

**AIB Directive on
the Preparation of Board Documents
October 7, 2019**

1. Overriding Objective

- 1.1. This Directive establishes rules and procedures to ensure the preparation of documents submitted to the Board of Directors by or on behalf of the President (Board Documents) is undertaken in accordance with the Asian Infrastructure Investment Bank's (AIB) Articles of Agreement, the By-Laws and the Rules of Procedure of the Board of Directors, and in a manner enabling informed decision-making by the Board, enhancing the accessibility of Board Documents to stakeholders and ensuring timely implementation of Board decisions.
- 1.2. The exercise and interpretation of this Directive shall seek to give effect to this overriding objective.

2. General Principles

- 2.1. **Transparency.** Board Documents shall be comprehensible and shall be accessible to the public in accordance with Article 34.4 of the Articles of Agreement and the Bank's disclosure policy established thereunder.
- 2.2. **Completeness and Accuracy.** Board Documents, in whatsoever form, submitted through whatsoever procedure and for whatsoever purposes, shall comprise accurate and complete information to enable informed decision-making by the Board.
- 2.3. **Timeliness.** Board Documents shall be circulated to the Board in a timely manner, in accordance with the Rules of Procedure of the Board of Directors.
- 2.4. **Accountability.** Bank staff involved in the preparation of Board Documents shall be (i) answerable to the President for all actions taken by them and (ii) responsible for honoring their obligations and commitments.
- 2.5. **Inclusiveness.** Board Documents shall be prepared in a spirit of collaboration and inclusiveness and through consultation with all relevant stakeholders.

3. Categories of Board Documents

- 3.1. Board Documents fall into three categories:
 - (a) **Documents for Board Action** include the following two subcategories of documents:

- (i) **Documents for Board Decision**, which are submitted to the Board seeking its decision, through any of the decision-making mechanisms as provided in section 5 of the Rules of Procedure of the Board of Directors.
 - (ii) **Documents for Board Review**, which are submitted to the Board to benefit from its comments and other inputs, in anticipation of subsequent submission of an updated or more developed version of such documents for Board Decision.
 - (b) **Documents for Board Information.** Documents may be submitted to the Board for its information only. Such submission may be made upon an information or reporting obligation assumed by the President, a particular request of the Board or the President's own initiative.
 - (c) **Documents for Technical Briefings.** Documents under this category include (i) presentations to support a Document for Board Action or Information and (ii) documents to provide an opportunity for discussions, in a Board Committee, at a Board retreat or on other occasions of the Board outside a Board meeting, of complex and/or sensitive projects or policy-related issues, which may subsequently be dealt with formally by the Board through a Document for Board Action.
- 3.2. Board Documents, for the purpose of this Directive, do not include communications to the Board made by the Vice Presidency, Corporate Secretariat (CorpSec) solely in its role as the Secretariat to the Board (e.g., notifications of Board voting results), legal opinions issued by the Office of the General Counsel (OGC) to the Board and communications from other Vice Presidencies, departments, offices and units for the purpose of performing a direct reporting function toward the Board in accordance with a Board decision.

4. Preparation and Internal Review

- 4.1. **Sponsor Department.** A Board Document may be sponsored by one or more departments and/or Vice Presidencies of the Bank (Sponsor Department), who shall (i) produce the Document in conformity with the principles set forth in section 2 above and (ii) be ultimately responsible for the quality of the Document.
- 4.2. **Consultation with Concerned Departments.** Consultation with respect to a Board Document shall be undertaken by the Sponsor Department with all concerned departments and/or Vice Presidencies (Concerned Departments), before the document is submitted to the Executive Committee. Review of a document by a Management Committee or working group constitutes consultation.
- 4.3. **CorpSec and OGC.** CorpSec and OGC shall be among Concerned Departments for the purpose of section 4.2 above, except where they serve as a Sponsor Department.
- 4.4. **Office of the President (PRE).** PRE shall advise on the role and relevance of departments in the preparation of a Board Document in the event of ambiguity or dispute.

4.5. **Board Documents for operations.** Notwithstanding the provisions of sections 4.1 to 4.4 above, Vice Presidency, Investment Operations (VP IO), in conformity with the principles set forth in section 2 above and with inputs from other departments within their respective areas of responsibility, shall prepare the following categories of document:

- (i) Board Documents that set out the Bank's financing proposals for ordinary operations and any subsequent Board Documents related to such operations (including Project Summary Documents, but excluding Project Summary Information documents), irrespective of whether such documents are submitted for Board Action or for Board Information (Project Documents) and any related Memorandum of the President (MOP), where applicable.
- (ii) Board Documents that set out the Bank's proposals for special operations (i.e., those financed by Special Funds resources) and related MOPs.

4.6. The collaboration between VP IO and other departments in the preparation of such documents is described in more detail in the directives and administrative guidance on the preparation and monitoring of sovereign-backed and nonsovereign-backed financings and the applicable rules and procedures on the use of Special Fund resources, as applicable.

5. Role of the Executive Committee and PRE

5.1. The Executive Committee, consistent with its Terms of Reference, advises the President on all matters of Bank-wide interest and significance falling within the competence of the President under the Articles of Agreement.

5.2. PRE provides the Secretariat for the Executive Committee and coordinates the preparation of Board Documents. Details on the consideration of Board Documents by the Executive Committee are provided in related Administrative Guidance.

6. Submission to the Board

6.1. PRE, with assistance from (i) the Sponsor and Concerned Departments in the case of Board Documents other than Project Documents and related MOPs and (ii) VP IO; Vice Presidency, Policy and Strategy; Risk Management Department and OGC in the case of Project Documents and related MOPs, shall ensure that documents for the submission to the Board of which the President's approval is sought are duly reviewed and reflect the recommendations of the Executive Committee and the Investment Committee, respectively.

6.2. Documents for Board Action shall be submitted for the President's approval for their further submission to the Board, with clearance provided by OGC on their legal aspects.

6.3. Upon the President's approval, Board Documents shall be submitted to the Board through CorpSec.

7. Board Document Package

7.1. Unless otherwise provided in this Directive, a Board Document Package shall normally consist of (i) an MOP, which shall contain the Board decision being sought; (ii) documents, if any, to be adopted through the Board decision (e.g., a policy, regulation or strategy) and (iii) a Background Paper or a Project Document providing detailed supporting information to enable informed decision-making by the Board.

7.2. **MOPs.** Documents for Board Decision shall be introduced by an MOP. Documents for Board Review and Documents for Board Information shall be presented in a Background Paper or in a Project Document, as applicable, and normally do not require an MOP. Board Documents for Technical Briefings may take a variety of forms as deemed appropriate by the Sponsor Department and shall not be introduced by an MOP.

8. Documentation and Publication

8.1. AIIB's disclosure policy and any related directive and administrative guidance govern the disclosure of all information in the Bank's possession, including with respect to this Directive.

8.2. CorpSec shall ensure that all decisions of the Board, substantive or procedural, be recorded in Board minutes in accordance with section 8 of the Rules of Procedure of the Board.

9. Implementation

9.1. Without prejudice to section 2 above, this Directive shall apply to documents submitted to the Board for its regular meeting in December 2019 and afterward.

9.2. PRE, in consultation with CorpSec and OGC, shall oversee this Directive, introduce any related Administrative Guidance and ensure its efficient and accurate implementation.

10. Authority

10.1. The President, in consultation with the Executive Committee, shall make all final decisions regarding the application of this Directive.