amount	**836,787,089**	**-**	**-**	**-**	**836,787,089**

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(ii) **Credit quality analysis** *(continued)*

Money Market Instruments at Amortised Cost *(continued)*

	2025				
	Stage 1	Stage 2	Stage 3	Purchased Credit-Impaired	Total
Money Market Instruments at Amortised Cost					
Investment grade	553,500,104	-	-	-	553,500,104
Unrated	27,000,000	-	-	-	27,000,000
Gross carrying amount	580,500,104	-	-	-	580,500,104
Loss allowance	(7,658)	-	-	-	(7,658)
Carrying amount	580,492,446	-	-	-	580,492,446

Participating Governments' Securities at Amortised Cost

	2026				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased Credit-Impaired**	**Total**
Participating Governments' Securities at Amortised Cost					
Standard grade	**228,373,675**	**-**	**-**	**-**	**228,373,675**
Gross carrying amount	**228,373,675**	**-**	**-**	**-**	**228,373,675**
Loss allowance	**(277,222)**	**-**	**-**	**-**	**(277,222)**
Carrying amount	**228,096,453**	**-**	**-**	**-**	**228,096,453**

	2025				
	Stage 1	Stage 2	Stage 3	Purchased Credit-Impaired	Total
Participating Governments' Securities at Amortised Cost					
Standard grade	210,894,277	-	-	-	210,894,277
Gross carrying amount	210,894,277	-	-	-	210,894,277
Loss allowance	(532,350)	-	-	-	(532,350)
Carrying amount	210,361,927	-	-	-	210,361,927

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(ii) Credit quality analysis *(continued)*

Participating Governments' Advances at Amortised Cost

	2026				
	Stage 1	**Stage 2**	**Stage 3**	**Purchased Credit-Impaired**	**Total**
Participating Governments' Advances at Amortised Cost					
Standard grade	**117,345,019**	**-**	**-**	**-**	**117,345,019**
Gross carrying amount	**117,345,019**	**-**	**-**	**-**	**117,345,019**
Loss allowance	**(42,906)**	**-**	**-**	**-**	**(42,906)**
Carrying amount	**117,302,113**	**-**	**-**	**-**	**117,302,113**

	2025				
	Stage 1	Stage 2	Stage 3	Purchased Credit-Impaired	Total
Participating Governments' Advances at Amortised Cost					
Standard grade	109,527,223	-	-	-	109,527,223
Gross carrying amount	109,527,223	-	-	-	109,527,223
Loss allowance	(44,706)	-	-	-	(44,706)
Carrying amount	109,482,517	-	-	-	109,482,517

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(ii) **Credit quality analysis** *(continued)*

Investment securities and money market instruments and money at call

The table below sets out the credit quality of the Bank's foreign debt securities (note 9) and money market instruments and money at call (note 6) by rating agency designation at 31 March 2026 and 31 March 2025, based on Moody's, S&P or Fitch:

Foreign investment securities

Rated (Moody's, S&P or Fitch) **Foreign debt securities**	**2026** **$**	2025 $
Aaa	**1,296,574,543**	4,670,777,853
Aa1	**3,287,044,686**	27,535,852
Aa2	**70,324,045**	59,317,025
Aa3	**61,365,634**	33,056,891
AA+	**67,529,025**	-
	4,782,837,933	4,790,687,621

Unrated	**2026** **$**	**2025** **$**
Foreign equity securities at FVOCI	**78,205**	78,205
Domestic equity securities at FVOCI	**624,186**	624,186
	702,391	702,391

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(ii) **Credit quality analysis** *(continued)*

Investment securities and money market instruments and money at call (continued)

Money market instruments and money at call

Rated (Moody's and S&P) Commercial paper, certificate of deposits, term deposits and money at call	**2026 $**	2025 $
Aa1	**-**	54,000,000
Aa2	**367,480,324**	241,651,894
Aa3	**45,104,603**	-
A1	**165,736,839**	159,034,320
AA+	**410,940,000**	105,840,000
A+	**45,084,429**	462,386
	1,034,346,195	560,988,600

Unrated	**2026 $**	2025 **$**
Term deposits	**27,000,000**	27,000,000
Total rated and unrated money market instruments And money at call	**1,061,346,195**	587,988,600

Participating governments advances

Advances are based on Board approved credit allocation limits. Requests for advances by member governments are reviewed to ensure that the amounts are within the approved allocated limits. These approved limits are calculated and assigned to the governments annually.

Due from local banks

Advances are granted to commercial banks in accordance with Part VIII, Article 31(2) and Part IIa, Article 5B of the ECCB Agreement Act 1983. Under Part VIII, Article 31(2), the borrowing bank must pledge collateral with the Central Bank and can only borrow ninety per cent of the collateral amount pledged. As at 31 March 2026 and 2025, the Bank did not grant any advances to commercial banks; hence, there was no collateral pledged with the ECCB.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(iii) **Amounts arising from ECL**

(i) Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Bank.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Please refer to below for a description of how the Bank determines when a significant increase in credit risk has occurred.

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

- Purchased or originated credit-impaired financial assets (POCI) are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The key inputs, judgements and assumptions adopted by the Bank in addressing the requirements of the standard are set out below:

a) Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and third party policies including forward-looking information.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(iii) Amounts arising from ECL *(continued)*

(i) Expected credit loss measurement *(continued)*

a) Significant increase in credit risk (continued)

The Bank uses three criteria for determining whether there has been a significant increase in credit risk:

- external credit ratings;
- qualitative indicators; and
- a backstop of 30 days past due.

Credit risk grades:

The Bank uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. For debt securities, external rating agency credit grades are used. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.

Determining whether credit risk has been increased significantly

The Bank assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower.

The Bank continuously monitors foreign and domestic financial assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12-month ECL or lifetime ECL, the Bank assesses whether there has been a significant increase in credit risk since initial recognition. The Bank applies credit rating grades to determine whether there has been a significant increase in credit risk. Movements within investment grade are not construed as significant increases in credit. The Bank considers that there is a significant increase in credit risk for an investment security when there is a decrease in credit rating as follows: a three-notch downgrade from investment grade to standard grade; a two-notch downgrade within or outside the standard grade; or a one-notch downgrade within or outside the low grade bucket, as set out in Note 3(b)(i).

When estimating ECLs on a collective basis for a group of similar assets, the Bank applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition. If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(iii) Amounts arising from ECL *(continued)*

(i) Expected credit loss measurement *(continued)*

a) Significant increase in credit risk (continued)

Determining whether credit risk has been increased significantly (continued)

When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up to-date payment performance against the modified contractual terms.

In assessing whether a borrower is in default, the Bank considers indicators that are:
- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

b) Incorporation of forward-looking information

The Bank incorporates forward-looking information into the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and in the measurement of expected credit losses (ECL). The Bank has performed analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. The Bank applied judgment to select macroeconomic factors that would most likely impact credit risk. Forecasts of these macroeconomic variables are provided through the Bank's ECL solution on a frequent basis and provides the best and worst view of economic conditions based on the expected impact of macro-economic factors, including but are not limited to the following:

- Gross domestic product (GDP) per capita;
- GDP growth rate;
- Interest rates;
- Unemployment rates;
- Inflation.

PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 expected credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are closely correlated with credit losses in the relevant portfolios.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(iii) Amounts arising from ECL *(continued)*

(i) Expected credit loss measurement *(continued)*

b) Incorporation of forward-looking information (continued)

The Bank formulates three macroeconomic scenarios: a base case, which is the median scenario, one upside scenario and one downside scenario. The base case scenario captures our view of the most likely economic future outcome and is assigned the highest weighting. The upside and downside scenarios are set relative to the base scenario based on reasonably possible alternative macroeconomic conditions. Scenarios are probability-weighted according to the best estimate of their relative likelihood based on historical frequency and current trends and conditions. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes. After the ECL calculation has been generated for each scenario, a probability weight is applied to each scenario based on the likelihood of occurrence to arrive at a final probability-weighted ECL.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. Incorporating forward-looking information increases the degree of judgement required as to how changes in these macroeconomic factors will affect ECLs. Hence, the methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

c) Computation of the expected credit losses

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

ECL for exposures in Stage 1 are calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL are calculated by multiplying the lifetime PD by LGD and EAD.

PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next twelve (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.

LGD is the magnitude of the likely loss if there is a default. LGD's are determined based on the factors which impact the recoveries made post default. Theses vary by product type. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

(iii) Amounts arising from ECL *(continued)*

(i) Expected credit loss measurement *(continued)*

c) Computation of the expected credit losses (continued)

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. EAD is computed as the sum of the amortised amount and accrued interest to reflect contractual cash flows.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period. The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

Sensitivity of ECL to changes in future economic conditions as at 31 March 2026

As described above, the Bank measures expected credit losses (ECL) in accordance with IFRS 9 using a probability-weighted model that incorporates forward-looking macroeconomic scenarios. These scenarios include a base case, an upside (optimistic) scenario, and a downside (adverse) scenario, each reflecting a range of outcomes for key macroeconomic indicators such as GDP growth, inflation, and unemployment rates.

The Bank has performed a quantitative sensitivity analysis to evaluate how ECL on the portfolios will change if the key assumptions used to calculate ECL change. To assess the sensitivity of the ECL allowance to changes in macroeconomic assumptions, the Bank conducted scenario-based analysis using alternative weightings. The results of the sensitivity analysis are as follows:

- Under more adverse economic conditions, the ECL allowance would increase by $306,863 (2025: $567,960) to $1,050,491 (2025: $1,479,389), relative to the reported allowance;

- Under more favourable economic conditions, the ECL allowance would decrease by $131,629 (2025: $218,464) to $743,628 (2025: $692,965), compared to the reported allowance.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

Maximum exposure to credit risk before collateral held or other credit enhancements

Credit risk exposure relating to on-balance sheet financial assets is as follows:

	As of 31 March	
	2026	**2025**
Assets	**$**	**$**
Foreign assets		
Balances with other central banks	**16,066,360**	13,389,423
Balances with foreign banks	**78,314**	100,602
Money market instruments and money at call	**1,061,907,545**	588,605,513
Derivative financial instruments	**76,723**	2,762
Foreign investment securities	**4,812,190,381**	4,814,390,611
	5,890,319,323	5,416,488,911
Domestic assets		
Cash and balances with local banks	**6,594,027**	4,615,179
Participating governments' securities	**228,096,453**	210,361,927
Participating governments' advances	**117,302,113**	109,482,517
Accounts receivable	**1,571,226**	2,295,627
	353,563,819	326,755,250
Total on-balance sheet credit risk	**6,243,883,142**	5,743,244,161

The above table represents a worst-case scenario of credit risk exposure as at 31 March 2026 and 2025 without taking account of any collateral held or other credit enhancements attached.

For statement of financial position assets, the exposures set out in the above table are net of loss allowance as reported in the statement of financial position.

As depicted in the table above, 77.07% (2025 – 83.83%) of the total on-balance sheet credit risk exposure is derived from foreign investment securities and 17.01% (2025 – 10.25%) represents money market instruments and money at call.

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

The following tables break down the Bank's main credit exposure at the carrying amounts, as categorised by geographical regions as of 31 March 2026 and 31 March 2025. In these tables, the Bank has allocated exposure to regions based on the country of domicile of the counterparties.

Geographical concentration of financial assets

	Eastern Caribbean Currency Union $	United States of America and Canada $	Europe and other territories $	Regional states $	Total $
As of 31 March 2026					
Balances with other central banks	-	826,384	331,331	14,908,645	16,066,360
Balances with foreign banks	-	78,314	-	-	78,314
Money market instruments and money at call	-	666,414,368	395,493,177	-	1,061,907,545
Derivative financial instruments	-	34,675	42,048	-	76,723
Foreign investment securities	-	3,667,239,597	1,144,950,784	-	4,812,190,381
Cash and balances with local banks	6,594,027	-	-	-	6,594,027
Participating governments' securities	228,096,453	-	-	-	228,096,453
Participating governments' advances	117,302,113	-	-	-	117,302,113
Accounts receivable	1,571,226	-	-	-	1,571,226
	353,563,819	**4,334,593,338**	**1,540,817,340**	**14,908,645**	**6,243,883,142**

3. Financial risk management *(continued)*

b) Credit risk *(continued)*

Geographical concentration of financial assets *(continued)*

	Eastern Caribbean Currency Union $	United States of America and Canada $	Europe and other territories $	Regional states $	Total $
As of 31 March 2025					
Balances with other central banks	-	905,521	249,983	12,233,919	13,389,423
Balances with foreign banks	-	100,602	-	-	100,602
Money market instruments and money at call	-	297,151,806	291,453,707	-	588,605,513
Derivative financial instruments	-	2,762	-	-	2,762
Foreign investment securities	-	4,247,598,421	566,792,190	-	4,814,390,611
Cash and balances with local banks	4,615,179	-	-	-	4,615,179
Participating governments' securities	210,361,927	-	-	-	210,361,927
Participating governments' advances	109,482,517	-	-	-	109,482,517
Accounts receivable	2,295,627	-	-	-	2,295,627
	326,755,250	**4,545,759,112**	**858,495,880**	**12,233,919**	**5,743,244,161**

3. Financial risk management *(continued)*

c) Market risk

The Bank is exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Bank's reserve management mandate permits investment in a number of instruments. The Bank is exposed to general and specific market movements and volatility of market rates and prices such as interest rates, credit spreads and foreign exchange rates. The Bank enters into currency forward contracts to manage its exposure to fluctuations in foreign exchange rates for non-USD securities. The Bank also has a structured management process, which entails the following:

- Careful monitoring of the international market and taking positions to achieve objectives;
- Regular reporting to internal management committees and to the Board of Directors.

i) Interest rate risk

The Bank invests in securities and money market instruments and maintains demand deposit accounts as a part of its normal course of business. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is the risk of loss arising from changes in prevailing interest rates. The Bank manages this risk by monitoring interest rates daily, and seeks to minimize the exposure by devising a comprehensive risk assessment and tolerance strategy known as "Customised benchmarking". The effect of this tool is to reflect the risk tolerance level of the Bank and to measure the performance of portfolio managers. The table below provides the weighted average effective interest rates for each class of financial asset and financial liability:

	2026	2025
	%	%
Foreign Assets		
Money market instruments and money at call	**3.72**	4.39
Foreign investment securities	**2.45**	2.04
Domestic Assets		
Balances with local banks	**2.00**	2.00
Participating governments' securities	**4.48**	4.45
Participating governments' advances	**3.00**	3.00
Liabilities		
Fixed deposits	**2.90**	2.90
Call accounts	**2.40**	2.40

3. Financial risk management *(continued)*

c) Market risk *(continued)*

i) Interest rate risk (continued)

The Bank's investments in foreign securities, money market instruments and money at call for which rates vary with market movements, exposed the Bank to cash flow and fair value interest rate risk.

The table below summarises the Bank's exposure to interest rate risks. It includes the Bank's financial instruments, categorised by the earlier of contractual repricing or maturity dates.

As of 31 March 2026	Up to 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 year $	Over 5 years $	Non-Interest bearing $	Total $
Financial assets							
Regional and foreign currencies	-	-	-	-	-	98,930,412	98,930,412
Balances with other central banks	-	-	-	-	-	16,066,360	16,066,360
Balances with foreign banks	-	-	-	-	-	78,314	78,314
Money market instruments and money at call	764,645,341	72,661,010	179,516,765	-	-	45,084,429	1,061,907,545
Derivative financial instruments	-	-	-	-	-	76,723	76,723
Foreign investment securities	466,775,966	878,611,157	2,771,060,111	695,743,147	-	-	4,812,190,381
Cash and balances with local banks	6,594,027	-	-	-	-	-	6,594,027
Participating governments' securities	5,612,098	3,075,949	23,399,199	95,125,672	100,883,535	-	228,096,453
Participating governments' advances	69,728,506	6,305,607	41,268,000	-	-	-	117,302,113
Accounts receivable	1,393,823	3,914	42,954	124,535	6,000	-	1,571,226
	1,314,749,761	**960,657,637**	**3,015,287,029**	**790,993,354**	**100,889,535**	**160,236,238**	**6,342,813,554**

3. Financial risk management *(continued)*

c) Market risk *(continued)*

i) Interest rate risk (continued)

As of 31 March 2026	**Up to 1 month $**	**1 to 3 months $**	**3 months to 1 year $**	**1 to 5 years $**	**Over 5 years $**	**Non-Interest bearing $**	**Total $**
Financial liabilities							
Demand and deposit liabilities - Domestic	677,277,717	143,323,850	-	-	-	5,267,898,560	6,088,500,127
Lease liabilities	63,833	128,546	568,359	2,316,973	806,824	-	3,884,535
Demand and deposit liabilities - foreign	-	-	-	-	-	69,474,357	69,474,357
Derivative financial instruments	-	-	-	-	-	7,076	7,076
IMF Government general resource accounts	-	-	-	-	-	1,186,956	1,186,956
	677,341,550	**143,452,396**	**568,359**	**2,316,973**	**806,824**	**5,338,566,949**	**6,163,053,051**
Total interest sensitivity gap	**637,408,211**	**817,205,241**	**3,014,718,670**	**788,676,381**	**100,082,711**	**(5,178,330,711)**	**179,760,503**
Cumulative gap	**637,408,211**	**1,454,613,452**	**4,469,332,122**	**5,258,008,503**	**5,358,091,214**	**179,760,503**	**-**

3. Financial risk management *(continued)*

c) Market risk *(continued)*

i) Interest rate risk (continued)

As of 31 March 2025	Up to 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	Over 5 years $	Non-Interest bearing $	Total $
Financial assets							
Regional and foreign currencies	-	-	-	-	-	69,274,294	69,274,294
Balances with other central banks	-	-	-	-	-	13,389,423	13,389,423
Balances with foreign banks	-	-	-	-	-	100,602	100,602
Money market instruments and money at call	588,143,127	-	-	-	-	462,386	588,605,513
Derivative financial instruments	-	-	-	-	-	2,762	2,762
Foreign investment securities	477,811,404	1,138,999,318	3,086,167,643	111,412,246	-	-	4,814,390,611
Cash and balances with local banks	4,615,179	-	-	-	-	-	4,615,179
Participating governments' securities	3,424,349	6,653,971	25,594,820	94,685,463	80,003,324	-	210,361,927
Participating governments' advances	69,841,313	7,792,936	31,848,268	-	-	-	109,482,517
Accounts receivable	3,377	6,837	8,111	-	-	2,277,302	2,295,627
	1,143,838,749	**1,153,453,062**	**3,143,618,842**	**206,097,709**	**80,003,324**	**85,506,769**	**5,812,518,455**

3. Financial risk management *(continued)*

c) Market risk *(continued)*

i) Interest rate risk (continued)

As of 31 March 2025	Up to 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	Over 5 years $	Non-Interest bearing $	Total $
Financial liabilities							
Demand and deposit liabilities - domestic	207,700,757	112,366,924	-	-	-	5,249,856,715	5,569,924,396
Lease liabilities	78,574	136,581	555,693	1,860,441	918,552	-	3,549,841
Demand and deposit liabilities - foreign	-	-	-	-	-	81,613,821	81,613,821
Derivative financial instruments	-	-	-	-	-	60,618	60,618
IMF Government general resource accounts	-	-	-	-	-	1,153,537	1,153,537
	207,779,331	**112,503,505**	**555,693**	**1,860,441**	**918,552**	**5,332,684,691**	**5,656,302,213**
Total interest sensitivity gap	**936,059,418**	**1,040,949,557**	**3,143,063,149**	**204,237,268**	**79,084,772**	**(5,247,177,922)**	**156,216,242**
Cumulative gap	**936,059,418**	**1,977,008,975**	**5,120,072,124**	**5,324,309,392**	**5,403,394,164**	**156,216,242**	-

3. Financial risk management *(continued)*

c) Market risk *(continued)*

i) Interest rate risk (continued)

Sensitivity to interest rate movements

The following table indicates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, on profit or loss and other components of equity.

The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on net income based on the variable rate non-trading financial assets and financial liabilities. The sensitivity of other comprehensive income is calculated by revaluing fixed rate foreign debt securities measured at FVOCI for the effects of the assumed changes in market interest rates.

	2026	
	Impact on profit	**Impact on other components of equity**
	$	$
Interest rates - increase by 100 basis points	5,720,245	(23,914,373)
Interest rates - decrease by 50 basis points	(2,860,123)	11,957,187

	2025	
	Impact on profit	**Impact on other components of equity**
	$	$
Interest rates - increase by 100 basis points	4,975,470	(23,954,329)
Interest rates - decrease by 50 basis points	(2,487,735)	11,977,165

3. Financial risk management *(continued)*

c) Market risk *(continued)*

ii) Currency risk

Currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The Bank is exposed to foreign currency risk due to fluctuations in the prevailing foreign currency exchange rates on transactions and balances denominated in currencies other than the USD. Management seeks to manage this risk by setting limits on the level of exposure by currency, which are monitored daily.

Foreign investment securities

The Bank's investment guidelines require that all non-US dollar securities be hedged back to the US dollar. As of 31 March 2026, the non-US securities in the foreign securities portfolio was nil (2025: nil). The investment managers have entered into forward contracts to sell the non-USD positions forward on a periodic rolling basis. All gains and losses arising from currency revaluation of these assets and the forward contracts are reported in the statement of profit or loss as they occur.

Regional and foreign currencies

The Bank facilitates the repatriation of foreign currency notes collected by member banks during their normal course of operations. The notes are purchased from the commercial banks and shipped to Bank of America on a monthly basis. To manage the foreign currency risk of holding these notes, the Bank forward sells these notes on the same day of purchase for value on the date that the counterparty receives them.

Sensitivity to foreign exchange rate movements

The Bank's exposure to foreign exchange risk is limited to the minimum balances held on non-USD demand accounts and investment in non-USD foreign securities. A 5 per cent (2025: 5 per cent) change in exchange rates would have increase or decrease profit or loss and equity by $489,957 (2025: $599,036). This analysis assumes that all other variables, in particular, interest rates, remain constant.

3. Financial risk management *(continued)*

c) Market risk *(continued)*

ii) Currency risk *(continued)*

The table below analyses assets and liabilities of the Bank into the respective currency positions as of 31 March 2026:

	Eastern Caribbean Dollar $	United States Dollar $	British Pound $	Euro $	Other $	Total $
Financial assets						
Regional and foreign currencies	-	89,619,750	2,566,892	4,182,752	2,561,018	98,930,412
Balances with other central banks	-	15,647,530	331,331	-	87,499	16,066,360
Balances with foreign banks	-	78,314	-	-	-	78,314
Money market instruments and money at call	-	1,061,907,545	-	-	-	1,061,907,545
Derivative financial instruments	-	-	34,693	7,355	34,675	76,723
Foreign investment securities	-	4,812,268,586	-	-	-	4,812,268,586
Cash and balances with local banks	6,594,027	-	-	-	-	6,594,027
Participating governments' securities	228,096,453	-	-	-	-	228,096,453
Participating governments' advances	117,302,113	-	-	-	-	117,302,113
Accounts receivable	1,571,226	-	-	-	-	1,571,226
Domestic investment securities	624,186	-	-	-	-	624,186
	354,188,005	**5,979,521,725**	**2,932,916**	**4,190,107**	**2,683,192**	**6,343,515,945**
Financial liabilities						
Demand and deposit liabilities – domestic	6,088,500,127	-	-	-	-	6,088,500,127
Lease liabilities	3,884,535	-	-	-	-	3,884,535
Demand and deposit liabilities – foreign	69,454,069	20,288	-	-	-	69,474,357
Derivative financial instruments	-	-	106	6,970	-	7,076
IMF government general resource accounts	1,186,956	-	-	-	-	1,186,956
	6,163,025,687	**20,288**	**106**	**6,970**	**-**	**6,163,053,051**
Net assets (liabilities)	**(5,808,837,682)**	**5,979,501,437**	**2,932,810**	**4,183,137**	**2,683,192**	**180,462,894**

3. Financial risk management *(continued)*

c) Market risk *(continued)*

ii) Currency risk *(continued)*

The table below analyses assets and liabilities of the Bank into the respective currency positions as of 31 March 2025:

	Eastern Caribbean Dollar $	United States Dollar $	British Pound $	Euro $	Other $	Total $
Financial assets						
Regional and foreign currencies	-	57,568,591	2,208,698	7,305,099	2,191,906	69,274,294
Balances with other central banks	-	13,056,551	249,983	-	82,889	13,389,423
Balances with foreign banks	-	100,602	-	-	-	100,602
Money market instruments and money at call	-	588,605,513	-	-	-	588,605,513
Derivative financial instruments	-	-	-	2,762	-	2,762
Foreign investment securities	-	4,814,468,816	-	-	-	4,814,468,816
Cash and balances with local banks	4,615,179	-	-	-	-	4,615,179
Participating governments' securities	210,361,927	-	-	-	-	210,361,927
Participating governments' advances	109,482,517	-	-	-	-	109,482,517
Accounts receivable	2,295,627	-	-	-	-	2,295,627
Domestic investment securities	624,186	-	-	-	-	624,186
	327,379,436	**5,473,800,073**	**2,458,681**	**7,307,861**	**2,274,795**	**5,813,220,846**
Financial liabilities						
Demand and deposit liabilities – domestic	5,569,924,396	-	-	-	-	5,569,924,396
Lease liabilities	3,549,841	-	-	-	-	3,549,841
Demand and deposit liabilities – foreign	81,425,913	187,908	-	-	-	81,613,821
Derivative financial instruments	-	-	13,506	38,452	8,660	60,618
IMF government general resource accounts	1,153,537	-	-	-	-	1,153,537
	5,656,053,687	**187,908**	**13,506**	**38,452**	**8,660**	**5,656,302,213**
Net assets (liabilities)	**(5,328,674,251)**	**5,473,612,165**	**2,445,175**	**7,269,409**	**2,266,135**	**156,918,633**

3. Financial risk management *(continued)*

d) Liquidity risk

Liquidity risk is the risk that the Bank is unable to provide adequate liquidity support for the financial system to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. It also refers to the risk of financial loss associated with the conversion of assets to cash to meet financial obligations. This would result in the Bank's failure to maintain monetary and financial stability. The Bank is exposed to daily calls on its available cash resources from overnight deposits, current accounts and maturing deposits. Liquidity is a key criterion in determining the composition of the Bank's foreign reserves portfolio. The liquidity tranche is closely monitored in accordance with a cash flow management policy. Additionally, there is consistent monitoring and checking for compliance with approved portfolio diversification, asset allocation and asset quality.

The liquidity management process forms part of the Bank's wider mandate for reserve management and is carried out in accordance with approved guidelines by the Reserve Management Committee and monitored by management. The liquidity tranche is comprised of highly marketable assets that can easily be liquidated to meet unexpected demands. The process entails the following:

- Daily monitoring of balances on the Bank's call accounts to ensure that adequate funds are available to meet current and future requirements.
- Projections of cash inflows and outflows based on historical trends.
- Laddering of money market instruments in the liquidity tranche to ensure that adequate funds are available to meet current liquidity needs.
- Assets held to manage liquidity risk include balances with other central banks, balances with foreign banks, money market instruments and money at call, derivative financial instruments, foreign investment securities and cash and balances with local banks. At the reporting date, the Bank held $5,896,991,555 (2025: $5,421,182,295) of these instruments that are expected to readily generate cash inflows.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Bank and its exposure to changes in interest rates and exchange rates.

The table below analyses assets and liabilities of the Bank into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

3. Financial risk management *(continued)*

d) Liquidity risk *(continued)*

Maturities of liabilities and assets, 31 March 2026	Up to 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	Over 5 years $	Total $
Financial Liabilities						
Demand and deposit liabilities – domestic	5,945,176,277	143,323,850	-	-	-	6,088,500,127
Lease liabilities	63,833	128,546	568,359	2,316,973	806,824	3,884,535
Demand and deposit liabilities – foreign	69,474,357	-	-	-	-	69,474,357
Derivative financial instruments	7,076	-	-	-	-	7,076
IMF government general resource accounts	1,186,956	-	-	-	-	1,186,956
	6,015,908,499	**143,452,396**	**568,359**	**2,316,973**	**806,824**	**6,163,053,051**
Financial Assets						
Regional and foreign currencies	98,930,412	-	-	-	-	98,930,412
Balances with other central banks	16,066,360	-	-	-	-	16,066,360
Balances with foreign banks	78,314	-	-	-	-	78,314
Money market instruments and money at call	809,729,770	72,661,010	179,516,765	-	-	1,061,907,545
Derivative financial instruments	76,723	-	-	-	-	76,723
Foreign investment securities	466,775,966	878,611,157	2,771,060,111	695,743,147	78,205	4,812,268,586
Cash and balances with local banks	6,594,027	-	-	-	-	6,594,027
Participating governments' securities	5,612,098	3,075,949	23,399,199	95,125,672	100,883,535	228,096,453
Participating governments' advances	69,728,506	6,305,607	41,268,000	-	-	117,302,113
Accounts receivable	1,394,823	3,914	41,954	124,535	6,000	1,571,226
Domestic investment securities	-	-	-	-	624,186	624,186
	1,474,986,999	**960,657,637**	**3,015,286,029**	**790,993,354**	**101,591,926**	**6,343,515,945**
Net assets/(liabilities)	**(4,540,921,500)**	**817,205,241**	**3,014,717,670**	**788,676,381**	**100,785,102**	**180,462,894**

3. Financial risk management *(continued)*

d) Liquidity risk *(continued)*

Maturities of liabilities and assets, 31 March 2025	**Up to 1 month $**	**1 to 3 months $**	**3 months to 1 year $**	**1 to 5 years $**	**Over 5 years $**	**Total $**
Financial Liabilities						
Demand and deposit liabilities – domestic	5,457,557,472	112,366,924	-	-	-	5,569,924,396
Lease liabilities	78,574	136,581	555,693	1,860,441	918,552	3,549,841
Demand and deposit liabilities – foreign	81,613,821	-	-	-	-	81,613,821
Derivative financial instruments	60,618	-	-	-	-	60,618
IMF government general resource accounts	1,153,537	-	-	-	-	1,153,537
	5,540,464,022	**112,503,505**	**555,693**	**1,860,441**	**918,552**	**5,656,302,213**
Financial Assets						
Regional and foreign currencies	69,274,294	-	-	-	-	69,274,294
Balances with other central banks	13,389,423	-	-	-	-	13,389,423
Balances with foreign banks	100,602	-	-	-	-	100,602
Money market instruments and money at call	588,605,513	-	-	-	-	588,605,513
Derivative financial instruments	2,762	-	-	-	-	2,762
Foreign investment securities	477,811,404	1,138,999,318	3,086,167,643	111,412,246	78,205	4,814,468,816
Cash and balances with local banks	4,615,179	-	-	-	-	4,615,179
Participating governments' securities	3,424,349	6,653,971	25,594,820	94,685,463	80,003,324	210,361,927
Participating governments' advances	69,841,313	7,792,936	31,848,268	-	-	109,482,517
Accounts receivable	2,197,357	6,837	41,888	49,545	-	2,295,627
Domestic investment securities	-	-	-	-	624,186	624,186
	1,229,262,196	**1,153,453,062**	**3,143,652,619**	**206,147,254**	**80,705,715**	**5,813,220,846**
Net assets/(liabilities)	**(4,311,201,826)**	**1,040,949,557**	**3,143,096,926**	**204,286,813**	**79,787,163**	**156,918,633**

3. Financial risk management *(continued)*

d) Liquidity risk *(continued)*

Derivative cash flows

The following table shows the derivative financial instruments (forward contracts) that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

At 31 March 2026

Derivatives (Currency forwards)

	0-3 Months $	3-6 Months $	Total $
Foreign exchange derivatives			
- Outflow	(1,839,668)	-	(1,839,668)
- Inflow	6,725,737	-	6,725,737

At 31 March 2025

Derivatives (Currency forwards)

	0-3 Months $	3-6 Months $	Total $
Foreign exchange derivatives			
- Outflow	(8,531,800)	-	(8,531,800)
- Inflow	2,264,139	-	2,264,139

3. Financial risk management *(continued)*

e) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The fair value of a liability must take account of non-performance risk, including the entity's own credit risk.

Determination of fair value

The following methods and assumptions have been used to estimate the fair value of each class of financial instrument for which it is practical to estimate a value:

- Short-term financial assets and liabilities: The carrying value of these financial assets and liabilities is a reasonable estimate of their fair value because of the short maturity of these instruments. Short-term financial assets are comprised of regional and foreign currencies, balances with other central banks, balances with foreign banks, money market instruments and money at call, treasury bills, balances with local banks, due from participating governments, interest receivable, and accounts receivable. Short-term financial liabilities are comprised of demand and deposit liabilities – domestic and foreign, interest payable and certain other liabilities.

- Long-term financial instruments: The estimated fair value of long-term loans and receivables is based on discounted cash flows using prevailing market interest rates for debts with similar credit risk and remaining terms to maturity. Some of the financial assets included in participating governments' securities and accounts receivable are long term.

3. Financial risk management *(continued)*

e) Fair value *(continued)*

(i) Financial instruments not measured at fair value

The table below summarises the carrying amounts and fair values of financial assets and financial liabilities measured at amortised cost and therefore not presented at fair value in the statement of financial position.

	Carrying value		Fair value	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Financial assets				
Balances with other central banks	**16,066,360**	13,389,423	**16,066,360**	13,389,423
Balances with foreign banks	**78,314**	100,602	**78,314**	100,602
Money market instruments and money at call	**836,787,089**	580,492,446	**836,787,089**	580,492,446
Cash and balances with local banks	**6,594,027**	4,615,179	**6,594,027**	4,615,179
Participating governments' securities	**228,096,453**	210,361,927	**208,117,525**	190,528,500
Participating governments' advances	**117,302,113**	109,482,517	**117,302,113**	109,482,517
Account receivable	**1,571,226**	2,295,627	**1,571,226**	2,295,627
	1,206,495,582	920,737,721	**1,186,516,654**	900,904,294
Financial liabilities				
Demand and deposit liabilities – domestic	**6,088,500,127**	5,569,924,396	**6,088,500,127**	5,569,924,396
Demand and deposit liabilities – foreign	**69,474,357**	81,613,821	**69,474,357**	81,613,821
IMF government general resource accounts	**1,186,956**	1,153,537	**1,186,956**	1,153,537
	6,159,161,440	5,652,691,754	**6,159,161,440**	5,652,691,754

3. Financial risk management *(continued)*

e) Fair value *(continued)*

(i) Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised:

31 March 2026

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
	$	$	$	$	$
Financial assets					
Balances with other central banks	-	16,066,360	-	16,066,360	16,066,360
Balances with foreign banks	-	78,314	-	78,314	78,314
Money market instruments and money at call	-	836,787,089	-	836,787,089	836,787,089
Cash and balances with local banks	-	6,594,027	-	6,594,027	6,594,027
Participating governments' securities	-	-	208,117,525	208,117,525	228,096,453
Participating governments' advances	-	-	117,302,113	117,302,113	117,302,113
Accounts receivable	-	-	1,571,226	1,571,226	1,571,226
Financial liabilities					
Demand and deposit liabilities – domestic	-	6,088,500,127	-	6,088,500,127	6,088,500,127
Demand and deposit liabilities – foreign	-	69,474,357	-	69,474,357	69,474,357
IMF government general resource accounts	-	1,186,956	-	1,186,956	1,186,956

3. Financial risk management *(continued)*

e) Fair value *(continued*

(i) Financial instruments not measured at fair value (continued)

31 March 2025

	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
	$	$	$	$	$
Financial assets					
Balances with other central banks	-	13,389,423	-	13,389,423	13,389,423
Balances with foreign banks	-	100,602	-	100,602	100,602
Money market instruments and money at call	-	580,492,446	-	580,492,446	580,492,446
Cash and balances with local banks	-	4,615,179	-	4,615,179	4,615,179
Participating governments' securities	-	-	190,528,500	190,528,500	210,361,927
Participating governments' advances	-	-	109,482,517	109,482,517	109,482,517
Accounts receivable	-	-	2,295,627	2,295,627	2,295,627
Financial liabilities					
Demand and deposit liabilities – domestic	-	5,569,924,396	-	5,569,924,396	5,569,924,396
Demand and deposit liabilities – foreign	-	81,613,821	-	81,613,821	81,613,821
IMF government general resource accounts	-	1,153,537	-	1,153,537	1,153,537

3. Financial risk management *(continued)*

e) Fair value *(continued)*

Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1: Quoted prices in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data. This level includes equity investments and debt instruments with significant unobservable components.

The hierarchy requires the use of observable market data when available. The Bank considers relevant and observable market prices in valuations where possible.

The following table presents the Bank's financial assets and liabilities that are measured at fair value at 31 March 2026:

	Level 1 $	Level 2 $	Level 3 $
Financial assets			
Commercial Paper	-	225,120,456	-
Derivative financial instruments	-	76,723	-
Foreign investment securities	3,183,551,288	1,628,639,093	78,205
Domestic investment securities	-	-	624,186
	3,183,551,288	**1,853,836,272**	**702,391**

	Level 1 $	Level 2 $	Level 3 $
Financial liabilities			
Derivative financial instruments	-	7,076	-

3. Financial risk management *(continued)*

e) Fair value *(continued)*

Fair value hierarchy *(continued)*

The following table presents the Bank's financial assets and liabilities that are measured at fair value at 31 March 2025:

	Level 1 $	Level 2 $	Level 3 $
Financial assets			
Commercial Paper	-	8,113,067	-
Derivative financial instruments	-	2,762	-
Foreign investment securities	4,096,085,057	718,305,554	78,205
Domestic investment securities	-	-	624,186
	4,096,085,057	**726,421,383**	**702,391**

	Level 1 $	Level 2 $	Level 3 $
Financial liabilities			
Derivative financial instruments	-	60,618	-

There has been no transfer in/out from level 3.

f) Capital risk management

The Bank's objectives when managing capital are:

- Safeguard the Bank's ability to continue as a going concern;
- Manage and safeguard the value of the Eastern Caribbean currency; and
- Maintain a strong capital base to support its developmental activities.

The Bank manages capital through the maintenance of a general reserve according to prescribed guidelines as mandated in the ECCB Agreement Act 1983.

General reserve

As of 31 March 2026, an amount of $25,323,484 (2025: $68,339,622) was allocated from net profit to general reserve to bring the general reserve ratio to the 5% target in accordance with the ECCB Agreement Act 1983. As of 31 March 2026, the general reserve ratio stood at 5.00% (2025: 5.00%), which was on target. As at 31 March 2026, the general reserve amounted to $307,958,072 (2025: $282,634,588).

3. Financial risk management *(continued)*

f) Capital risk management *(continued)*

Foreign reserve assets

Under Article 24 (2) of the Eastern Caribbean Central Bank Agreement Act 1983, the Bank is required to maintain a reserve of external assets not less than 60% of its notes and coins in circulation, and other demand liabilities. The percentage of foreign reserve assets to demand liabilities at 31 March 2026 was 97.20% (2025: 97.01%).

g) Operational risk

Operational risk is the risk of direct or indirect loss in both financial and non-financial terms arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure. It may also arise from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Bank's operations and are faced by all departments. Managing operational risk in the Bank is seen as an integral part of day-to-day operations and management, which includes explicit consideration of both the opportunities and the risks of all business activities. The Bank's objective is to manage operational risk so as to balance an avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to the management team of each department. This responsibility is supported by bank-wide corporate policies which describe the standard of conduct required of staff and specific internal control systems designed around the particular characteristics of various Bank activities.

Compliance with corporate policies and departmental control systems are managed by:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced, and the adequacy of the controls and procedures to assess the risks identified;
- Development and periodic testing of contingency plans;
- Training and professional development;
- Ethical and business standards;
- Risk mitigation, including insurance where it is effective;
- Weekly reporting to the senior management;
- Quarterly management affirmation by each department's Risk Liaison Officer that corporate policies and departmental internal control systems have been complied with; and
- A structured induction program for new employees.

3. Financial risk management *(continued)*

g) Operational risk *(continued)*

Compliance with the Bank's Standards is supported by a programme of periodic reviews undertaken by the Internal Audit Department. The results of the reviews are discussed with the management of the department to which they relate and summaries are submitted to the Board Audit and Risk Committee and Executive Committee of the Bank.

h) Strategic risk

The Bank continued to execute its Strategic Plan 2021–2026 during the financial year ended 31 March 2026, which represented the final year of the Plan's implementation cycle. Strategic risk management activities, which includes the ongoing monitoring, reviewing and reporting of institutional priorities, and operational initiatives during the reporting period were aligned with the objectives established under that framework.

Following the conclusion of the reporting period, and effective 1 April 2026, the Bank commenced implementation of a new five-year Strategic Plan 2026–2031, approved by the Board of Directors, which will guide the Bank's strategic priorities, institutional transformation initiatives, and risk management focus over the next planning cycle.

The Strategic Plan 2026-2031 hinges on six (6) strategic themes, which reflect the purpose of the Bank, namely:

- Maintain Monetary Stability;
- Preserve Financial Stability;
- Advance Payment Modernisation & Financial Inclusion ;
- Promote Inclusive Economic Growth & Partnerships;
- Enable a Digital and Data-Driven Culture; and
- Enhance Organisational Effectiveness.

4. Critical accounting estimates and judgements in applying accounting policies

The Bank's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management judgement, which have to be made in the course of preparation of the financial statements. All estimates and assumptions required are in conformity with IFRS Accounting Standards and are best estimates undertaken in accordance with the applicable standard.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management also exercises judgement in applying the Bank's accounting policies. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimated pension obligation

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of the pension asset.

The assumptions used in determining the net cost (income) for pensions include the discount rate. The Bank determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash flows expected to be required to settle the pension obligations.

The Bank considers the interest rates of high-quality instruments, normally long-term government bonds that are denominated in Eastern Caribbean currency which is the currency in which the benefits will be paid and that have terms of maturity approximating the terms of the related pension liability. Other key assumptions for pension obligations are based on current market conditions. Refer to Note 22 for further details.

Impairment of financial assets

The measurement of expected credit loss (ECL) allowance for financial assets measured at amortised cost and FVOCI requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. In determining ECL, management is required to exercise judgement in defining what is considered a significant increase in credit risk and in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecasts of economic conditions. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is detailed in note 2 (g) (ix).

A number of significant judgements are required in applying the accounting requirements for measuring ECL, such as:

- The Bank's criteria for determining if there has been a significant increase in credit risk with qualitative factors integrating the wider macroeconomic environment;
- Selecting appropriate models and assumptions for the measurement of ECL;

4. Critical accounting estimates and judgements in applying accounting policies *(continued)*

Impairment of financial assets *(continued)*

- Establishing the number and relative weightings of forward-looking macroeconomic scenarios for each type of product or market and the associated ECL;
- Establishing groups of similar financial assets for the purposes of measuring ECL; and
- Determination of associations between macroeconomic scenarios and, economic inputs, such as GDP growth, unemployment rates and inflation, and the effect on PDs, EADs and LGDs.

Revaluation of land and buildings

The Bank measures its land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Bank utilises independent valuation specialists to determine fair value of its land and buildings. The valuation specialist uses judgment in the application of valuation techniques. Valuations are determined through the application of different valuation methods, which are all sensitive to the underlying assumptions chosen.

5. Balances with other central banks and foreign banks

	2026	**2025**
	$	**$**
Balances with other central banks		
Balances with Regional central banks	**14,908,645**	12,233,919
Balances with North American central banks	**826,384**	905,521
Balances with European central banks	**331,331**	249,983
Total balances with other central banks	**16,066,360**	13,389,423
Balances with foreign banks		
Current accounts denominated in United States dollars	**78,314**	100,602
Current	**16,144,674**	13,490,025

These balances are non-interest bearing.

6. Money market instruments and money at call

By currency	**2026 $**	**2025 $**
Balances denominated in United States dollars	**1,061,345,436**	587,988,600
Balances denominated in euros	**759**	-
	1,061,346,195	587,988,600
Interest receivable	**566,131**	624,571
Total money market instruments and money at call	**1,061,912,326**	588,613,171
Less: allowance for impairment	**(4,781)**	(7,658)
Total money market instruments and money at call, net	**1,061,907,545**	588,605,513

By financial instrument type

Money market instruments with original maturities of 90 days or less:

	2026 $	**2025 $**
Term deposits	**380,201,310**	473,585,670
Money at call	**456,024,429**	106,302,386
Commercial paper	**45,598,910**	8,100,544
Included in cash and cash equivalents (note 25)	**881,824,649**	587,988,600

Money market instruments maturing after ninety days:

Commercial paper	**179,521,546**	**-**
Interest receivable	**566,131**	624,571
Total money market instruments and money at call	**1,061,912,326**	588,613,171
Less: allowance for impairment	**(4,781)**	(7,658)
Total money market instruments and money at call, net	**1,061,907,545**	588,605,513

Money market instruments include commercial paper purchased at discounts, term deposits and certificate of deposits with interest rates ranging from 3.60% to 4.50% (2025: 4.26% to 5.46%) during the year.

6. Money market instruments and money at call *(continued)*

Money at call includes cash balances available to the Bank's money managers and funds held at the United States Federal Reserve Bank for the day-to-day operations of the Bank. These balances earned interest at 0.0% to 4.25% (2025: 0.0% to 5.30%) during the year.

7. Derivative financial instruments

Foreign currency forward contracts

Currency forwards represent commitments to purchase foreign currency. These contracts are initially recognised at fair value on the date that a derivative contract is established and are subsequently remeasured at fair value.

The following is an analysis of the currency forwards held with positive fair value as at 31 March 2026:

Currency sold /purchased	Notional value of contracts	Notional value of contracts EC$ equivalent	Value date of contracts	Fair value of contracts $
CAD	**899,900**	**1,778,582**	**13 April 2026**	**34,675**
EUR	**949,300**	**2,948,438**	**13 April 2026**	**7,355**
GBP	**550,600**	**1,998,716**	**13 April 2026**	**34,693**
		6,725,736		**76,723**

The following is an analysis of the currency forwards held with positive fair value as at 31 March 2025:

Currency sold /purchased	Notional value of contracts	Notional value of contracts EC$ equivalent	Value date of contracts	Fair value of contracts $
EUR	773,300	2,264,139	7 April 2025	2,762
		2,264,139		2,762

8. Financial instruments

a) Classification of financial assets and liabilities

The accounting policies for financial assets and liabilities are set out in note 2(g) above.

The Bank has assessed which business models apply to the financial assets and has classified its financial instruments into the appropriate classification and measurement categories.

(i) Financial assets measured at FVOCI

Money market instruments

Money market instruments consist of commercial paper, certificate of deposits held in the Bank's foreign reserves core portfolio. Money market instruments and money at call also includes term deposits, which are held in the liquidity portfolio, as described in note 8 (ii) below. The Bank has assessed its business model at the portfolio level as described in note 2 (g) (iii). The Bank concluded the following:

- Money market instruments held in the core foreign reserves portfolio are managed within a business model to hold to collect and sell financial assets and meet the SPPI criteria.

Investment securities other than equity instruments

Foreign debt investment securities are managed within a business model of collecting contractual cash flows and selling the financial assets and meet the SPPI criteria. Accordingly, these investments are classified and measured at FVOCI.

Equity investment instruments

The Bank has elected to irrevocably designate equity investment securities as fair value through other comprehensive income as permitted under IFRS 9.

(ii) Financial assets measured at amortised cost

Money market instruments and money at call

Money market instruments (term deposits) and money at call held in the liquidity portfolio are managed within a business model of held to collect the contractual cash flows and meet the SPPI criteria.

Domestic financial assets

Financial assets in the domestic portfolio are managed within a business model to collect contractual cash flows and meet the SPPI criteria.

8. Financial instruments *(continued)*

a) Classification of financial assets and liabilities *(continued)*

The following table provides a reconciliation between line items in the statement of financial position and categories of financial instruments as at 31 March 2026:

Financial assets	Mandatorily at FVTPL	Designated at FVTPL	FVOCI - debt instruments	FVOCI - equity instruments	Amortised cost	Total carrying amount
Regional and foreign currencies	-	-	-	-	98,930,412	98,930,412
Balances with other central banks	-	-	-	-	16,066,360	16,066,360
Balances with foreign banks	-	-	-	-	78,314	78,314
Money market instruments and money at call	-	-	225,120,456	-	836,787,089	1,061,907,545
Derivative financial instruments	76,723	-	-	-	-	76,723
Foreign investment securities	-	-	4,812,190,381	78,205	-	4,812,268,586
Cash and balances with local banks	-	-	-	-	6,594,027	6,594,027
Domestic investment securities	-	-	-	624,186	-	624,186
Participating governments securities	-	-	-	-	228,096,453	228,096,453
Participating governments advances	-	-	-	-	117,302,113	117,302,113
Accounts receivable	-	-	-	-	1,571,226	1,571,226
Total Financial Assets	**76,723**	**-**	**5,037,310,837**	**702,391**	**1,305,425,994**	**6,343,515,945**
Demand and deposit liabilities – domestic	-	-	-	-	6,088,500,127	6,088,500,127
Lease liabilities	-	-	-	-	3,884,535	3,884,535
Demand and deposit liabilities – foreign	-	-	-	-	69,474,357	69,474,357
Derivative financial instruments	7,076	-	-	-	-	7,076
IMF government general resource accounts	-	-	-	-	1,186,956	1,186,956
Total Financial Liabilities	**7,076**	**-**	**-**	**-**	**6,163,045,975**	**6,163,053,051**

8. Financial instruments *(continued)*

a) Classification of financial assets and liabilities *(continued)*

The following table provides a reconciliation between line items in the statement of financial position and categories of financial instruments as of 31 March 2025:

Financial assets	Mandatorily at FVTPL	Designated at FVTPL	FVOCI - debt instruments	FVOCI - equity instruments	Amortised cost	Total carrying amount
Regional and foreign currencies	-	-	-	-	69,274,294	69,274,294
Balances with other central banks	-	-	-	-	13,389,423	13,389,423
Balances with foreign banks	-	-	-	-	100,602	100,602
Money market instruments and money at call	-		8,113,067	-	580,492,446	588,605,513
Derivative financial instruments	2,762	-	-	-	-	2,762
Foreign investment securities	-	-	4,814,390,611	78,205	-	4,814,468,816
Cash and balances with local banks	-	-	-	-	4,615,179	4,615,179
Domestic investment securities	-	-	-	624,186	-	624,186
Participating governments securities	-	-	-	-	210,361,927	210,361,927
Participating governments advances	-	-	-	-	109,482,517	109,482,517
Accounts receivable	-	-	-	-	2,295,627	2,295,627
Total Financial Assets	2,762	-	4,822,503,678	702,391	990,012,015	5,813,220,846
Demand and deposit liabilities – domestic	-	-	-	-	5,569,924,396	5,569,924,396
Lease liabilities	-	-	-	-	3,549,841	3,549,841
Demand and deposit liabilities – foreign	-	-	-	-	81,613,821	81,613,821
Derivative financial instruments	60,618	-	-	-	-	60,618
IMF government general resource accounts	-	-	-	-	1,153,537	1,153,537
Total Financial Liabilities	60,618	-	-	-	5,656,241,595	5,656,302,213

9. Investment securities

	2026 $	2025 $
Foreign investment securities measured at fair value through other comprehensive income		
Debt securities		
- quoted, at fair value	**4,782,837,933**	4,790,687,621
Interest receivable	**29,352,448**	23,702,990
Total foreign debt securities at fair value through other comprehensive income	**4,812,190,381**	4,814,390,611
Equity securities designated at fair value through other comprehensive income		
Society for Worldwide Interbank Financial Telecommunication (SWIFT) 5 (2025: 5) ordinary shares of $15,641 each - unquoted	**78,205**	78,205
Total foreign investment securities	**4,812,268,586**	4,814,468,816
Domestic investment securities		
Equity securities designated at fair value through other comprehensive income		
Caribbean Information and Credit Rating Agency Services Ltd. 156,180 (2025: 156,180) ordinary shares of $2.70 each - unquoted	**421,686**	421,686
Eastern Caribbean Automated Clearing House Services Inc. 20,500 (2025: 20,500) ordinary shares of $10.00 each - unquoted	**202,500**	202,500
	624,186	624,186
Total investment securities	**4,812,892,772**	4,815,093,002

	2026 $	2025 $
Current	**4,096,804,141**	4,702,978,365
Non-current	**716,088,631**	112,114,637
	4,812,892,772	4,815,093,002

9. Investment Securities *(continued)*

Allowance for impairment losses on investment securities at FVOCI

The loss allowance on investment securities at FVOCI is recognised in other comprehensive income as the carrying amount of these investments is their fair value.

The following table shows the allowance for impairment losses on investment securities measured at FVOCI:

	2026				2025
	12-month ECL	Lifetime ECL not Credit-impaired	Lifetime ECL credit-impaired	Total	Total
Debt securities at FVOCI					
Balance at 1 April 2025	326,715	-	-	**326,715**	399,806
Increase/(decrease) in loss allowance recognised in profit or loss during the year	92,003	-	-	**92,003**	(73,091)
Balance as at 31 March 2026	**418,718**	-	-	**418,718**	326,715

The movement in investment securities measured at FVOCI is summarised as follows:

	Domestic Securities $	Foreign Investment Securities $
Balance as at 31 March 2024	624,186	4,314,063,922
Additions	-	10,504,079,084
Sales, maturities and redemptions	-	(10,087,286,927)
Net gain transfer to equity	-	59,831,542
Balance as at 31 March 2025	624,186	4,790,687,621
Additions	-	11,402,893,946
Sales, maturities and redemptions	-	(11,411,959,833)
Net gain transfer to equity	-	1,216,199
Balance as at 31 March 2026	**624,186**	**4,782,837,933**

The Bank transferred gains of $1,563,857 (2025: $647,984) from equity into the statement of profit or loss.

Gains from investment securities comprise:

	2026 $	2025 $
Net realised gains from disposal of foreign investment securities	**1,563,857**	**647,984**

10. Participating governments' securities

Participating government securities measured at amortised cost

	Nominal value 2026 $	Amortised cost 2026 $	Nominal value 2025 $	Amortised cost 2025 $
Government of Antigua and Barbuda				
Debenture maturing 2025	**-**	**-**	7,956,658	7,956,658
Debenture maturing 2027	**14,759,323**	**14,759,323**	21,766,799	21,766,799
Debenture maturing 2027	**3,949,449**	**3,949,449**	6,438,794	6,438,794
Debenture maturing 2028	**7,664,324**	**7,664,324**	10,000,000	10,000,000
Debenture maturing 2028	**3,037,959**	**3,037,959**	4,053,207	4,053,207
Debenture maturing 2029	**16,340,257**	**16,340,257**	20,000,000	20,000,000
Government of the Commonwealth of Dominica				
Debenture maturing 2034	**19,449,547**	**19,449,547**	21,401,078	21,401,078
Saint Christopher (St Kitts) and Nevis				
Debenture maturing 2038	**50,800,000**	**50,800,000**	-	-
Government of Saint Lucia				
Debenture maturing 2035	**51,832,328**	**51,832,328**	54,000,000	54,000,000
Government of Saint Vincent and the Grenadines				
Debenture maturing 2030	**6,614,972**	**6,614,972**	7,770,334	7,770,334
Debenture maturing 2035	**12,186,189**	**12,186,189**	13,132,490	13,132,490
Debenture maturing 2036	**15,383,344**	**15,383,344**	16,443,590	16,443,590
Debenture maturing 2037	**23,471,193**	**23,471,193**	25,000,000	25,000,000
	225,488,885	**225,488,885**	207,962,950	207,962,950
Interest receivable	**-**	**2,884,790**	-	2,931,327
Total participating governments' securities: debentures, gross	**225,488,885**	**228,373,675**	207,962,950	210,894,277
Less: allowance for impairment losses	**-**	**(277,222)**	-	(532,350)
Total participating governments' securities: debentures, net	**225,488,885**	**228,096,453**	207,962,950	210,361,927
Current		**32,087,246**		35,673,140
Non-Current		**196,009,207**		174,688,787
		228,096,453		210,361,927

10. Participating governments' securities *(continued)*

Participating government securities measured at amortised cost *(continued)*

During the financial year ended 31 March 2026, member governments issued debentures to the ECCB totalling $50,800,000 (2025: $20,000,000) through utilization of their long-term credit allocations with the Bank.

The movement in participating governments' securities may be summarized as follows:

	Debentures **$**
Balance as of 31 March 2024	**211,183,955**
Additions	20,000,000
Payment of principal	(29,773,563)
Reversal of modification loss on debentures	6,552,558
Balance as of 31 March 2025	**207,962,950**
Additions	50,800,000
Payment of principal	(33,274,065)
Balance as of 31 March 2026	**225,488,885**

During the year, participating governments' securities accrued interest at a rate of 3.5% to 4.5% (2025: 3.5% to 4.5%).

11. Participating governments' advances

Participating government advances measured at amortised cost

	2026 $	2025 $
Operating accounts:		
- Government of Saint Lucia	**66,545,072**	65,930,329
Interest receivable	**-**	263
Total operating accounts	**66,545,072**	65,930,592
Temporary advances		
- Government of Antigua and Barbuda	**38,818,359**	28,815,447
- Government of Saint Vincent and the Grenadines	**11,928,046**	14,624,748
	50,746,405	43,440,195
Interest receivable	**53,542**	156,436
Total temporary advances	**50,799,947**	43,596,631
Total participating governments' advances, gross	**117,345,019**	109,527,223
Less: allowance for impairment losses	**(42,906)**	(44,706)
Total participating governments' advances, net	**117,302,113**	109,482,517
Current	**117,302,113**	109,482,517

Amounts due from participating governments for temporary advances and operating account overdraft balances are unsecured and accrued interest at rates 3.0% per annum (2025: 3.0%).

12. Accounts receivable, prepaid expenses and other assets

	2026 $	2025 $
Accounts receivable	**12,360,255**	13,670,770
Staff loans	**98,540**	18,325
Prepaid expenses	**9,539,672**	7,944,585
Notes and coins inventory	**14,419,813**	18,300,957
	36,418,280	39,934,637
Less: Allowance for impairment on receivables	**(10,887,568)**	(11,393,468)
	25,530,712	28,541,169
Current	**14,429,874**	11,027,770
Non-current	**11,100,838**	17,513,399
	25,530,712	28,541,169

Staff loans bear interest at a fixed rate of 4% per annum. As these loans are granted at a rate below the prevailing market rate, this has given rise to an employee benefit in accordance with IAS 19 *Employee Benefits*. The resulting benefit of $11,927 (2025: $3,036) is carried at the reporting date within prepaid expenses.

The cost of notes and coins inventory comprises all costs directly attributable to bringing the inventory to its present condition and location, including production costs charged by external printers and minters, freight charges, and other directly related costs.

The Bank's receivables are assessed for impairment at each reporting date in accordance with IFRS 9 Financial Instruments. The Bank applies the simplified approach to measuring expected credit losses (ECL), under which a lifetime ECL allowance is recognised for all receivables from inception, without the need to identify a significant increase in credit risk. For the purpose of collective assessment, receivables are grouped based on shared credit risk characteristics and ageing profiles. Receivables are derecognised and written off when there is no reasonable expectation of recovery. These indicators are assessed alongside all other available information, and management exercises judgement in determining whether write-off is appropriate in each case. As of 31 March 2026, the lifetime ECL allowance was $10,887,568 (2025: $11,393,468).

The movement in allowance for impairment on accounts receivable is as follows:

	2026 $	2025 $
Balance, beginning of year	**11,393,468**	12,715,721
Allowance during the year	**844,100**	626,261
Recoveries during the year	**(1,350,000)**	(1,948,514)
Balance at end of year	**10,887,568**	11,393,468

13. Investments in associates

Article 42 (1) of the Eastern Caribbean Central Bank Agreement Act 1983 empowers the Bank, with the approval of the Monetary Council, to administer or participate in corporations or schemes established for the purpose of promoting the development of money, capital or securities markets in the territories of participating governments.

Article 42 (2) of the Eastern Caribbean Central Bank Agreement Act 1983 authorises the Bank, with the approval of the Monetary Council, to subscribe to hold and sell shares of a corporation organised with the approval or under the authority of the participating governments for any of the purposes specified in Article 42 (1). The following are institutions, which were established under Article 42 (1):

Eastern Caribbean Home Mortgage Bank (ECHMB)
The Bank holds 24.8% (2025: 24.8%) of the share capital of the ECHMB – 25,000 Class "A" shares at a cost of $100 each and 41,812 Class "A" shares at a cost of $160 each. The Company was established as a vehicle to foster the development of the money market and secondary market for mortgages in the territories of the participating governments of the ECCB Agreement Act 1983. The ECHMB's principal place of business is Bird Rock, Basseterre, Saint Christopher (St Kitts) and Nevis.

Eastern Caribbean Securities Exchange (ECSE)
The Bank holds 32.74% (2025: 32.74%) of the share capital of the ECSE – 327,419 Class "A" shares at a cost of $10 each. The ECSE was established to enhance and increase investment opportunities, and to foster the development of a securities market in the territories of participating governments of the ECCB Agreement Act 1983. The Eastern Caribbean Central Securities Depository Limited (ECCSD) is a wholly owned subsidiary of the ECSE. The ECSE's principal place of business is Bird Rock, Basseterre, Saint Christopher (St Kitts) and Nevis.

Organisation of Eastern Caribbean States Distribution and Transportation Company (ODTC)
The Bank holds 20% of the share capital of the ODTC – 2,001 Class "A" shares at a cost of $10 each. The Company was established as a vehicle to foster the development of the distribution and transportation sector in the territories of the participating governments of the ECCB Agreement Act 1983. The company has not commenced operations as of 31 March 2026. The company's secretariat is located at Bird Rock, Basseterre, Saint Christopher (St Kitts) and Nevis.

13. Investments in associates *(continued)*

The Bank's investments in associates are detailed below:

	2026 $	2025 $
Eastern Caribbean Home Mortgage Bank (ECHMB)		
Balance at beginning of year	**9,681,446**	7,615,987
Share of profit for the year	**1,706,603**	1,540,468
Dividend received during the year	**(334,060)**	(334,060)
Share of other comprehensive income	**418,501**	859,051
Balance at end of year	**11,472,490**	9,681,446
Eastern Caribbean Securities Exchange (ECSE)		
Balance at beginning of year	**5,715,391**	5,205,676
Share of profit for the year	**857,158**	837,134
Dividend received during the year	**(409,274)**	(327,419)
Balance at end of year	**6,163,275**	5,715,391
OECS Distribution and Transportation Company (ODTC)		
Balance at beginning and end of year	**20,010**	20,010
Total investments in associates	**17,655,775**	15,416,847

The total share of profit of associates recognised in the statement of profit or loss was $2,563,761 (2025: $2,377,602).

13. Investments in associates *(continued)*

The Bank's interest in its principal associates, both of which are unlisted, is as follows as of 31 March 2026:

Entity	Assets $	Liabilities $	Revenue $	Profit $	% Interest held %
ECHMB	562,253,345	(476,691,049)	24,267,029	6,881,463	24.80
ECSE	117,233,781	(95,767,346)	7,872,601	2,618,077	32.74

The Bank's interest in its principal associates, both of which are unlisted, is as follows as of 31 March 2025:

Entity	Assets $	Liabilities $	Revenue $	Profit $	% Interest held %
ECHMB	512,020,299	(431,059,379)	23,582,677	6,211,564	24.80
ECSE	65,671,538	(45,571,532)	7,070,256	2,623,304	32.74

The Bank's interest has been determined on the basis of the unaudited financial statements for these entities, as the timing for receipt of the audited financial statements is after the scheduled date for finalization of the ECCB's accounts. The 2025 comparatives represent audited financial results for these entities, which were not materially different to the unaudited amounts used in the preparation of the Bank's financial statements for the year ended 31 March 2025.

14. Intangible assets

	Computer software $
Cost	
Balance at 1 April 2024	28,113,532
Additions	34,290
Derecognition	(5,389,505)
Balance at 31 March 2025	**22,758,317**
Balance at 1 April 2025	**22,758,317**
Additions	165,736
Derecognition	-
Balance at 31 March 2026	**22,924,053**
Accumulated amortisation	
Balance at 1 April 2024	20,711,060
Amortisation	871,680
Balance at 31 March 2025	**21,582,740**
Balance at 1 April 2025	**21,582,740**
Amortisation	832,605
Balance at 31 March 2026	**22,415,345**
Net book value	
At 31 March 2024	7,402,472
At 31 March 2025	1,175,577
At 31 March 2026	**508,708**

15. Property and equipment

	Land $	Buildings $	Furniture and equipment $	Computer systems $	Land improvements $	Building improvements $	Motor vehicles $	Capital work in progress $	Total $
Cost									
Balance at 1 April 2024	23,199,578	140,500,651	47,829,584	12,192,127	2,232,323	2,487,214	1,559,172	16,431,897	246,432,546
Transfers	-	2,888,379	113,590	3,839,911	-	(2,888,379)	-	(3,953,501)	-
Additions	-	-	931,790	134,651	-	401,165	246,000	15,884,414	17,598,020
Revaluation	10,741,406	34,659,313	-	-	-	-	-	-	45,400,719
Derecognition and disposals	-	(12,318,343)	(107,312)	(17,625)	-	-	(244,400)	-	(12,687,680)
Balance at 31 March 2025	**33,940,984**	**165,730,000**	**48,767,652**	**16,149,064**	**2,232,323**	**-**	**1,560,772**	**28,362,810**	**296,743,605**
Cost									
Balance at 1 April 2025	33,940,984	165,730,000	48,767,652	16,149,064	2,232,323	-	1,560,772	28,362,810	296,743,605
Transfers	-	21,599,676	500,368	3,054,948	679,908	71,095	-	(25,905,995)	-
Additions	-	5,494,743	1,616,435	-	433,047	-	451,665	5,066,680	13,062,570
Derecognition and disposals	-	-	(145,657)	(40,747)	-	-	(177,000)	-	(363,404)
Balance at 31 March 2026	**33,940,984**	**192,824,419**	**50,738,798**	**19,163,265**	**3,345,278**	**71,095**	**1,835,437**	**7,523,495**	**309,442,771**

15. Property and equipment *(continued)*

	Land $	Buildings $	Furniture and equipment $	Computer systems $	Land improvements $	Building improvements $	Motor vehicles $	Capital work in progress $	Total $
Accumulated depreciation									
Balance at 1 April 2024	-	8,822,150	28,283,032	9,853,012	386,579	349,308	1,248,971	-	48,943,052
Depreciation charge	-	2,893,854	2,290,196	1,648,287	223,597	253,031	115,043	-	7,424,008
Depreciation write-back	-	(11,716,004)	(97,502)	(15,827)	-	(602,339)	(244,400)	-	(12,676,072)
Balance at 31 March 2025	-	-	30,475,726	11,485,472	610,176	-	1,119,614	-	43,690,988
Balance at 1 April 2025	-	-	30,475,726	11,485,472	610,176	-	1,119,614	-	43,690,988
Depreciation charge		3,811,140	2,359,938	2,144,338	231,038	7,110	142,133	-	8,695,697
Depreciation write-back	-	-	(128,324)	(40,747)	-	-	(172,060)	-	(341,131)
Balance at 31 March 2026	**-**	**3,811,140**	**32,707,340**	**13,589,063**	**841,214**	**7,110**	**1,089,687**	**-**	**52,045,554**
Net book value									
At 1 April 2024	23,199,578	131,678,501	19,546,552	2,339,115	1,845,744	2,137,906	310,201	16,431,897	197,489,494
At 31 March 2025	33,940,984	165,730,000	18,291,926	4,663,592	1,622,147	-	441,158	28,362,810	253,052,617
At 31 March 2026	**33,940,984**	**189,013,279**	**18,031,458**	**5,574,202**	**2,504,064**	**63,985**	**745,750**	**7,523,495**	**257,397,217**

15. Property and equipment *(continued)*

The following is the historical cost carrying amount of land and buildings as of 31 March 2026:

	Land $	Buildings $	Total $
Cost	9,693,033	112,866,961	122,559,994
Accumulated depreciation	-	(69,838,613)	(69,838,613)
Net book value	9,693,033	43,028,348	52,721,381

The following is the historical cost carrying amount of land and buildings as of 31 March 2025:

	Land $	Buildings $	Total $
Cost	9,693,033	85,772,542	95,465,575
Accumulated depreciation	-	(66,027,473)	(66,027,473)
Net book value	9,693,033	19,745,069	29,438,102

15. Property and equipment *(continued)*

Measurement of fair values

Valuation techniques and significant unobservable inputs

The last independent valuation of the Bank's land and buildings was performed as at 31 March 2025. The properties were stated at fair market value, as appraised by the independent valuer. The values for the properties were determined using the following methodologies which best reflect the nature of the property: the comparable sales approach and the cost approach.

Land and buildings shown at revalued amounts are included in Level 3 on the fair value hierarchy.

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Category	**Valuation techniques**	**Significant unobservable Inputs**	**Inter-relationship between key unobservable inputs and fair value measurement**
Land	Sales Comparable Approach	• Adjustment to price based on land sales in the area – EC$50 per square foot for commercial; EC$35 per square foot for residential	The estimated fair value would increase /(decrease) if: • Sales value of comparable properties were higher/(lower) • Comparability adjustment were higher/(lower)
Commercial Property	Cost Approach	• Condition of building • Construction cost per square foot for similar structures - EC$1,500 to EC$2,000	The estimated fair value would increase /(decrease) if: • the estimated costs of construction for buildings were higher/(lower)
Residential Property	Cost Approach	• Condition of building • Construction cost per square foot for similar structures - EC$350 to EC$550	The estimated fair value would increase /(decrease) if: • Sales value of comparable properties were higher/(lower) • Comparability adjustment were higher/(lower)

16. Leases

The Bank leases properties mainly for its Agency Offices operations with lease terms ranging from 1 to 10 years. The leases include an option to renew for the same or shorter duration after the end of the contract term, which the Bank is expected to exercise. The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and leases for which the lease term ends within 12 months.

Information about leases for which the Bank is a lessee is presented below:

(a) **Amounts recognised in the statement of financial position:**

(i) Right-of-use asset

The carrying amounts of right-of-use assets recognised and movements during the year are as follows:

	Buildings
	$
At 1 April 2025	**3,251,058**
Effect of modification of lease	**1,138,563**
Depreciation	**(856,961)**
Balance at 31 March 2026	**3,532,660**

	Buildings
	$
At 1 April 2024	2,460,990
Effect of modification of lease	1,738,146
Depreciation	(948,078)
Balance at 31 March 2025	3,251,058

(ii) Lease liabilities

The carrying amounts of lease liabilities and movements during the year are as follows:

	Buildings
	$
At 1 April 2025	**3,549,841**
Effect of modification of lease	**1,109,228**
Interest expense	**222,575**
Lease payments	**(997,109)**
Balance at 31 March 2026	**3,884,535**

16. Leases *(continued)*

***(a)* Amounts recognised in the statement of financial position** *(continued)*

(ii) Lease liabilities *(continued)*

	Buildings
	$
At 1 April 2024	2,721,099
Effect of modification of lease	1,728,078
Interest expense	189,127
Lease payments	(1,088,463)
Balance at 31 March 2025	3,549,841

	2026	**2025**
	$	**$**
Maturity analysis of contractual undiscounted cash flows of lease liabilities		
Less than one year	**954,849**	946,096
One to five years	**2,742,902**	2,220,937
More than five years	**877,738**	1,034,453
	4,575,489	4,201,486
Current	**954,849**	946,096
Non-current	**3,620,640**	3,255,390
	4,575,489	4,201,486

***(b)* Amounts recognised in profit or loss**

The following amounts are recognised in profit or loss:

	2026	**2025**
	$	**$**
Depreciation charge on right-of-use assets	**856,961**	948,078
Interest expense on lease liabilities	**222,575**	189,127
Expenses relating to short-term leases	**233,886**	184,805
	1,313,422	1,322,010

17. Demand and deposit liabilities - domestic

	2026	2025
	$	$
Bankers' reserves - current accounts	**2,711,236,016**	2,871,261,218
Currency in circulation	**1,852,716,523**	1,697,633,721
Bankers' collateral account	**348,420,965**	343,310,605
Participating governments' operating accounts	**222,042,970**	88,598,094
Participating governments' call accounts	**207,829,513**	114,688,108
Participating governments' fixed deposits accounts	**163,913,713**	132,451,513
Bankers' dormant accounts	**143,384,540**	135,245,525
Participating governments' fiscal tranche I call accounts	**115,465,174**	43,368,156
Participating governments' fiscal reserve tranche II	**88,243,499**	50,895,328
Bankers' call accounts	**80,031,214**	3,291,208
Eastern Caribbean Securities Exchange accounts	**49,154,434**	3,958,489
Accounts payable, accruals and provisions	**28,332,268**	16,907,423
Participating governments' sinking fund call accounts	**24,641,464**	13,391,199
ECHMB operating account	**20,967,143**	12,573,497
Participating governments' drug service accounts	**9,735,597**	7,209,376
BAICO Recapitalisation Holding account	**4,463,848**	4,463,848
Eastern Caribbean Partial Credit Guarantee Corporation (ECPCGC)	**4,383,571**	8,291,518
British American Liquidity Support	**3,277,710**	3,280,030
British Caribbean Currency Board Coins in Circulation	**2,564,130**	2,564,130
Eastern Caribbean Automated Clearing House	**1,957,697**	1,734,980
Commemorative coins in circulation	**1,379,972**	1,379,972
Eastern Caribbean Asset Management Corporation (formerly Resolution Trust Corporation)	**1,090,729**	7,966,344
British Caribbean Currency Board Residual Fund	**833,626**	833,626
Organisation of Eastern Caribbean States operating accounts	**800,626**	2,098,673
Statutory and legislative bodies' operating accounts	**569,210**	1,369,827
Eastern Caribbean Asset Management Corporation	**164,200**	164,200
Improving AML/CFT frameworks within ECCU	**120,703**	373,077
Participating governments' debt restructuring escrow accounts	**93,306**	91,473
ECSRC crowdfunding development fund account	**79,844**	79,844
Government of Antigua and Barbuda Road Infrastructure	**77,933**	76,850
CDB Grant - ECCU secured transaction and collateral registry	**60,605**	-
Government of Antigua & Barbuda Recovery & Reconstruction Project	**46,814**	46,164
OECS Distribution and Transportation Company Limited	**22,380**	22,380
Demand and deposit liabilities - domestic	**6,088,101,937**	5,569,620,396
Interest payable	**398,190**	304,000
Total demand and deposit liabilities - domestic	**6,088,500,127**	5,569,924,396
Current	**6,088,500,127**	5,569,924,396

17. Demand and deposit liabilities – domestic *(continued)*

During the year, interest was accrued and paid on the following accounts at rates ranging from 1.40% to 2.90% (2025: 1.40% to 2.90%) per annum: participating governments fiscal tranche I, operating and fixed deposits accounts, participating governments' and statutory bodies' fixed deposits accounts, bankers' call accounts and ECHMB's operating account.

Participating governments' fiscal reserve tranche II

The Monetary Council has approved the establishment of a fiscal reserve fund. In accordance with the Bank's profit and loss distribution policy, forty per cent (40%) of the annual share of distributable profits to member governments' is transferred to the participating governments' fiscal tranche II call account. As at 31 March 2026, an amount of $37,348,171 (2025: $21,899,649) was allocated from profit to participating governments fiscal reserve tranche II call account.

	2026	**2025**
	$	**$**
Balance at beginning of year	**50,895,328**	55,995,679
Hurricane Beryl grant	**-**	(2,000,000)
Allocation: Food and Nutrition Security Programme	**-**	(25,000,000)
Allocation from net profit	**37,348,171**	21,899,649
Balance at end of year	**88,243,499**	50,895,328

Participating governments' fiscal tranche I call accounts

In accordance with the Bank's profit distribution policy, sixty per cent (60%) of the annual share of distributable profits to member governments is transferred to the participating governments' fiscal tranche I call accounts. As at 31 March 2026, an amount of $56,022,257 (2025: $32,849,473) was allocated from profit to participating governments fiscal reserve tranche I call account.

	2026	**2025**
	$	**$**
Balance at beginning of year	**43,368,156**	6,345,154
Transfers	**48,028,174**	4,000,000
Interest on account	**896,060**	173,529
Withdrawals	**(32,849,473)**	-
Allocation from net profit	**56,022,257**	32,849,473
Balance at end of year	**115,465,174**	43,368,156

Participating governments' fiscal tranche I call accounts earn interest at the prevailing call rate offered by the Bank and are readily accessible by participating governments.

18. Demand and deposit liabilities - foreign

	2026 $	2025 $
Other regional and international organisations	**69,049,165**	81,175,308
Caribbean Development Bank accounts	**172,335**	227,976
Caribbean Financial Services Corporation account	**232,569**	190,249
Regional central banks and agency accounts	**20,288**	20,288
Total demand and deposit liabilities – foreign	**69,474,357**	81,613,821
Current	**69,474,357**	81,613,821

The Bank accrued and paid interest on applicable accounts listed above at a rate of 2.40% (2025: 2.40%) per annum.

19. IMF government general resource accounts

	2026 $	2025 $
Saint Lucia	430,531	418,408
Antigua and Barbuda	228,825	222,381
Grenada	167,785	163,062
Saint Christopher (St Kitts) and Nevis	124,872	121,357
Commonwealth of Dominica	117,555	114,248
Saint Vincent and the Grenadines	117,388	114,081
Total IMF government general resource accounts	**1,186,956**	1,153,537
Current	**1,186,956**	1,153,537

20. Derivative financial instruments

Foreign currency forward contracts

The following is an analysis of the currency forwards held with negative fair value as of 31 March 2026:

Currency sold/ purchased	Notional value of contracts	Notional value of contracts EC$ equivalent	Value date of contracts	Fair value of contracts $
EUR	**401,500**	**1,236,941**	**13 April 2026**	**6,970**
GBP	**169,000**	**602,727**	**13 April 2026**	**106**
		1,839,668		**7,076**
			Current	**7,076**

The following is an analysis of the currency forwards held with negative fair value as of 31 March 2025:

Currency sold/ purchased	Notional value of contracts	Notional value of contracts EC$ equivalent	Value date of contracts	Fair value of contracts $
EUR	17,464	52,350	1 April 2025	1,292
CAD	682,200	1,275,821	7 April 2025	8,660
EUR	1,725,400	5,008,462	7 April 2025	37,160
GBP	632,200	2,195,167	7 April 2025	13,506
		8,531,800		60,618
			Current	60,618

21. Other reserves

	2026 $	2025 $
Property revaluation reserve	**164,311,451**	164,311,451
Pension reserve	**37,014,000**	26,954,000
Self-insurance reserve fund	**19,243,944**	17,196,515
Capital reserve	**6,537,928**	6,537,928
Export Credit Guarantee fund	**1,808,877**	1,808,877
Investment revaluation reserve	**(16,343,532)**	(16,429,085)
Total reserves	**212,572,668**	200,379,686

Export Credit Guarantee Fund

Under Article 42 (1) of the Eastern Caribbean Central Bank Agreement Act 1983, the Bank is empowered to administer or participate in an export credit guarantee scheme. In exercise of this power, the Bank has assigned to one of its departments, the objective of providing pre-shipment export credit guarantees to commercial banks in respect of advances made to exporters from the Organisation of Eastern Caribbean States. Article 42 (4) of the Eastern Caribbean Central Bank Agreement Act 1983 provides for the Bank to make discretionary contributions out of its profits towards a guarantee fund for administering the Export Credit Guarantee Scheme. The Board of Directors have agreed to maintain the fund at a minimum of $1,000,000.

Capital reserve

Capital reserve includes the land (8.3568 acres) on which the Bank's headquarters (phase I and II) are constructed, which was donated by the Government of St. Kitts and Nevis. The land was independently valued at $629,528 in 1991 for phase I and $2,720,000 in 2001 for phase II. In 2003 the Government of St. Kitts and Nevis donated an additional 0.61 acres to the Bank, which was independently valued at $498,400. In 2005, the Government of St. Kitts and Nevis donated an additional 2 acres of land, which was independently valued at $2,690,000.

Self-insurance reserve

The Board of Directors has agreed to appropriate annually to the Self-insurance reserve, from net income, such amount equivalent to the quoted premium from an insurance carrier, to cover potential catastrophe in respect of the Bank's headquarters buildings and full coverage for the other properties. It also agreed to a funded cap of 20% of the replacement value of the relevant buildings (determined by independent valuation).

Pension reserve

The Board of Directors has decided to make appropriations annually to or from net income for the amounts necessary to maintain a pension reserve equivalent to the pension asset.

21. Other Reserves *(continued)*

Property revaluation reserve

This reserve represents the carrying amount arising on revaluation of land and buildings recognised in other comprehensive income.

Investment revaluation reserve

The investment revaluation reserve represents the net unrealised fair value gains/(losses) on the revaluation of the Bank's financial assets classified and measured at FVOCI and expected credit losses thereon.

The movements of the investment revaluation reserve as a result of changes in the fair values are as follows:

	Investment securities $	Money market instruments $	Total $
Balance at 31 March 2024	(76,399,146)	-	(76,399,146)
Revaluation of investments	59,831,542	543	59,832,085
Revaluation transfer to profit or loss on disposal of foreign securities	(647,984)	-	(647,984)
Impairment of investment securities at FVOCI	(73,091)	-	(73,091)
	(17,288,679)	543	(17,288,136)
Share of associates fair value losses on investments at FVOCI	859,051	-	859,051
Balance at 31 March 2025	(16,429,628)	543	(16,429,085)
Revaluation of investments	1,216,200	(77,294)	1,138,906
Revaluation transfer to profit or loss on disposal of foreign securities	(1,563,857)	-	(1,563,857)
Impairment of investment securities at FVOCI	92,003	-	92,003
	(16,685,282)	(76,751)	(16,762,033)
Share of associates fair value losses on investments at FVOCI	418,501	-	418,501
Balance at 31 March 2026	**(16,266,781)**	**(76,751)**	**(16,343,532)**

22. Pension asset

The Bank contributes to a defined benefit pension plan (Eastern Caribbean Central Bank or ECCB Pension Plan) covering substantially all full-time employees. The assets of the ECCB pension plan are held separately in an independent trustee administered fund. The actuarial valuation of the pension plan is undertaken every three years by a firm of independent qualified actuaries in accordance with IAS 19, Employee Benefits. The valuation was based on the detailed actuarial calculations performed as at 31 March 2025 using membership, financial and demographic assumptions. The valuation results were subsequently updated and rolled forward to 31 March 2026 to estimate the defined benefit obligation and the fair value of plan assets at the reporting date. The latest full actuarial valuation of the pension plan was performed as at 31 March 2025 using the projected unit credit method. The next full actuarial valuation of the pension plan is scheduled for 31 March 2028.

	2026 $	2025 $
Net asset in the statement of financial position:		
Fair value of plan assets	**162,649,000**	150,727,000
Present value of defined benefit obligation	**(125,635,000)**	(123,773,000)
Surplus	**37,014,000**	26,954,000
Effect of asset ceiling	-	-
Net defined benefit asset recognised in the statement of financial position	**37,014,000**	26,954,000

	2026 $	2025 $
Reconciliation of amount reported in the statement of financial position:		
Pension asset, beginning of year	**26,954,000**	35,347,000
Net pension costs during the year	**(2,722,000)**	(1,912,000)
Remeasurements recognised in other comprehensive income	**9,232,000**	(10,062,000)
Bank's contributions paid to pension plan	**3,550,000**	3,581,000
Pension asset, end of year	**37,014,000**	26,954,000

Effective April 1, 2007, the Bank adjusted its contribution to the Pension Fund from 16% to 12% to benefit from the current overfunded position of the pension fund and as prescribed by rule 4(3) of the Pension Fund Trust Deed and Rules (1992).

22. Pension asset *(continued)*

	2026 **$**	2025 $
Movement in present value of defined benefit obligation over the year is as follows:		
Beginning of year	**123,773,000**	105,043,000
Current service cost	**4,600,000**	4,420,000
Interest cost	**9,044,000**	7,689,000
Contributions by plan participants	**888,000**	895,000
Experience adjustments	**(6,185,000)**	10,860,000
Benefits paid	**(6,485,000)**	(5,134,000)
Defined benefit obligation at end of year	**125,635,000**	123,773,000

The defined benefit obligation is allocated between the Plan's members as follows:	**2026** **%**	2025 %
Active members	**67**	64
Deferred members	**-**	-
Pensioners	**33**	36
The weighted average duration of the defined benefit obligation at the year end	**12.8 years**	13.4 years

96% of the benefits for active members are vested.

28% of the defined benefit obligation for active members is conditional on future salary increases.

	2026 **$**	2025 $
Movement in fair value of plan assets over the year		
Plan assets at start of year	**150,727,000**	142,514,000
Interest income	**11,218,000**	10,653,000
Return on plan assets, excluding interest income	**3,047,000**	(1,485,000)
Bank's contributions	**3,550,000**	3,581,000
Members' contributions	**888,000**	895,000
Benefits paid	**(6,485,000)**	(5,134,000)
Expense allowance	**(296,000)**	(297,000)
Fair value of plan assets at end of year	**162,649,000**	150,727,000

22. Pension asset *(continued)*

Expense recognised in the statement of profit or loss:	**2026**	2025
	$	$
Current service cost	**4,600,000**	4,420,000
Net interest on net defined benefit liability (asset)	**(2,174,000)**	(2,805,000)
Administration expenses	**296,000**	297,000
Net pension cost included in staff costs (note 28)	**2,722,000**	1,912,000

	2026	2025
	$	$
Remeasurements recognised in other comprehensive income		
Experience gains/(losses)	**9,232,000**	(12,345,000)
Effect of asset ceiling	**-**	2,283,000
Remeasurement gain/(loss) recognised in other comprehensive income	**9,232,000**	(10,062,000)

	2026	2025
	%	%
The principal actuarial assumptions used were as follows:		
Discount rate	**7.5**	7.5
Average individual salary increases	**5.0**	5.0
Future pension increases	**0.0**	0.0

Assumptions regarding future mortality are based on published mortality tables. The life expectancies underlying the value of the defined benefit obligations as at 31 March 2026 are as follows:

	2026	2025
Life expectancy at age 60 for current pensioners in years		
Male	**22.0**	22.0
Female	**26.3**	26.3
Life expectancy at age 60 for current members age 40 in years		
Male	**22.9**	22.9
Female	**27.2**	27.2

Plan assets are comprised as follows:

	2026	2025
	$	$
Developed market equities	**65,061,000**	60,578,000
EC Government issued nominal bonds and treasury bills	**309,000**	309,000
USD denominated bonds	**88,979,000**	82,581,000
USD cash and cash equivalents	**7,860,000**	7,899,000
Net current assets	**440,000**	(640,000)
Fair value of plan assets at end of year	**162,649,000**	150,727,000

22. Pension asset *(continued)*

The largest proportion of the Plan's assets is invested in debt instruments. Overseas equities in developed markets and USD denominated bonds have quoted prices.

The Plan's assets are invested based on a strategy agreed with the Trustees. There are no asset-liability matching strategies used by the Plan.

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions used. The following table summarises the sensitivity of the defined benefit obligation to changes in the assumptions used:

	2026		
	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		$	$
Discount rate	**1%**	**(13,556,000)**	**16,519,000**
Future salary increases	**1%**	**6,447,000**	**(5,798,000)**
Life expectancy	**1 year**	**1,402,000**	**-**

	2025		
	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
		$	$
Discount rate	1%	(13,975,000)	17,120,000
Future salary increases	1%	7,024,000	(6,257,000)
Life expectancy	1 year	1,378,000	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

These sensitivities were calculated by re-calculating the defined benefit obligations using the revised assumptions. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the year) has been applied as when calculating the pension plan asset recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

22. Pension asset *(continued)*

Funding

The Bank meets the balance of the cost of funding the defined benefit Pension Plan and must contribute at least 12% of members' salaries to the Plan. The funding requirements are based on regular (at least every 3 years) actuarial valuations of the Plan and the assumptions used to determine the funding required may differ from those set out above.

The Bank is expected to pay estimated pension contribution of $4.0 million (2025: $4.0 million) into the defined benefit plan during the 2026-2027 financial year.

23. Related party transactions and balances

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties include the participating governments, board of directors, key management personnel, the ECCB pension fund and associates.

Participating governments

The receivables from and payables to participating governments arise mainly from the Bank carrying out one of its key roles as banker to participating governments as provided for in part nine (ix) of the ECCB Agreement Act 1983.

The year-end balances arising from transacting with participating governments are as follows:

	2026 $	2025 $
Due from participating governments		
Participating governments' securities (note 10)	**228,096,453**	210,361,927
Participating governments' advances (note 11)	**117,302,113**	109,482,517
Due to participating governments (note 17)		
Participating governments' operating accounts	**222,042,970**	88,598,094
Participating governments' call accounts	**207,829,513**	114,688,108
Participating governments' fixed deposits accounts	**163,913,713**	132,451,513
Participating governments' fiscal tranche I call accounts	**115,465,174**	43,368,156
Participating governments' fiscal reserve tranche II	**88,243,499**	50,895,328
Participating governments' sinking fund call accounts	**24,641,464**	13,391,199
Participating governments' drug service accounts	**9,735,597**	7,209,376
Participating governments' debt restructuring escrow accounts	**93,306**	91,473

Interest income earned on participating governments securities and advances during the year was $12,008,580 (2025: $10,389,352). These accounts carry interest rates of 3.0% to 4.5% (2025: 3.0% to 4.5%) during the year.

23. Related party transactions and balances *(continued)*

Participating governments *(continued)*

Interest expense on participating governments demand accounts during the year was $11,716,503 (2025: $9,338,632). These accounts carry interest rate of 1.40% to 2.90% (2025: 1.40% to 2.90%) during the year.

Eastern Caribbean Central Bank Pension Plan

During the year, the Bank provided management, investment and administrative services to the Pension Plan and fully recovered related fees of $245,753 (2025: $226,259). Information relating to the Bank's post-employment benefit plans is disclosed in Note 22.

Key management personnel and compensation

The key management personnel responsible for planning, directing and controlling the activities of the Bank are the members of the Executive, the Senior Management and the Board of Directors.

The compensation of key management personnel is presented in the following table. Short-term employee benefits and post-employment benefits apply to Bank employees only.

	2026 **$**	**2025** **$**
Salaries and other short-term employee benefits	**7,785,563**	7,762,601
Post-employment benefits	**271,800**	303,050
Board of Directors' fees	**240,000**	240,000
	8,297,363	8,305,651

The value of other transactions during the year and outstanding balances related to key management personnel as of 31 March 2026 was nil (2025: nil).

Transactions and balances with associates

	2026 **$**	**2025** **$**
Rental income	**322,800**	322,800
Dividends from associates	**743,334**	661,479
Demand and deposit liability accounts (note 17)		
Eastern Caribbean Home Mortgage Bank	**20,967,143**	12,573,497
Eastern Caribbean Securities Exchange	**49,154,434**	3,958,489
OECS Distribution and Transportation Company Limited	**22,380**	22,380

24. Commitments and contingencies

Commitments

Capital commitments

As at 31 March 2026, commitments for capital expenditure amounted to $905,327 (2025: $3,627,506). No provision has been made in these financial statements for the unexpended capital commitments as at reporting date although appropriate funding has been approved.

Credit limits to participating governments

Article 40 (1) of the ECCB Agreement Act 1983 stipulates that "the Bank may, subject to such terms and conditions as the Board may prescribe, make temporary advances to each Participating Government to meet its seasonal needs…". This can take the form of ECCB's direct investment in government securities, overdrafts on operating accounts and temporary advances.

The approved credit limits to participating governments for the current financial year is $817,500,000 (2025: $847,500,000). The details are presented in the table below:

	2026 $	2025 $
Government of Saint Lucia	**156,388,000**	162,313,000
Government of Grenada	**151,074,000**	130,379,000
Government of Saint Christopher (St Kitts) and Nevis	**137,095,000**	163,966,000
Government of Antigua and Barbuda	**117,965,000**	122,252,000
Government of Commonwealth of Dominica	**113,060,000**	120,599,000
Government of Saint Vincent and the Grenadines	**87,227,000**	94,717,000
Government of Anguilla	**47,824,000**	45,706,000
Government of Montserrat	**6,867,000**	7,568,000
Total credit limit	**817,500,000**	847,500,000

The total credit available to participating governments as of 31 March 2026 amounted to $474,719,000 (2025: $530,312,000). The details are presented in the table below:

	2026 $	2025 $
Government of Grenada	**151,074,000**	130,379,000
Government of Commonwealth of Dominica	**93,610,000**	99,198,000
Government of Saint Christopher (St Kitts) and Nevis	**86,295,000**	163,966,000
Government of Anguilla	**47,824,000**	45,706,000
Government of Saint Lucia	**38,011,000**	42,528,000
Government of Antigua and Barbuda	**33,395,000**	23,221,000
Government of Saint Vincent and the Grenadines	**17,643,000**	17,746,000
Government of Montserrat	**6,867,000**	7,568,000
Total credit available	**474,719,000**	530,312,000

24. Commitments and contingencies *(continued)*

Commitments *(continued)*

Credit limits to participating governments *(continued)*

The Board has approved a total credit limit to participating governments for the 2026-2027 financial year in the amount of $840,000,000.

Contingencies

Pending litigations

The Bank is subject to various claims, disputes and legal proceedings, in the normal course of business. There are several legal claims, which have been brought against the Bank. Provision is made for such matters when, in the opinion of management as advised by the Bank's Legal Counsel, it is probable that a payment will be made by the Bank, and the amount can be reasonably estimated.

In respect of claims asserted against the Bank for which, according to the principles outlined above, no provision has been made, management is of the opinion that such claims are without merit and can be successfully defended.

25. Cash and cash equivalents

	2026 $	2025 $
Money market instruments and money at call (note 6)	**881,824,649**	587,988,600
Regional and foreign currencies	**98,930,412**	69,274,294
Balances with other central banks (note 5)	**16,066,360**	13,389,423
Balances with local banks	**6,594,027**	4,615,179
Balances with foreign banks (note 5)	**78,314**	100,602
Total cash and cash equivalents	**1,003,493,762**	675,368,098

26. Net interest income

	2026 $	2025 $
Interest income (calculated using the effective interest method)		
Foreign investment securities (net of amortisation)	**185,717,755**	166,888,860
Money market instruments and money at call	**30,762,150**	34,038,073
Participating governments' securities and advances	**12,008,580**	10,389,352
Other interest income	**23,474**	35,740
	228,511,959	**211,352,025**

26. Net interest income *(continued)*

	2026 $	2025 $
Interest expense		
Demand liabilities: domestic and foreign	**11,716,503**	9,338,632
Lease liabilities	**222,575**	189,127
	11,939,078	9,527,759
Net interest income	**216,572,881**	201,824,266

27. Other income

	2026 $	2025 $
Income from banking licence fees and penalties	**3,600,000**	3,349,945
Rental income	**322,800**	322,800
Pension fund administrative and management fees	**245,753**	226,259
Other income	**220,015**	517,266
Gain on disposal of property and equipment	**86,777**	50,981
Gain on lease modification	**29,335**	10,068
Income from reserve management	**-**	3,563
Loss on foreign exchange	**(865,954)**	(928,301)
Total other income	**3,638,726**	3,552,581

Rental income results from rental of office space to associates and affiliate institutions, namely, ECHMB, ECSE and ECPCGC, which are covered by leasehold rental contracts.

28. Salaries, pensions and other staff benefits

	2026 $	2025 $
Salaries, wages and other benefits	**45,853,574**	43,227,664
Pension (note 22)	**2,722,000**	1,912,000
Vacation leave	**567,729**	1,393,731
Social security	**1,383,636**	1,293,043
Prepaid employee benefit	**3,711**	7,135
Total salaries, pensions and other staff benefits	**50,530,650**	47,833,573

29. Impairment reversals/recoveries on financial assets, net

During the financial year, the following (gains)/losses were recognised in the statement of profit or loss in relation to impaired financial assets.

	2026 $	2025 $
Impairment loss on receivables	**844,100**	626,261
Impairment reversals/recoveries on financial assets at amortised cost	**(259,803)**	(106,452)
Impairment loss/(reversal) on financial assets at FVOCI	**92,003**	(73,091)
Impairment recoveries on receivables	**(1,350,000)**	(1,948,514)
Reversal of modification loss on financial assets at amortised cost	**-**	(6,552,558)
Impairment reversals/recoveries on financial assets, net	**(673,700)**	(8,054,354)

30. Administrative and general expenses

	2026 $	2025 $
General supplies and services	**26,591,416**	18,001,065
Professional, legal and consulting fees	**3,887,977**	3,572,160
Conference and meetings	**3,463,202**	2,393,648
Community outreach	**2,385,473**	1,609,221
Special projects	**2,273,913**	2,044,359
Training, recruitment and resettlement	**1,619,529**	2,164,373
Travel expenses	**1,565,787**	1,186,773
Contribution to Eastern Caribbean Securities Regulatory Commission	**1,297,698**	826,411
Utilities expenses	**1,283,713**	934,750
Other staff expenses and amenities	**956,862**	926,740
Telephone costs	**954,302**	892,579
Insurance expense	**947,776**	728,778
Service grant	**940,893**	711,849
Repairs and maintenance	**607,986**	640,316
Intervention expense	**553,518**	155,442
Audit fees	**498,684**	500,433
Subscriptions and fees	**469,596**	520,994
Other expenses	**313,034**	139,806
Rental expense	**233,886**	184,805
Public education, communication and stakeholder engagement	**344,391**	165,323
Contribution to ECCB staff association	**156,204**	140,300
Derecognition of intangible asset	**-**	5,389,505
Directors' travel and other expenses	**88,675**	17,501
Contribution to affiliate organisations	**85,419**	64,164
Printing and postage	**32,236**	29,388
Advertising and promotion	**-**	4,114
Total administrative and general expenses	**51,552,170**	43,944,797

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ECCB MEMBER COUNTRIES

- Anguilla
- Antigua and Barbuda
- Commonwealth of Dominica
- Grenada
- Montserrat
- Saint Christopher (St Kitts) and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines

www.eccb-centralbank.org | info@eccb-centralbank.org | +1 (869) 465-2537