Inter-American
Development Bank Group

The IDB Group and Canada: A Multidimensional Partnership that Grows Stronger Over Time

IDB Group

In **partnership** with
Canada

Foreword

For more than 60 years, Canada has partnered with the Inter-American Development Bank Group (IDB Group) to address Latin America and the Caribbean's most pressing challenges — from private-sector development and social inclusion to citizen security and climate resilience.

Together, Canada and the IDB Group have built a strategic partnership grounded in shared values, innovation, and measurable impact. Across the three arms of the IDB Group — the IDB, IDB Invest, and IDB Lab — this collaboration is helping countries unlock sustainable economic growth, strengthen institutions, mobilize private investment, and deliver innovative solutions that improve lives across Latin America and the Caribbean.

In recent years, our partnership has reached new heights. Since 2019, Canada has been one of the IDB Group's leading bilateral donors, contributing almost CA$1.1 billion.

By combining Canada's global leadership and development expertise with the IDB Group's regional knowledge and convening power, the partnership continues to deliver large-scale results that respond to the evolving needs of countries and communities across the region.

The Inter-American Development Bank Group (IDB Group) is the leading source of financing and knowledge for improving lives in Latin America and the Caribbean. It comprises the **IDB**, which works with the region's public sector and enables the private sector; **IDB Invest**, which directly supports private companies and projects; and **IDB Lab**, which spurs entrepreneurial innovation.

CLIMATE FINANCE

Advancing Climate Resilience Through Private-Sector Investments

Over the past decade, our collaboration through Canadian climate funds has become a benchmark for **catalyzing private-sector investment** to enhance the region's resilience to climate-related shocks and diversify its energy matrix.

Since 2012, Canada has provided almost CA$984 million through its Canadian Climate Fund for the Private Sector in the Americas (C2F), as well as its Canadian Net Zero and Climate Resilience Accelerator fund, administered by IDB Invest.

By combining Canadian concessional funding and IDB Invest's own capital, we have helped cut approximately 9.2 million tons of CO_2 emissions and attracted nine times more investment than the original C2F contributions to maximize climate and social impact in the region.

So far, the Canadian Accelerator has completed 5 projects to enhance waste management, expand sustainable financing and nature-based solutions, and promote climate resilience.

Together, we have also invested in nature. In 2023, we launched a CA$5 million program to embed biodiversity into public-policy planning, attract private investment, and strengthen public budgets. The initiative now supports work by Brazil, Colombia, Guatemala, and Mexico to develop policy tools to mobilize private-sector financing for nature.

Developing Uruguay's Solar Market

Over the past decade, Uruguay has become a global leader in renewable energy, shifting from fossil fuel imports and drought-prone hydropower to getting 98% of its electricity from renewables — compared to just 40% in 2005.

To diversify its energy matrix, the government launched a 200 MW solar photovoltaic (PV) tender in 2013, opening the sector to private investment. With support from Canada, IDB Invest financed three pioneering solar projects — La Jacinta, Natelu Yarnel, and Casablanca Giacote — using blended financing to de-risk investments and attract institutional capital.

This delivered clean power to thousands of homes and proved that tailored financing can unlock private capital at scale. By 2018, Uruguay had attracted US$4.5 billion in private investment, 75% from abroad. Electricity imports dropped to almost zero, as solar PV became a competitive energy source. The projects also created local jobs, including 218 construction roles for women.

ENERGY AND SUPPLY CHAINS

Strengthening Cooperation on Critical Minerals

Canada’s cooperation with the IDB Group on critical minerals builds on a strong track record of engagement through the Canadian Extractive Sector Facility (CANEF). Between 2016 and 2022, Canada's CA$20 million contribution through CANEF supported 28 technical-cooperation projects across Latin America and the Caribbean.

These efforts strengthened governance in the extractive sector, improved transparency and data systems, enhanced associated value chains in mining-impact areas, and promoted dialogue among governments, industry, and communities — laying the groundwork for responsible and sustainable investment in mineral-rich countries.

As global demand for critical minerals accelerates, Canada and the IDB Group have expanded our partnership to help the region translate its mineral potential into sustainable growth. This includes aligning public-sector reforms such as regulatory frameworks, institutional capacity, and project readiness with the needs of private investors, recognizing that strong governance is essential to mobilize capital at scale.

This shared approach is reflected in the letter of intent for the **IDB LAC Minerals** initiative, which aims to catalyze sustainable private investment in critical-mineral value chains.

Supporting the Energy Transition in Ecuador

Canada and the IDB Group are partnering to drive Ecuador's energy transition — combining policy reform, regulatory strengthening, and innovative financing to unlock private investment in renewable energy. Canada has supported both a CA$6.5 million technical cooperation and a US$120 million parallel co-financing that are helping transform Ecuador's energy sector. The technical cooperation funded by Canada has enabled key reforms for a more competitive electricity sector.

This complements innovative instruments such as liquidity guarantees that support nearly 600 MW of renewable capacity and over US$700 million in investment, improving project risk profiles and opening the door to private capital. Together, these efforts are accelerating Ecuador's shift toward a resilient, low-carbon energy future.

Private-Sector Development and Sustainable Development in the Caribbean

Compete Caribbean in numbers:

CREATED OVER
15,700 jobs

SUPPORTED
1,602 firms

STRENGHTENED
44 institutions

MOBILIZED OVER
US$ 1 billion

Canada has longstanding ties to the Caribbean. **One of the IDB's most impactful joint initiatives with Canada is Compete Caribbean**, which has **improved the business climate** in **seven countries**. Canadian support for Compete Caribbean also promotes sustainable, climate-resilient growth in small and vulnerable states.

Additionally, Canada's support for the IDB Group's ONE Caribbean program is helping the region address challenges in four key areas: private-sector development, climate adaptation, citizen security, and food security.

During the 2026 IDB Group Annual Meetings in Asunción, Canada announced a CA$10 million contribution to ONE Caribbean. This will fund two separate technical cooperations executed by the IDB and IDB Invest to support the Caribbean Community Resilience Fund (CCRF).

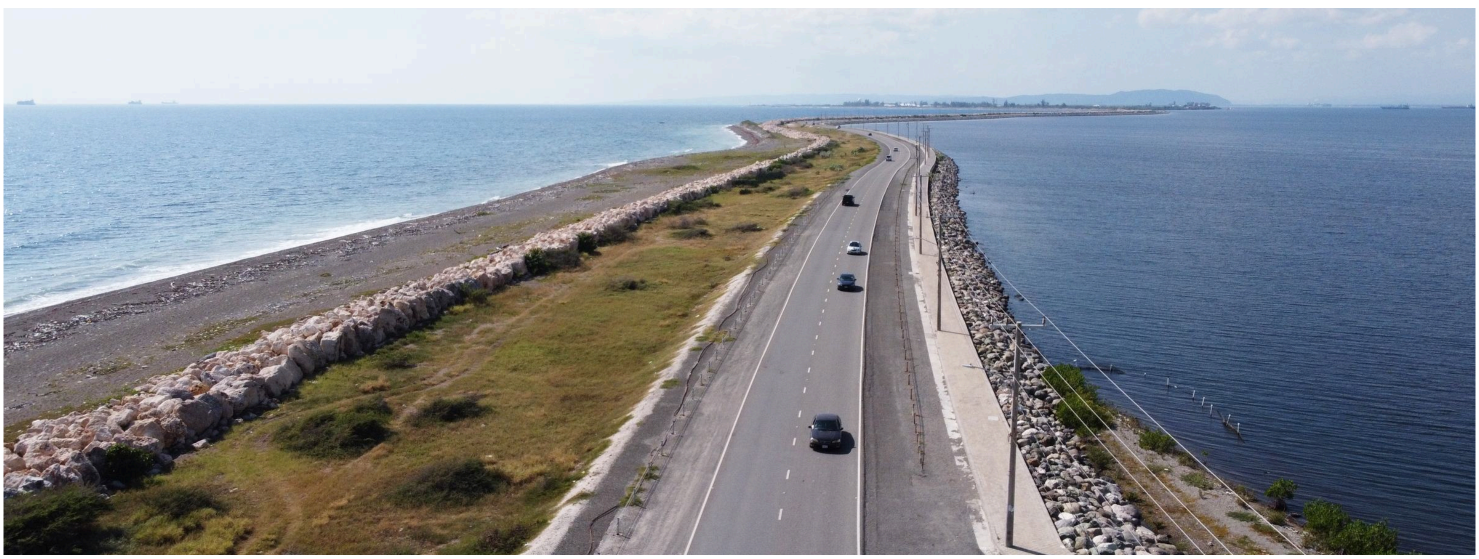
Furthermore, Canada has supported broader sustainable-development and recovery needs following Hurricane Melissa. For example, Canada endorses a local forestry program in Jamaica. The project will promote climate resilience and sustained well-being for vulnerable, forest-dependent communities. It is aligned with the ONE Caribbean Initiative and leverages IDB experience and the Forestry Department's capacity, while enhancing local participation and impact.

Continued Partnership with IDB Lab

CANADA ALLOCATED

US$110,906

to the Impact Enhancement Program, IDB Lab's new advisory-services program to strengthen the social, environmental, and economic impact of early-stage companies and VC funds — as the first donor, with funding directly supporting clients in small and island Caribbean countries.



Transforming Jamaica's Queen Conch Industry

A compelling example of our collaboration in the Caribbean is the Jamaica Queen Conch Cluster project. With over US$220,000 in Canadian support, the initiative tackled economic, environmental, and social challenges in the queen conch industry — which directly employs 2,000 people and indirectly supports 7,000 more in Jamaica.

A key result of the project is that it enabled the **Pedro Bank Industrial Dive Fishery** to become the first fishery in the world for wild, hand-caught queen conch to achieve **Marine Stewardship Council (MSC) certification**, a globally recognized standard in sustainable fishing.

The project began with five industrial conch companies and has now **grown to include 11 of the 12 companies in Jamaica's sector**. The cluster developed value-added products, earning praise from chefs and distributors alike.

SOCIAL INCLUSION

Addressing Complex Social Challenges Across Latin America and the Caribbean

Canada and the IDB Group are also collaborating to improve citizen security across Latin America and the Caribbean by investing in at-risk youth to reduce crime and violence, thereby boosting social and economic development.

Advancing Citizen Security

Backed by additional support from Switzerland, Canada and the IDB Group have tangibly improved citizen security, including by:

- Improving regional methodologies for measuring femicide
- Developing more effective criminal justice systems in Peru
- Economically empowering women survivors of violence in Guatemala
- Transforming Colombia's National Police

In Jamaica, an initiative supported by the IDB Group, Canada, and the UK has also improved safety and justice in vulnerable communities.

The program trained over **1,100 students** in **conflict resolution**, successfully mediated 88% of identified conflicts, and **created new jobs** — nearly half of which were filled by women. It also **expanded access to community justice services**, building lasting institutional capacity.

More than 300 professionals were trained, and dozens of vulnerable youth received direct support.

Independent evaluations found that many participants showed measurable improvements in key risk factors, such as **employability, educational attainment, and conflict-resolution skills**.

Socially Integrating Migrant Communities

Migration presents another complex and urgent challenge.

It affects individuals, families, and entire communities — those who migrate, those who receive them, and those left behind. Canada and the **IDB Group** have worked together over the years to support migrant populations and countries of origin and destination.

Over the past three years, **Canada has contributed CA$24 million to the IDB Group** to fund 19 projects. As a result, more than **174,000 migrants in Ecuador and Peru** received social services and nearly 19,000 in Colombia, Ecuador, and Peru accessed economic opportunities.

Canada's support also helped create an **anti-xenophobia toolkit** and scaled community-driven solutions through **IDB Lab's BetterTogether Challenge**, which reached almost **45,000 beneficiaries**.

One such initiative, the **Warao Project**, empowers Indigenous refugees in Brazil through ancestral craftsmanship, turning cultural heritage into sustainable income and resilience. By 2023, it had reached **about 150 artisans**, offering training in product development, entrepreneurship, financial literacy, and digital inclusion.

Canada and the IDB Group are also partnering to promote entrepreneurship and social inclusion by strengthening social-protection systems and empowering women.

Investing in Resilience and Education in Guatemala

Guatemala struggles with extreme vulnerability to natural disasters and low education levels that limit development potential. To change this, **IDB Invest teamed up with Canada to support more than 13,000 Guatemalan youth** by developing the San Cristóbal Green Academic and Sports Campus, in partnership with a local organization, Fundación Montesquieu. The initiative aims to boost university enrollment and graduation rates for Indigenous full-time students as well as for women in science, technology, engineering, and math (STEM) programs, while also supporting scholarships and academic services. The campus will be built with climate-resilient infrastructure.

New campus infrastructure includes:

A SCHOOL FOR

1,400 students

A UNIVERSITY WITH

2,000 seats

(expandable to 10,000)

AN ATHLETIC CAMPUS AND GYM FOR

300 users and student athletes

Strengthening Human Services in Guyana

In Guyana, we are working together to strengthen social protection and empowerment initiatives by enhancing the capacity of the Ministry of Human Services and Social Security, expanding trauma-focused counseling, and establishing a Forensic Interviewing Unit for children affected by violence. The initiative also scales up a learning lab to provide inclusive training for people with disabilities.

Beneficiaries will include:

- **380 women who will receive business grants to start small businesses**
- **1,500 women who will receive increased support against gender-based violence through trauma-focused counseling**
- **850 child survivors of violence, who will receive advanced forensic interviewing services**
- **People from 24 Indigenous communities, who will have greater access to social programs**

Driving Economic Growth by Empowering Women

Together, we are also promoting growth by working to ensure that all segments of society have access to economic opportunities across Latin America and the Caribbean.

Another CA$1 million contribution to the IDB's Gender and Diversity Lab has supported 35 research projects in 12 countries, generated 13 policy briefs, and enabled over 20 knowledge-sharing events, helping shape evidence-based approaches to diversity and inclusion.

Thanks to a
CA$3 million
investment by Canada in IDB Lab's Entrepreneurial Accelerator:

233 women entrepreneurs have received training

↓

45 have graduated

162 are currently enrolled

Want to learn more? Interested in improving lives in Latin America and the Caribbean?

Let's collaborate on joint initiatives to unlock the region's full potential.

Contact us: partnerships@iadb.org

IDB Group

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