



Project-affected People's  
Mechanism (PPM)

# Roadmap of the Project-affected People's Mechanism (PPM) Policy Review

For Policy and Strategy Committee

Dec. 2023



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# 1a. Introduction

- The Policy on Project-affected People's Mechanism (PPM Policy) was adopted on Dec. 7, 2018 and became effective on March 31, 2019.
- As per the PPM Policy:
  - “The Policy shall be reviewed no later than five years from its adoption. The MD-CEIU shall initiate and guide the review. The review shall take into account the views gathered through public consultations, including with Project-affected communities, AIIB Members, clients and other stakeholders” (PPM Policy, Clause 11.4).
- PPM review is due in FY2024.
- The MD-CEIU is initiating the policy review process through the presentation of this Roadmap for endorsement of the Policy and Strategy Committee (PSC).

# 1b. Objective and Elements of the Review

- **Objective**

- To assess the effectiveness of the PPM and make recommendations to the Board of Directors (the Board) for enhancing the PPM's visibility, accessibility, and responsiveness to Project-affected People, and AIIB's accountability.

- **Elements of the Review**

- Survey on the visibility and accessibility of the PPM
- Approach paper on the PPM Review
- External review (to look at the PPM experience so far, lessons learned, best practices)
- Stakeholder consultations (AIIB Members, Clients (sovereign & nonsovereign), implementing agencies, CSOs/NGOs, project-affected communities, operational staff, etc.)
- Interaction with peer IAMs also undergoing policy reviews.
- Consultation with AIIB Management
- Legal inputs from the General Counsel
- PSC and Board guidance, endorsement and policy approval

# 1c. Guiding Principles for the Review

- The MD-CEIU initiates and guides the review.
- Strict focus on the PPM Policy.
- Transparency and disclosure of all relevant documents.
- Inclusive and broad (internal and external) consultative process.
- Build upon institutional experience and learning.
- Clear distinction between findings of the review and potential policy revisions. As per the Rules of Procedure of the Board of Directors, the President, based on the MD-CEIU's proposal, will submit and include in the Board agenda any final recommended revisions of the policy to the Board.
- Improve upon the current policy and further align it with best practices based on lessons learned from the experience of other IAMs.

## 2. Emerging Issues for the Review

- The review will identify the key issues related to the effectiveness of the PPM and make recommendations to address the identified issues as appropriate. Some of the emerging issues and topics, without making any judgement on them, are listed below.
- **PPM Visibility**
  - Information on the PPM in project documents and AIIB website.
  - Project-affected people don't know about AIIB as a financier and the PPM as an IAM.
  - Increased outreach at the grass-roots level.
- **PPM Accessibility**
  - Who can trigger the PPM.
  - Ineligibility of submissions to the PPM in co-financed projects.
  - Direct access to the PPM without prior contact with the project-level grievance redress mechanism (GRM) or Management.
  - Eligibility of issues under arbitral or judicial review.
  - Choice of representation.
- **PPM Effectiveness**
  - Providing recommendations to address non-compliance findings.
  - Monitoring action plans.

# 3. Review Phases and Timeline

Phases	Activities	Key Stakeholders	Timeline
<b>1. Preparatory Work</b>	<ul style="list-style-type: none"> <li>-Survey on the visibility and accessibility of the PPM</li> <li>-Preliminary consultations with CSOs before and during AIIB Annual Meeting</li> <li>-PSC endorsement of the PPM Review Roadmap</li> <li>-Board's discussion on the Approach Paper on the PPM Review</li> <li>-External review</li> </ul>	PSC, AIIB Management, CSOs	Q3, 2023 to Q1, 2024
<b>2. Stakeholder Consultations Phase 1</b>	<ul style="list-style-type: none"> <li>-In-country and virtual consultations               <ul style="list-style-type: none"> <li>-General</li> <li>-Thematic</li> <li>-Focus groups</li> <li>-Public consultation</li> </ul> </li> <li>-Summary report on stakeholder consultations</li> </ul>	Board of Directors, AIIB Management, AIIB Members, Clients (sovereign and nonsovereign), Implementing Agencies, IAMs, CSOs, Project-affected communities, etc.	Q2, 2024 to Q3, 2024
<b>3. Review Findings and Identification of Key Issues</b>	Discussion of the review (identification of key issues and proposed recommendations / revisions) with the Board	Board of Directors, AIIB Management	Q3, 2024
<b>4. Drafting and Phase 2 Consultations</b>	<ul style="list-style-type: none"> <li>-Drafting of PPM Policy revisions</li> <li>-Consultations on the draft PPM Policy revisions</li> </ul>	Board of Directors, AIIB Management, AIIB Members, Clients (sovereign and nonsovereign), Implementing Agencies, IAMs, CSOs, Project-affected communities, etc.	Q4, 2024
<b>5. Board Submission</b>	Consideration of the final draft policy revisions by the Board for approval	Board of Directors	Q1, 2025
<b>6. Implementation</b>	<ul style="list-style-type: none"> <li>-Adjustments in PPM-related documents, website, templates, etc.</li> <li>-Outreach activities</li> </ul>	AIIB Management, AIIB Members, Clients (sovereign and nonsovereign), Implementing Agencies, CSOs, Project-affected communities, etc.	Q1, 2025 Onwards

# 4. Stakeholder Consultations

- Stakeholder consultations will be inclusive and broad-based.
- Consultations will aim to engage AIIB Members, Clients (sovereign & nonsovereign), civil society, project-affected communities and AIIB operational staff.
- Both in-country and virtual consultations will be carried out for regional and non-regional members.
- A separate page in AIIB website and dedicated email address will be created to solicit feedback / written comments.
- Key documents will be translated in various languages.
- A summary report on stakeholder consultations will be issued.
- The following consultations will be conducted:
  - General consultations focused on the review process and high-level issues.
    - Virtual (2-3)
    - In-country (2-3)
  - Thematic consultations focused on specific issues that may arise during the general consultations (e.g., visibility, accessibility, effectiveness, etc.)
    - Virtual (2-3)
    - In-country (2-3)
  - Focus group discussions with interest groups in specific areas highlighted during thematic consultations.
    - Virtual (2-3)
  - Public consultation – through solicitation of written comments on existing policy and revised draft policy.



# 5. Board and Management Engagement

- PSC’s endorsement of the Roadmap of the PPM Review in Dec. 2023.
- Board’s discussion of the detailed Approach Paper of the Review, including its process and timeline, in March 2024.
- Update the Board on the Review (findings, identification of key issues and proposed recommendations / revisions) during the Board Retreat in Sept. 2024.
- Key proposed revisions for discussion with the Board in Dec. 2024.
- Board’s consideration of PPM Policy revisions for approval in March 2025.
- CEIU will regularly engage with the Management throughout the review process.

PSC’s endorsement of the Roadmap  
• Dec. 2023

Update the Board on Review Findings  
• Sept. 2024

Board’s consideration of PPM Policy revisions for approval  
• March 2025

Regular Engagement with Management

Board’s discussion of the Approach Paper  
• March 2024

Discussion with the Board on key revisions  
• Dec. 2024

Implementation  
• Q1, 2025 Onwards



# Annex: Resources

- Policy Review Lead Consultant
- Stakeholders Engagement Consultant
- Expert for External Review
- Other consultants as needed



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