Project-affected People’s Mechanism (PPM) Policy Review

Stakeholder Engagement Plan

**Objective and Principles**

AIIB has 109 approved members worldwide. As of mid-January 2024, AIIB has approved 253 projects amounting to USD50.67 billion in 36 members. These investments are in a wide range of sectors including energy, transport, water, urban, digital infrastructure, education infrastructure, rural infrastructure and agriculture development, economic resilience, public health and finance/liquidity. 60 percent of these financings are sovereign and 40 percent nonsovereign. Given AIIB’s young but rapidly growing portfolio across several members, regions and sectors, AIIB recognizes the wide range of stakeholders interested in the PPM Review and update.

Stakeholder consultations will help AIIB cater to a wide range of concerns and needs of our diverse stakeholders with some interest in AIIB-financed operations; generate insights that contribute to shaping an improved mechanism that enhances independent accountability on AIIB-financed projects; identify potential risks and challenges; build understanding and trust among various constituencies with which the Bank must interact; and align with international norms regarding consultation on MDB policies.

Key objective of the Stakeholder Engagement Plan (SEP) is to spell out the stakeholder consultation process, approach, timeline for format during the PPM Review. The SEP will adhere to the following principles:

* Consultations will be inclusive and broad-based.
* Consultations will be conducted in a transparent and meaningful manner.
* Consultations will aim to solicit candid feedback in a safe environment from all key stakeholders, including AIIB Members, Clients (sovereign & non sovereign), civil society, project-affected communities and AIIB operational staff.

PPM commits to provide that a meaningful PPM Review consultation process will be conducted, including sharing information in a timely and transparent manner, and seeking open inputs and feedback from stakeholders throughout the entirety of the review process. This includes seeking inputs from stakeholders from different perspectives and various backgrounds. The review entails a series of internal and external consultations, which will continue until the PPM review is finalized. The process builds on the survey and preliminary consultations conducted in September 2023 during the AIIB Annual Meetings in Egypt.

The SEP adopts an inclusive and transparent consultation process to solicit feedback from AIIB members, AIIB clients, private sector, CSOs, project affected communities, internal stakeholders, IAMs and other stakeholders that may be identified in the course of the review.

**Stakeholders Map**

Stakeholders are persons, groups, communities, organizations or institutions with a vested interest, or stake, in the AIIB, PPM, and/or client activities. They may be affected by AIIB-financed projects or decisions or have direct or indirect influence on its projects and activities. PPM recognizes the wide range of stakeholders interested in the PPM review and update. Stakeholders are internal or external. For the purpose of PPM Review, AIIB Stakeholders are categorized into following groups:

1. AIIB Members
   1. Regional Members
   2. Non-regional Members
2. AIIB Clients
   1. Sovereign Clients
   2. Nonsovereign Clients
3. Civil Society Organizations or Non-Governmental Organizations (NGOs)
   1. International CSOs
   2. Local CSOs
4. Project-affected Communities
5. Independent Accountability Mechanisms (IAMs)
6. Internal Stakeholders
   1. Board of Directors
   2. Management
   3. Project Teams
   4. Non-operations departments

**Phases and Timeline of Consultations**

Consultations will be conducted in two phases:

**Phase 1a – Call for Comments on the Existing PPM Policy (January – July 2024):** During this phase, PPM will invite written comments on the existing PPM Policy.

**Phase 1b – In-Country and Virtual Consultations (April – September 2024):** During this phase, PPM will conduct in-country and virtual consultations with stakeholders. The following consultations are envisaged:

* **General consultations** focused on the review process and high-level issues [virtual and in-country (2-3)].
* **Thematic consultations** focused on specific issues that may arise during the general consultations (e.g., visibility, accessibility, effectiveness, etc.) [virtual and in-country (2-3)].
* **Focus group discussions** with interest groups in specific areas highlighted during thematic consultations [virtual (2-3)].

Since in-country consultations cannot be conducted in all AIIB members, PPM is planning to conduct in-country consultations possibly in the following countries:

* China
* India
* Pakistan/Bangladesh
* Indonesia/Turkey
* Uzbekistan
* Brazil

These countries are selected based on size of AIIB portfolio and regional diversity. This does not limit possible virtual consultations with other AIIB members. For in-country consultations, PPM will engage with relevant authorities in identified countries and agree on a feasible timeline, keeping in view the travel logistics, venue preparation, etc. PPM will keep an element of flexibility in the list of countries and timeline for in-country consultations to cater for unforeseen circumstances.

**Phase 2: Consultations on the Revised Draft Policy (December 2024 – January 2025):** A draft of the revised policy will be disclosed on the PPM Review webpage for a period of two months for stakeholder feedback. Revisions on the draft policy based on inputs from the consultations will be posted on the webpage. The final revised PPM Policy which reflects inputs and feedback will be disclosed on the webpage upon approval by the Board.

**Organization of Consultation Activities**

PPM has established a webpage dedicated for the [PPM Review](https://www.aiib.org/en/how-we-work/public-consultations/project-affected-people-mechanism-policy-review/index.html). This webpage serves as the primary information channel of the PPM Review. All details about the review process and major updates will be available on the webpage in a timely manner, including key documents, information materials and summaries of consultations. Key materials in translated versions will be made available as well. The official email addressppmreview@aiib.org serves as another distribution channel for major updates and announcements to stakeholders, while also functioning as a receiving channel for feedback on the PPM Review process. Stakeholders will be able to send their written comments to PPM by email, filling an online form or by sending physical mail to AIIB HQ address.

The schedule of all engagement activities will be advertised in the PPM Review webpage. English is the main language used in consultations for the PPM review, but real-time interpreters can be made available to increase access and maximum participation of all interested stakeholders. Some consultation materials will also be translated into other languages as needed. A summary report on stakeholder consultations will be issued on the PPM Review webpage.

**Table: Indicative Consultations Schedule**

|  |  |  |
| --- | --- | --- |
| **Consultation Phase** | **Activities** | **Indicative Schedule** |
| **Phase 1a: Public Consultations** | Public consultation through the PPM review webpage and other social media platforms | January - July 2024 |
| **Phase 1b: In-Country and Virtual Consultations** | -Generalconsultations focused on the review process and high-level issues [virtual and in-country (2-3)].  -Thematic consultations focused on specific issues that may arise during the general consultations (e.g., visibility, accessibility, effectiveness, etc.) [virtual and in-country (2-3)].  -Focus group discussions with interest groups in specific areas highlighted during thematic consultations [virtual (2-3)]. | April - September 2024 |
| **Phase 2: Consultations on the Revised Draft Policy** | Written feedback from the stakeholders on the revised draft policy before its finalization and submission to the Board for approval. | December 2024 - January 2025 |