

Questions

Human rights defenders are persons, who individually or in association with others, work peacefully to promote and protect universally recognized human rights and fundamental freedoms, in accordance with the UN Declaration on Human Rights Defenders.

1. How do you verify that true Free, Prior and Informed Consent was given before you undertake an investment in large infrastructure (extractive mining, hydroelectric dams, agribusiness, etc.)?

The AIIB's Environmental and Social Policy (ESP) requires Free, Prior and Informed Consultation (FPICon) with Project-affected Indigenous Peoples in the event that activities under the Project would (a) have impacts on land and natural resources subject to traditional ownership or under customary occupation or use; (b) cause relocation of Indigenous Peoples from land and natural resources subject to traditional ownership or under customary occupation or use; or (c) have significant impacts on Indigenous Peoples' cultural heritage. If the laws of the country in which the Project is located mandate Free, Prior and Informed Consent (FPIC), the Bank may determine that the Client is required to apply FPIC as defined in those laws.

AIIB relies on its specialized staff to determine how this process of engagement are carried out under Projects where FPICon (or, if applicable, FPIC) applies. It may hire specialists, with regional and cultural expertise if needed, to verify that this process has been undertaken.

2. How do you assess risks that a project might generate violent conflict or social division prior to investing, and how do you evaluate threats and restrictions on public dissent and civic space at both the project and country-level? What early warning mechanism do you follow to detect and respond to threats against human rights defenders?

In conducting their due diligence on Projects proposed for AIIB financing, AIIB staff use a number of tools and resources to help them assess various social risks, including conflict and social division, at the Project level, in accordance with the requirements of AIIB's ESP. These tools include requiring a process of stakeholder engagement, structured to enable diverse participants, which may include separate meetings with different types of stakeholders. Monitoring of Project-level Grievance Redress Mechanisms, visits to Project locations and regular interaction with civil society organizations (CSOs) help AIIB to become aware of any threats.

3. How do communities affected by your clients' operations know about your institution's commitment to safeguard human rights defenders and provide access to remedy? (NB:EBRD, IFC and World Bank have published commitments to zero tolerance to reprisals; IDB and EIB are soon to publish their own commitments)

At the Project level, AIIB, in accordance with its ESP, works with its clients so that Project-affected communities in general, and marginalized and vulnerable groups in particular, have access to: (a) the necessary information regarding the Project and channels of communication they need for their voices to be heard; and (b) Project-level Grievance Redress Mechanisms free from fear of retaliation.

In recognition of the seriousness of matters relating to confidentiality and possible risks of retaliation in connection with submissions to AIIB's Project-affected People's Mechanism (PPM), AIIB's Policy on the PPM and related Rules of Procedure include detailed provisions for special handling of submissions to the PPM in order to protect the confidentiality of those filing complaints under that Policy and to minimize the risks of retaliation against them and other relevant persons. The Policy on the PPM and Rules of Procedure are posted on the PPM's website, along with detailed information about how AIIB incorporates mitigation measures for retaliation risk into the Project-financing cycle at <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>.

AIIB's Environmental and Social Framework (ESF), which includes the ESP, is currently being updated, and the Revised Draft ESF has been posted on AIIB's website for consultation at <https://www.aiib.org/en/policies-strategies/framework-agreements/review-environmental-social-framework/index.html>. Acknowledging the increasing risks of intimidation, coercion, manipulation and retaliation in cases where relevant stakeholders express views regarding the environmental and social risks and impacts of development projects, the Revised Draft ESF expands on existing provisions relating to retaliation: in particular, if AIIB determines that a Project presents these risks, it will require the Client to develop measures to protect against them. The Revised Draft ESF also provides that AIIB will promptly review credible allegations of such retaliation in connection with the Projects it supports. If such allegations are substantiated to AIIB's satisfaction, it will discuss with the Client appropriate efforts to be made by the Client to address retaliation risks under the Project; and if the Client fails to do so within a reasonable time, AIIB will consider taking appropriate action.

- 4. If a human rights defender(s) or their organization is threatened in connection with your client's operations, what steps do you take to help protect them? How do you determine whether a threat to a human rights defender is connected with your client's operations, and what connections are sufficient to cause you, as an investor, to intervene?**

With regard to complaints made to AIIB's PPM, please refer to the Policy on PPM and related Rules of Procedure noted in the previous response, which provide detailed information on steps that AIIB takes to protect the confidentiality of Project-affected and other relevant persons so as to mitigate the risks of retaliation against them.

In addition, during its due diligence on Projects proposed for AIIB financing, and in oversight of their implementation, should AIIB staff become aware of such a threat, AIIB would take the allegation very seriously, first verifying its credibility by speaking to all concerned parties, including the client, while protecting the confidentiality of the claimant. Then, if the allegation is substantiated, the matter would be elevated to senior management for appropriate next steps.

- 5. Has your institution ever publicly condemned an act or threat of violence, criminalization, or death to a human rights defender speaking out about a client's activities and/or impacts? (Please share examples).**

To date, AIIB, as a relatively new organization, has not been confronted with the occurrence of acts or threats of violence associated with an AIIB-financed Project.

6. Could you please share good practices (evidence-based) that have proved effective to respond to death threats against defenders promoting and defending human rights from the adverse impact of your clients' Business operations? Please provide examples of your work with clients to ensure proactive actions to support and protect civic space and defenders?

Again, AIIB has not been confronted with any such threats in the Projects it has financed. Nevertheless, AIIB staff are very aware of and refer to guidance and good practice prepared by its sister organizations, including multilateral development banks (MDBs) and UN organizations. Experience and good practice is also shared among all these organizations at the regular meetings of the Multi-Lateral Financial Institutions' Working Group on Environmental and Social Standards, in which AIIB staff participate. In discussions with clients in areas where AIIB has determined that human rights defenders face such a risk, AIIB carefully communicates its requirements on the subject, including the importance of encouraging all stakeholder views to be aired free from threats and intimidation.