



Readout of the Seventh MDBs & Credit Rating Agencies Roundtable

A structured dialogue between Multilateral Development Banks and Credit Rating Agencies to advance transparency, capital adequacy, and understanding of the MDB business model

April 15, 2026

Since 2023, Chief Financial Officers and Chief Risk Officers from multilateral development banks and other development finance institutions (MDBs) have held ongoing dialogue with credit rating agencies. Most recently, they convened for a seventh roundtable with senior representatives from S&P Global Ratings, Moody's Ratings, and Fitch Ratings.

The objective of the roundtable was to deepen mutual understanding and inform rating methodologies that appropriately reflect the distinctive financial structures, policy mandates, and risk management frameworks of MDBs.

Key areas of discussion:

Progress on Capital Adequacy Framework reforms

Participants reviewed progress in implementing the recommendations of the Capital Adequacy Framework Review. Most of the 17 recommendations have now been incorporated into MDB operations, capital planning, and risk management practices. Ongoing monitoring continues under the MDB Roadmap, supported by the MDB Global Risk and Finance Forum (GRaFF).

Recent CAF-related deliverables—including the MDB–CRA engagement publication, the 2025 MDB Comparison Report, and the continued expansion of the Global Emerging Markets (GEMs) database—were highlighted as important contributions to transparency and understanding of MDB business models.

Methodological topics with Credit Rating Agencies

MDBs and CRAs discussed selected methodology topics and exchanged views on how ratings incorporate empirical evidence and MDB balance-sheet dynamics. Key themes included:

- The treatment of local currency lending, noting evidence of differentiated risk characteristics (incl. market risk) relative to foreign-currency lending exposures;
- Asset performance metrics, with a focus on avoiding double counting of risk where credit impairment is recognized through loan loss provisions; and
- Agency-specific topics, including hybrid capital instruments and the treatment of preferred creditor status within rating frameworks.

The growing role of risk transfer tools

MDBs underscored the increasing importance of significant risk transfer tools—such as guarantees, insurance, exposure exchange agreements, and securitizations—for capital optimization, risk management, and private capital mobilization. Participants emphasized the need for clearer rating methodologies to support the broader and more programmatic use of these instruments, while recognizing MDBs' strong historical credit performance.

Global Emerging Markets Risk Database Consortium (GEMs): Strengthening data and analytics

Participants discussed recent developments at GEMs, including the onboarding of a new service provider to enhance data access, consistency, and analytical capabilities. High-quality, long-term risk data was recognized as a cornerstone of evidence-based engagement with credit rating agencies and of improved external assessment of MDB risk profiles.

Engagement on Moody's methodology review

The roundtable included a dedicated session with Moody's Ratings on its proposed revisions to the methodology for MDBs and other supnationals. MDBs presented the key elements of the joint response to the Request for Comment, submitted by fifteen MDBs on March 30, 2026.

Overall, MDBs welcomed the move toward a more risk-adjusted and forward-looking framework, including greater recognition of balance-sheet optimization, risk-transfer mechanisms, and new forms of capital and credit enhancement. MDBs also provided targeted feedback on calibration, preferred creditor status, the use of qualitative overlays, and the treatment of concentration, asset performance, and liquidity. This input aimed to enhance predictability and comparability, while better aligning outcomes with observed MDB loss experience and preserving analytical rigor.

Looking ahead

This meeting marked the first MDB–CRA roundtable of 2026 and the seventh overall since the dialogue began. Participants reaffirmed the value of continued, structured, and data-driven engagement. The next roundtable is expected to take place in April 2027, continuing to support the evolution of rating methodologies in line with MDB mandates, financial strength, and long-term development objectives.

Participants in the roundtable included:

MDBs and development finance institutions:

1. Asian Development Bank (ADB)
2. African Development Bank (AfDB)
3. Asian Infrastructure Investment Bank (AIIB)
4. Black Sea Trade and Development Bank (BSTD)
5. Central American Bank for Economic Integration (CABEI)
6. Development Bank of Latin America and the Caribbean (CAF)
7. Caribbean Development Bank (CDB)
8. Council of Europe Development Bank (CEB)
9. European Bank for Reconstruction and Development (EBRD)
10. European Investment Bank (EIB)
11. European Stability Mechanism (ESM)
12. Fondo Latinoamericano de Reservas (FLAR)
13. FONPLATA Development Bank
14. International Fund for Agricultural Development (IFAD)
15. Inter-American Development Bank (IDB)
16. IDB Invest
17. International Finance Corporation (IFC)
18. Islamic Development Bank (IsDB)
19. Multilateral Investment Guarantee Agency (MIGA)
20. Nordic Investment Bank (NIB)
21. OPEC Fund for International Development (OPEC Fund)
22. World Bank

CRAs:

1. Standard & Poor's Global Ratings
2. Moody's Ratings
3. Fitch Ratings