

**Re: Critical Concerns on the Occasion of
AIIB's Annual Meeting 2023
26th September 2023**

To:

**Mr. Jin Liqun, President Asian Infrastructure Investment Bank (AIIB)
Mr. Ludger Schuknecht, V.P. and Corporate Secretary, AIIB
Danny Alexander, V.P., Policy and Strategy, AIIB
AIIB Board of Directors**

-Via Email -

In the midst of this year's AIIB Annual Meeting, we are writing collectively – as civil society groups representing constituencies across the AIIB's regional and non-regional membership. We acknowledge the effort taken by AIIB to convene a face-to-face Annual Meeting and appreciate the Bank's intention to invite civil society organizations to attend formally. Nevertheless, participation in this year's Annual Meeting in Sharm el Sheikh has been challenging, especially for civil society groups and affected communities from South, Southeast, West, and Central Asia as well as from Latin America. Visa processes are typically long and cumbersome, requiring AIIB's direct intervention to secure the necessary documents to arrange flights to Egypt. Going forward, we hope AIIB Management will facilitate expedited visa processes for civil society participants registering for forthcoming Annual Meetings, helping to ensure timely and effective participation.

In the lead up, during and after this year's Annual Meeting, we have – and will – continue to engage with the AIIB's management, staff, and Board on policy and project related issues, explicitly bringing forward urgent and real implications that require institutional attention, transparency, and accountability. However, at the time of writing, as the AIIB has yet to bring on board a new Head of Communications, there remains a serious institutional gap in the Bank's day-to-day engagement and communication with civil society and external stakeholders.

The AIIB remains behind other multilateral development banks in its Annual Meeting civil society engagement, including in comparison to ADB, WB, EBRD, GCF, and others. It has been seven years since the first AIIB Annual Meeting in Beijing, and we as civil society still need meaningful space (panel discussions organized and moderated by civil society) to discuss key issues around projects, strategies, and policies. The yearly CSO - Management session in the official program has been reduced to a checklist agenda item instead of offering time for project and policy-related concerns and questions to be raised, discussed, and responded to. For example, we have repeatedly

raised project-affected community issues, such as the concerns regarding the impacts of the 220 MW Bhola IPP, the Bangalore Metro Rail, and other projects in the CSO - Management session. Yet, as we have seen in the case of the Bhola IPP complaints eligibility assessment, the CEIU and PPM have deemed issues raised during the CSO - Management engagement session (the only formal institutionalized channel for civil society to raise issues to AIIB management) not to be considered as 'good faith efforts' in reaching AIIB management. We also have submitted formal letters during Annual Meetings in previous years which have not received a response other than simply being acknowledged, leading us to further question the purpose and function of these engagements. Seven years on, we continue to be told by responsible Bank personnel that the Bank is 'new,' still in a 'learning phase,' 'listening' but stretched in terms of staff – none of which are encouraging responses from an established multilateral development bank with a global membership.

Nevertheless, we appreciate that AIIB President Jin Liqun took the time to sit with civil society during the World Bank Spring meeting, where some issues could be discussed at length with management. We hope to continue exploring meaningful communication channels with his office as and when his schedule permits.

During this year's AIIB Annual Meeting, we will be highlighting the following key issues –

- **The Expanded Use of the "Accountability Framework" (AF)**

As a framework that allows the President to fast-track approval of projects below a threshold of USD 300 million for sovereign-backed projects or guarantees, USD 150 million for non-sovereign projects, and USD 35 million for equity investments outside of board oversight, this raises deep concerns over the validity of risk assessments, as well as questions of transparency and accountability. Specifically, for instance, there remains a lack of clarity on the extent to which environmental, social, climate, and cumulative risk assessments are being bypassed. We also understand that some AIIB Board members do not know how it is used and when they can recall the process. Nor are projects demarcated on the AIIB's website when approvals are made in this manner – both before the decision process and post-approval. We remain aware of and concerned by the fact that the thresholds for approval may increase in the future. In the immediate term, we urge the AIIB to institutionalize practices to ensure more transparency and ensure timely access to information on instances when the AF is being used, as well as clear, logical rationales. However, in the long term, we urge the Board and Management to entirely reconsider this framework as one that has no place in an institution that upholds values of multilateralism, due diligence, and transparency.

- **PPM Review**

Per the Project-Affected People's Mechanism, 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's Members, clients, and other stakeholders (para. 11.4)." As the policy was approved in December 2018, we understand the PPM review will be getting underway this year.

Given this and our past experience in drafting the said PPM, we reiterate our demands to ensure a meaningful, inclusive, and gender-sensitive PPM review, including the following:

- AIIB's Complaints Evaluation Integrity Unit (CEIU) should embark on an evaluation of lessons learned over the past years as to the effectiveness (or lack thereof) of the PPM since its adoption. To date, there have only been two complaints (or requests) that have been submitted to PPM, both of which were deemed to be ineligible. This poses grave concerns as to the accessibility of the policy itself in addressing concerns of communities that AIIB-financed projects might have potentially harmed.
- Specifically in relation to the consultation process:
 - The AIIB should release an approach paper for the upcoming PPM review process detailing the clear process of how the consultation will be conducted, the evaluation study, and the clear process on how input collected will be used and integrated into the updated PPM. This approach paper should be shared publicly for comment at least 60 days before the consultation.
 - The consultation process should include hybrid options for in-person and virtual consultations. In-person country and/or regional consultations should be prioritized in the countries with significant AIIB lending portfolios. Online consultations should *not* be conducted using a webinar format as this limits the space for an open, inclusive, and meaningful dialogue, instead being in a meeting format.
 - Using English as the sole means of communication in these consultations will fail to reach the target CSOs and communities seeking a remedy. CEIU should ensure that consultations at a regional and national level in English are offered in national or other languages.
 - The consultation process should be undertaken over a minimum of between 6 - 10 months.
 - CEIU should ensure that all consultations are conducted in an accessible, impartial, and culturally appropriate way, which enables the most

- vulnerable and marginalized populations to participate and provide input in an informed manner actively.
- CEIU should provide the necessary budget requirements for the conduct of the consultation process.
 - CEIU should allow participants to contribute anonymously in countries where the risk of reprisals and repercussions for critiquing the government exists. CEIU should ensure that the consultations will be undertaken in an environment free of any threat or intimidation.

Specific Project-Related Concerns and Grievances

A. Mandalika Urban Development and Tourism Project | Indonesia

- Ongoing human rights violations continue at the Mandalika Urban Development and Tourism Project in Indonesia, where there is heavy military and police presence. Over the past three years, United Nations Special Rapporteurs have repeatedly issued statements to bring attention to the situation, including militarisation, evictions and lack of freedom of expression (See for example: “[Indonesia: UN experts alarmed by reports of increased militarisation and intimidation around Mandalika project](#)”)
- From the outset, the project developer failed to obtain free, prior, and informed consent (FPIC) from affected communities both before construction began and during construction, leading to violations of peoples’ rights, including dispossession of land and livelihoods, as well as ecological destruction.
- The Bank has been consistently called upon to suspend funding and launch an independent investigation into alleged human rights violations. Nevertheless, the AIIB has yet to take any decisive action to address the range of severe grievances such as forced resettlement and restrictions on residents’ movements.

B. Rogun Hydropower Development Project | Tajikistan

- The proposed 3600 MW Rogun Hydropower Dam in Tajikistan is under development in a highly seismic area along the transboundary Amu-Darya River, with no appropriate built-in mechanism for responding to cross-border impacts downstream in Uzbekistan, including if ever there were to be a dam breach. It is also associated with rights violations of those who have already been required to relocate to make way for the project, and is expected to have further devastating impacts on the livelihoods of those who still reside along the river as well as on local ecologies. In addition, it will inevitably lead to heightened geopolitical tensions given the implications for

transboundary water access and raises the spectre of a heavy debt burden for Tajikistan. With construction beginning in 2016, reservoir filling is only expected to be completed in 2033. Already, in 2019, local people reported a crack in the structure, which was attributed to use of poor quality construction materials. (See: [Business and Human Rights Resource Center](#), 2022). Despite these risks, the AIIB already provided a preparatory grant of USD 5 million for the project in early 2023. We collectively urge the AIIB not to proceed with any further financing of this economically, environmentally and socially disastrous project.

C. COVID-19 Microfinance Facilities (PRASAC and ACLEDA) | Cambodia

- In early 2022, two separate financial intermediary investments in Cambodia's Microfinance and Micro, Small and Medium Enterprises (MSME) loan market were approved by the AIIB Board despite serious concerns of widespread and systematic predatory lending and abusive collection practices, including associated with the two identified recipient institutions, PRASAC Microfinance Institution and ACLEDA Bank. With an oversaturated microfinance landscape, alongside inadequate consumer protection frameworks and unethical lending practices, commonly documented violations include forceful land dispossession and Indigenous Peoples' loss of access to ancestral domains through improperly issued land titles used as collateral in debt-driven land sales.
- Although AIIB's Environmental and Social Framework applies to financial intermediaries, in the context of MFIs and MSME lending markets, it fails to adequately address problems within those management systems, including the predatory lending and abusive collection practices. Accordingly, urgent reform of the AIIB's Environmental and Social Framework is needed to address deficiencies in due diligence, project and client management, and the absence of effective mechanisms for community complaints and accountability, applicable to the entire scope of financial intermediary institutions and facilities. Without addressing these concerns promptly, AIIB's additional investments could exacerbate harm to the poorest and most vulnerable communities, including in Cambodia, where marginalized communities can no longer endure the consequences of unethical practices perpetrated by microfinance lending institutions.
- As the AIIB Management is aware, a [complaint](#) was filed with the IFC's Compliance Advisor Ombudsman in relation to the practices of six banks and microfinance institutions (MFIs), including ACLEDA and PRASAC, due to harms inflicted by predatory and deceptive lending practices. Compliance investigation is ongoing. In addition, the Netherlands' OECD National Contact Point is pursuing further assessment of allegations that the Dutch-based

investor Oikocredit is in violation of the OECD Guidelines for Multinational Enterprises due to its role in providing financing for three Cambodian MFIs, including PRASAC, and resulting contribution to perpetrating human rights abuses connected to predatory lending practices (See: [“Initial Assessment NGOs vs Oikocredit”](#)). We trust the AIIB management and project officers are closely observing these processes and urge them to not only be willing to also address grievances if/when they arise but also to commit to no further approval of any additional financing flows to Cambodia’s MFIs and MSME loan market.

D. Bangalore Metro Rail Project-Line 6 | India

- In November 2019, the Technical Training Centre for the Deaf (TTCD) in Bangalore was demolished to make way for Line R6. The plans to close and demolish the school without practical alternative options in place meant that from 2018 onwards, 43 students faced an abrupt end to their progress towards Industrial Training Institute certification and eventual job placement. As most of them belong to socially and financially marginalized families, the job opportunities they could have pursued after the two year program were considered as a key to greater financial security and a dignified future. In effect, then, the students have fallen through the cracks created by this project, as from the outset there was no practical social impact assessment conducted and a complete disregard for safeguard standards. Over two years ago, this situation was brought to the attention of the AIIB as well as the EIB, as co-financier, in order for both Banks to duly step in and address the safeguard violations accordingly. However, to date, no concrete action has been taken by the AIIB.
- Nearly three years since the demolition of the Training Centre, there has been no resolution reached to adequately address the rehabilitation needs of these students. Among the demands being advanced by the students, their families and allied civil society organizations, is the call for redress and reparations, including specifically for dignified jobs and compensation for the time lost, harm done as well as mental and emotional anguish experienced. It remains an open question whether the AIIB is prepared to take due responsibility.

E. Unique Meghnaghat LNG Power Plant | Bangladesh

- C. This 584 MW combined cycle fossil gas project, designed to use regasified LNG, is associated with a highly problematic land acquisition process, as land was usurped from people across three villages who were paid at rates which were below accepted market prices, and even undercut those outlined under Bangladesh’s 2017 Acquisition and Requisition of Immovable Property (ARIP) Act. In addition, over the course of developing the project, sand piles have been deposited on local agricultural fields, and lands used for livestock grazing have been taken over without any compensation being provided to people. In

addition, the plant's boundary wall along Meghna River has meant people can no longer continue to fish there as they have for generations or use the water for daily necessities. Taken together, these impacts have caused a severe deterioration in the quality of life of local people, specifically due to loss of access to land and waters relied upon for day to day survival.

- D. Furthermore, sustained availability of gas for the power plant remains questionable, as Bangladesh needs to import all the LNG it requires, purchased on the spot market, which is subject to high price volatility as well as availability. Meanwhile, although the project is claimed to be designed as 'hydrogen-ready' (i.e. in preparation for future options to use hydrogen as a fuel), Bangladesh has no such hydrogen plant or source developed yet, or planned in the foreseeable future. In addition, concerningly, realistic emissions calculations demonstrate that the greenhouse gases emitted by this project alone is expected to be higher than any other ever built in Bangladesh.

F. Bhola IPP | Bangladesh

- Last year, communities affected by this 220 MW combined cycle gas turbine project officially filed a complaint under the AIIB's Project Affected Peoples' Mechanism, outlining key concerns including: (i) coercion and intimidation faced by local communities, (ii) land acquisition practices in violation of national laws (including grabbing of lands relied upon by communities without payment), (iii) siltation of the local canal due to negligent construction practices, and (iv) loss of ability to use land for farming, grazing of livestock, and for household purposes due to water-logging, effluent and waste discharged into surrounding areas.
- Subsequently, in February 2023, the then Managing Director of the PPM responded formally, dismissing the case on the grounds that "the PPM finds that the Requestors did not make good-faith efforts as required under the PPM Policy Clause 5.1.8 to raise their concerns with AIIB Management or to satisfactorily explain why they were unable to do so." As explained in correspondence dated May 2023 to the current Managing Director of the PPM, several engagements with AIIB management and the project site management took place between mid-2018 until late 2022. We continue to urge the PPM to reassess the injustices suffered as well as the complaint at hand, and take all steps required to ensure justice still due to the communities is no longer delayed.
- Although existing project financing provided by AIIB was replaced in mid-2022 by commercial bank debt provided by a syndicate of multinational banks, it is still incumbent upon the AIIB to address the complaints' concerns and provide

urgent redress. We reiterate the assertion that the closure of financing arrangements for the project does not exempt the AIIB from addressing the harm that it had already caused to the communities.

G. Rural Water, Sanitation and Hygiene for Human Capital Development Project | Bangladesh

- E. This Rural Water, Sanitation and Hygiene Project, co-financed by AIIB and the World Bank, is situated in a drought prone area, and considered by local civil society groups to be contributing towards undermining – rather than fulfilling – peoples’ rights to affordable, accessible, clean water sources. Specifically, it will require the extraction of groundwater through large and small-scale water piping schemes, and as a result is expected to exacerbate desertification in the area and reduce accessibility for communities that are already struggling to meet their daily needs. The infrastructure being developed as part of this project has also led to local families being concerned for their very survival due to possible forceful eviction from their homes. However, to date, people remain unaware of any effective, accessible grievance redress mechanism channels that exist for them to use to have problems that arise – including any violations of their rights to housing, water and livelihood – meaningfully addressed. One of the implementing agencies, Palli Karma-Sahayak Foundation (PKSF), is tasked with disbursing MFI loans to local people identified as water and sanitation ‘entrepreneurs’ as well as loans for people to build water and sanitation servicing facilities. However, the costs of dependency on MFIs is being borne by local people who are becoming caught in increasing levels of indebtedness.

- F. A further component of this project that has raised concern among civil society organizations is the support being provided for drafting a new National Strategy for Water Supply and Sanitation, and the likelihood it would lead to privatization of the water sector (risking increased challenges to hold service providers accountable to meet the needs of the public as rightsholders, especially in terms of quality, accessibility and affordability, as well as lower labor and health and safety standards in sector workplaces).

Concerns over AIIB’s Growing Use of FI Modalities and Capital Market Financing

Over the past year, the AIIB has scaled up the number of loans issued through financial intermediaries and capital market investments. Without transparency regarding which subprojects are being supported, it’s unclear how affected communities and allied civil society groups would even be aware of AIIB’s role as a financier. It also needs to be clarified how AIIB, as an institution, is duly taking the required steps to ensure projects align with its policies and frameworks with periodic on-site monitoring. Specific concerns include the following:

- **Inconsistencies in disclosure between AIIB and financial intermediary clients' websites**
 - There remain issues with portfolio disclosures, environmental and social policies, and grievance redress mechanisms, with only a small fraction of projects having monitoring reports, and many links to client websites that require fixing/review. This lack of transparency hinders access to information and accountability, requiring a proactive response from the AIIB.
 - **Questionable application of AIIB's Environmental and Social Framework**
 - Although revisions to the AIIB's Environmental and Social framework have led to greater policy related application to FIs, there remains a significant disclosure gap on the practical side, leading to severe restrictions on access to remedy for those affected by subprojects and a lack of accountability.
 - **Lack of requirements related to project-level Grievance Redress Mechanisms**
 - While some financial intermediaries have mechanisms for addressing grievances, the AIIB must consistently inform people about these mechanisms. The reality is that this lack of information creates an additional barrier for civil society groups and communities to communicate concerns or file complaints.
 - **Lack of Disclosure and Transparency**
 - Disclosure of FI portfolios should be applied without exception, consistently and rigorously, with limited redaction. Notably, while private equity funds are required to disclose where financing is flowing, other intermediary facilities/institutions are not.
 - Investments in capital markets, particularly in corporate bonds and securitized loans remain opaque. The current lack of information being disclosed makes it nearly impossible for rightsholders to raise questions, understand where funds are flowing or respond in any meaningful way. A much greater degree of disclosure of information about these investments is required, if there is to be accountability towards both those impacted by the developments resulting from the financial flows as well as the broader public, including AIIB's own shareholders.

Updated Energy Sector Strategy

Over the past ten months of the Bank's Energy Sector Strategy Update being applied in practice, community-based groups and civil society organizations have witnessed how the provisions are being used to legitimize the bankrolling of large-scale resource-

intensive energy projects and opaque FI subprojects promoted in the name of energy transition. Specifically, the provisions uncritically assume that continued expansion of gas power projects and liquefied natural gas (LNG) are necessary to meet a 'growing demand,' promoting obsolete claims that such developments could serve the needs for 'transition' and suggesting that coal-to-gas switching can be part of an effective effort towards 'reducing pollution.' This predisposition towards gas financing is not just in policy but evidenced by the fast-tracked sealing of loan agreements amounting to USD 110 million for the Unique Meghnaghat IPP in Bangladesh and USD 268 million for the 1,560MW Surkhandarya gas-fired combined-cycle gas turbine in Uzbekistan. Amid the undeniable havoc brought on by climatic heating and ever-nearing tipping points, it is long overdue for the AIIB to deal with the realities of what the times demand of it - to urgently shift gears towards a rapid phase-out - not expansion - of its current gas portfolio with no exception, supporting members in managed - but direct and rapid - powering down of fossil fuel assets.

In relation to hydropower, the updated Energy Sector Strategy language enables support for "multi-purpose, storage reservoir-based, run-of-river and pumped storage hydropower investments" that can be "of different scales" as long as it's "technically, economically and financially viable and environmentally and socially sound." Notably, the latter qualifier remains left to interpretation, which would be very different from the perspective of those whose livelihoods, cultures, and identities are intertwined with the existence of rivers proposed to be dammed and who will be forced to make way for such projects as compared to those in the office towers in capital cities where market fluctuations are viewed online, and business deals are brokered. Meanwhile, there is no proviso for how legacy social and environmental harms will be resolved in cases when AIIB proposes and approves re-financing hydropower projects or support for projects where coerced resettlement has already occurred, such as the case of the Dakdrinh dam in Vietnam, the Xekaman Dams in Lao PDR and the Rogun Dam in Tajikistan. In this regard, we note with particular alarm that the latter two projects are sited on transboundary watersheds. The AIIB has no institutional procedures developed to support remedy, resolve grievances, or address other emerging issues when projects have impacts in multiple countries. Before approving more hydropower projects, we urge the AIIB management and Board to take stock of the actual human and ecological toll, taking the opportunity to acknowledge that less damaging energy generation options exist and that any decision to refurbish or expand existing projects must be weighed carefully against the option of decommissioning.

We also note that AIIB's increasing portfolio of large-scale renewable energy projects requires a clear precautionary approach, one which also excludes consideration of waste to energy, refuse-derived fuels, biomass, hydrogen, and ammonia as viable energy solutions in light of the associated environmental, climate, economic and social harms.

Finally, in recent months, we have also seen an increase in non-regional energy projects being advanced, including through additional FI loans, without any expansion of effort to be transparent, accountable, and engage with civil society as well as project-affected people in appropriate languages or publish corresponding materials in the required regional languages.

Concerns Re: AIIB's Paris Agreement Alignment Methodology and Climate Action Plan

We also take this opportunity to articulate serious concerns with the AIIB's new Paris Alignment Methodology, specifically in relation to its lack of evidence based rigour and failure to support a trajectory towards limiting global heating as close as possible to 1.5C. An urgent overhaul is needed to withdraw criteria and guidance that promotes further investments in fossil gas as well as speculative technologies which serve to prolong the life of fossil fuel projects, such as carbon capture and utilization schemes, along with unverified arguments against renewable energy. In addition, the suggestion that large scale hydropower projects are "automatically PA aligned ... if corresponding GHG emissions are confirmed to be negligible," requires a re-write based on documented findings related to lifecycle emissions associated with hydropower as well as accounting for ecological and social impacts. In this regard, it's important to note the reality that there is a large pulse of methane emissions typically associated with the initial 10-20 years of dam operations, which coincides with the precise limited window of time we have to minimize greenhouse gas emissions and avoid overshooting 1.5C. Furthermore, greenhouse gas emissions that result over the years from the eutrophication of dam reservoirs, from turbine degassing, and during the decommissioning phase all require consideration. This implies that any support for a build-out of hydropower at this time would decisively contribute to undermining the recommendations of the Intergovernmental Panel on Climate Change (Assessment Report 6) and the concerted global effort to comply with provisions of the Paris Agreement. The serious social and environmental havoc wreaked by the development of hydropower projects also undermine both peoples' and ecosystem resilience to climate change.

In addition, urgent revisions of the methodology are needed in relation to the references to Waste-to-Energy Projects (WTE), which should in no case be considered aligned with a 1.5C pathway, being neither environmentally, economically or socially sound nor sustainable. Incinerator ash contains persistent organic pollutants (POPs), requiring handling and disposal as hazardous waste, not as 'recyclables' as suggested in the AIIB methodology. Similarly, effluent and emissions are also toxic (containing for example, residues of heavy metals, dioxins, furans, and polyfluoroalkyl substances among others) causing corresponding airborne, water and land contamination. As a result, WTE projects undermine local, national and global efforts towards climate

resilience, adaptation and mitigation, instead exacerbating harm, damage and losses of local livelihoods.

In relation to the AIIB's response to the climate crisis, we note that the Bank's first Climate Action Plan was released during this year's Annual Meeting. While we appreciate the words of AIIB President Jin Liqun featured in the Plan's *Foreword*, providing assurances that it is a "living framework that can and will need to be finetuned and adapted," glaringly, there is no explanation in the document to indicate when it will be formally opened up for public review, input and revisions.

As the it stands, we are highly alarmed by the key assumptions and priorities underpinning the Plan, including:

- i. the commodification of commons – as for example in the suggestions to “establish nature and biodiversity as an impactful asset class” and proposing “financing high integrity forest protection initiatives linked to carbon markets” (pg 21),
- ii. “developing the right conditions for greater private climate financing” (pg 3)– leading to the conclusion that the “primary focus [of the Bank] will be on providing solutions to de-risk private financing”(pg 25)--meaning the burden and risks will be borne by the public sector, and
- iii. investments in technofixes, illustrated by the Plan's claim that the “climate challenge can only be addressed with increased technological innovation” (pg 3).

On the contrary, to be fit for the purpose of providing support for infrastructure that would avert overshooting heating thresholds of 1.5C, a credible plan would require AIIB to ensure its direct and indirect financing is targeted towards enabling – not detailing – an urgent, managed phasing out of dependency on fossil fuels in regional and non-regional member countries, while staying away from promoting false solutions that would exacerbate environmental and social harms or sovereign indebtedness. Examples of such maladaptive distractions that should be explicitly avoided include any support for Carbon Capture and Storage (CCS)/carbon capture, use and storage (CCUS), CCS with bioenergy (BECCS) or experimental direct air carbon capture and storage (DACCS), as well as piloting of fuel switching/blending reliant on so-called 'clean' [potentially fossil gas derived] hydrogen, ammonia, biomass or refuse derived fuels.

In addition, debt for nature swaps – which are generally associated with burdensome conditionalities and subject to lengthy, technocratic negotiations – and dependency on so-called 'nature based solutions' (such as carbon credit schemes which rely on the acquisition of vast expanses of land) – which typically lack transparency, fail to seek or obtain the free, prior and informed consent of land users, and subject land,

territories, watersheds and coastal areas to commodification – can only be expected to exacerbate the marginalization of affected and climate vulnerable communities as well as the risk of further dispossession.

A Climate Action Plan fit for purpose would be grounded in rights-based praxis, upholding transparency and accountability, while also requiring proactive efforts on the part of the AIIB to provide redress in cases where the institution has been complicit in exacerbating climate risks and harm, including past and current fossil fuel dependent projects.

With these considerations in mind, we look forward to hearing an identified timeline for its update, in line with emerging climate science and lived impacts.

Though the above list of concerns and considerations is non-exhaustive, we are enumerating them in writing in the hopes that this year, AIIB management will take the time to respond, either in matrix or paragraph form, to each of the issues raised in turn.

We look forward to receiving such information.

Sincerely,

Rayyan Hassan, Executive Director

NGO Forum on ADB

Endorsed by the following organizations:

350 Asia, Regional

350 Pilipinas, Philippines

Accountability Counsel, Global

Africa Network for Environment and Economic Justice(ANEEJ), Nigeria

Aksi! for gender, social and ecological justice, Indonesia

Asian Peoples' Movement on Debt and Development (APMDD), Regional

Bangladesh Working Group on External Debt (BWGED), Bangladesh

BRICS Feminist Watch, Global

Center for Energy, Ecology, and Development (CEED), Philippines

Centre for Human Rights and Development, Mongolia

Coastal Livelihood and Environmental Action Network (CLEAN), Bangladesh

Conseil Régional des Organisations non gouvernementales de développement, DR

Congo
DamSense, USA
Environics Trust, India
Freedom from Debt Coalition (FDC), Philippines
Friends with Environment in Development, Uganda
FUNDEPS, Argentina
GAIA Asia Pacific, Regional
Gender Action, Global
Green Advocates International, Liberia
Growthwatch, India
Indian Social Action Forum (INSAF), India
Indus Consortium, Pakistan
Latinoamérica Sustentable, Ecuador
Legal Rights and Natural Resources Center, Philippines
Lumière Synergie pour le Développement, Senegal
Nash Vek PF, Kyrgyzstan
Oil Workers' Rights Protection Organization Public Union, Azerbaijan,
ONG FIMA, Chile
Oyu Tolgoi Watch, Mongolia
Pakaid, Pakistan
Pakistan Fisherfolk Forum (PFF), Pakistan
Participatory Research & Action Network (PRAAN), Bangladesh
Peace Point Development Foundation (PPDF), Nigeria
Recourse, The Netherlands
Rivers without Boundaries Coalition, Mongolia
Rivers without Boundaries PF, Kazakhstan
Sustentarse, Chile
The Indonesian Forum for Environment (WALHI), Indonesia
Trend Asia, Indonesia
urgewald, Germany
VOICE, Bangladesh
WomanHealth Philippines, Philippines