

Mr. Rayyan Hassan
Executive Director
NGO Forum on ADB

Dear Mr. Hassan,

We have received your email of February 19, 2020 requesting an extension of Phase 1 of AIIB's Environmental and Social Framework (ESF) Review consultation.

Independently, our ESF Review Team has been reviewing the schedule in light of challenges caused by the ongoing coronavirus situation, and we have decided to extend the deadline for submission of comments during Phase 1 to Friday, March 20, 2020.

We take note of your request for more information regarding the methodology to be applied to the ESF Review. As you point out, AIIB's experience in applying the ESF since it began financing operations in 2016 is still quite limited. For this reason, the current ESF Review is intended to be a targeted review, drawing on this limited experience; a comprehensive revision of the ESF is not proposed.

Instead, the objective is to update and improve the current ESF, including the Environmental and Social Policy (ESP), to reflect lessons learned from AIIB's early experience with application of the ESP to its operations, in undertaking due diligence and project implementation oversight. Consequently, the ESF Review Team anticipates updating the ESF's Vision statement and ESP to reflect new developments and to improve clarity, while ensuring that the ESF remains a concise document.

During the consultation period, we are soliciting a broad range of feedback, from our Board of Directors, representatives of our Member Countries, development partners, selected clients and project-affected people, as well as civil society organizations such as those you represent. In parallel, the ESF Review Team is conducting a Portfolio Review of AIIB-financed projects to identify lessons learned.

The ESF Review Team will study the comments received by the new deadline, and reflect on the interim results of the Portfolio Review. These matters will be discussed with AIIB's Board of Directors in April. Following these discussions, the ESF Review Team will, as warranted, introduce proposed updates to the ESF. The draft revised ESF will be posted to support the Phase 2 consultations expected during June and July, during which time there will be further opportunity for comments on the ESF.

We wish to emphasize that while this exercise is not intended to constitute a major review of the ESF, it is intended as part of a dynamic learning process, and we welcome your contributions toward the ESF Review.

To this end, we would be pleased to discuss this with you, and would be interested in the feedback from engaged stakeholders such as yourself, through targeted consultations with the ESF review team. Please email your proposed date and time to esfreview@aiib.org to set up an online or phone based session.

We also wish to acknowledge receipt earlier this week from Kate Geary, Co-Director, Recourse, of the written submission, "Do No Harm? Recommendations for the review of the AIIB's Environmental and Social Framework". a written submission from your organization and others. We will, of course, consider this submission during the consultation period.

We look for look forward to your continued participation and thank you for your interest.

Sincerely yours,

Joachim von Amsberg

Vice President, Policy and Strategy

AIIB, Beijing

March 1, 2020