

COMPARATIVE ANALYSIS OF LEGAL FRAMEWORKS OF ASIAN DEVELOPMENT BANK (ADB) AND ASIAN INFRASTRUCTURE INVESTMENT BANK (AIIB)

Hafeez Rehman Jatoi^{*1}, Khalid Hussain Jatoi², H.M.Usman Nawaz³

^{*1}Advocate High Court, LL.M/ITL International Islamic University Islamabad

²Civil Judge And Judicial Magistrate

³Associate Professor of Law, Department of Law, Faculty of Shari'ah & Law, International Islamic University, Islamabad

ABSTRACT

This research delves into the comparative legal frameworks of the Asian Infrastructure Investment Bank (AIIB) and the Asian Development Bank (ADB) with a focus on international commercial law in the banking sector. It investigates the legal regimes governing these institutions and the role regulatory authorities play in ensuring transparency, accountability, and investor confidence, particularly in the AIIB. Using doctrinal and comparative research methods, this study critically analyzes primary and secondary sources such as treaties, international legal instruments, and scholarly works from organizations like the ADB and World Bank. The research addresses pivotal questions, including the AIIB's role in the region, China's strategic steps in its creation, international standards in drafting banking laws, and the legal mechanisms for dispute resolution. The study further evaluates decision-making processes under the AIIB's Articles of Agreement and conducts a comparative analysis of AIIB and ADB legal structures. The aim is to highlight gaps within these frameworks and suggest reforms aligned with international best practices.

The findings indicate that while AIIB is gaining global credibility due to its robust governance and legal framework, there are areas that require further enhancement to fully meet international standards. The recommendations derived from this analysis are particularly relevant to Pakistan, offering guidance on developing a resilient legal infrastructure for financial institutions. This research not only identifies legal gaps but also provides actionable insights for policymakers in Pakistan, contributing to stronger economic development.

INTRODUCTION

This chapter would explain the harmonization of rules in AIIB and ADB regarding the effectiveness and the procedure for the dispute settlement mechanism both in investment and related issues. Further, this chapter would comparatively analysis the concepts of effective decision making in ADB and AIIB and the limitations on the enforcement of their respective 'Articles of Agreement'. The legal frameworks of the Asian Development Bank (ADB) and the Asian Infrastructure Investment

Bank (AIIB) have similarities and differences.¹ Here is a comparative analysis of the legal frameworks of these two multilateral development banks:

¹ Raul C. Pangalangan, "The Asian Development Bank Administrative Tribunal: Constitutive Instruments And Case-Law", Brill. (2001) 209-215. Available at: <https://www.jstor.org/stable/10.1163/j.ctv2gjwwjb.10> Accessed on 20-04-2022.

- **Membership:**

Both ADB and AIIB have a similar structure of membership. ADB has 68 member countries, while AIIB has 103 member countries. Both banks have a similar process of admitting new members, which requires the approval of the Board of Governors.²

- **Governance:**

Both ADB and AIIB have a governance structure that includes a Board of Governors, a Board of Directors, and a President. The Board of Governors is composed of representatives from member countries, while the Board of Directors oversees the management of the bank's operations.³

- **Mandate:**

ADB and AIIB have similar mandates to promote economic development and regional integration in Asia. However, AIIB has a specific focus on financing sustainable infrastructure projects, while ADB has a broader mandate to promote economic growth and reduce poverty.⁴

- **Legal status:**

ADB is an international organization established under a treaty, the Agreement Establishing the Asian Development Bank, which is registered with the United Nations. AIIB is also an international organization established under a treaty, the Asian Infrastructure Investment Bank Agreement, but it is not registered with the United Nations.⁵

- **Environmental and Social Safeguards:**

ADB has an established set of Environmental and Social Safeguards policies that are designed to ensure that its projects are socially and environmentally sustainable. AIIB also has an Environmental and Social Framework that provides a comprehensive framework for managing environmental and social risks and impacts of its projects. Furthermore, if we see the

accountability Mechanism, Both ADB and AIIB have an accountability mechanism that provides an independent and impartial forum for addressing complaints and grievances related to bank-funded projects. However, the AIIB's accountability mechanism is newer and less established compared to ADB's. hence, ADB and AIIB have many similarities in their legal frameworks, such as their governance structure and membership.⁶ However, there are also differences, such as AIIB's specific focus on sustainable infrastructure projects and the fact that it is not registered with the United Nations. This chapter will cover the extensive comparative analysis of all the legal aspects of the AIIB and ADB and will conclude the best evaluation to analyse the shortcomings etc.

3.2 Decision Making under Articles of Agreement of AIIB

The Asian Infrastructure Investment Bank (AIIB) has a set of Articles of Agreement that govern its operations and decision-making processes. Here are some key points regarding decision-making under the Articles of Agreement of AIIB:

The AIIB's Board of Governors is the highest decision-making body of the bank, and it is composed of one governor and one alternate governor from each member country.⁷

The Board of Governors has the power to decide on matters such as the admission of new members, the election of the president, and the allocation of the bank's resources.

The Board of Directors, on the other hand, is responsible for the general operations of the bank and is composed of 12 directors, with one director appointed by each regional constituency.

Decisions of the Board of Directors require a simple majority vote, meaning more than half of

² Ibid.

³ Mourant, Alex, and others. "Ensuring sustainability in the Asian Infrastructure Investment Bank and the New Development Bank. A SAIS International Development Practicum" Report(2015), *School of Advanced International Studies*. Available at: www.sais-jhu.edu/sites/default/files/SAIS-WRI-PracticumMay2015.pdf. accessed on 12/04/2022

⁴ Ibid.

⁵ Ibid.

⁶ Raul C. Pangalangan, "The Asian Development Bank Administrative Tribunal: Constitutive Instruments And Case-Law", Brill. (2001) p 209-215. Available at: https://www.jstor.org/stable/10.1163/j.ctv2gj_wj.jb.10 Accessed on 20-04-2022.

⁷ Articles of agreement of AIIB, Available at: https://www.aiib.org/en/about-aiib/basic-documents/_download/articles-of-agreement/basic_document_report_on_the_articles_of_agreement.pdf Accessed on 25-10-2022.

the directors present and voting must agree for a decision to be made.

In the event of a tied vote, the chairperson has the casting vote.

Some decisions require a higher level of approval, such as decisions related to the establishment of policies, the admission of new members, and the allocation of the bank's resources.⁸

These decisions require a supermajority vote, which means at least 75% of the total voting power of the members must be in favor of the decision.

The AIIB also has a President, who is responsible for the management of the bank and the implementation of its decisions.

The President is appointed by the Board of Governors and serves a five-year term, which may be renewed once.

The President is also an ex-officio member of the Board of Directors but does not have a vote.⁹

Overall, the decision-making processes of the AIIB are designed to be democratic and transparent, with all member countries having a say in the bank's operations and policies. The bank also places a strong emphasis on ensuring that decisions are made in the best interests of its members and the people of Asia.

3.2.1 AIIB Operating Principles

Under Article 13 of the Articles of Agreement there are certain principles have been recognized in order to take decisions on the procedure of financial investments, guarantee, procurement of services etc. The operations of the Bank shall be conducted in accordance with the principles set out below. 1. The Bank shall be guided by sound banking principles in its operations. 2. The operations of the Bank shall provide principally for the financing of specific projects or specific investment programs, for equity investment, and for technical assistance in accordance with Article 15.3. The Bank shall not finance any undertaking

⁸ Natalie Lichtenstein, "Governance of the Asian Infrastructure Investment Bank in Comparative Context", AIIB Yearbook of International Law, 2018. Available at: <https://www.aiib.org/en/about-aiib/who-we-are/yearbook/download/governance-aiib-comparative.pdf> Accessed on 20-05-2022.

⁹ Ibid.

in the territory of a member if that member objects to such financing. 4. The Bank shall ensure that each of its operations complies with the Bank's operational and financial policies, including without limitation, policies addressing environmental and social impacts.¹⁰

The bank has elaborated the comprehensive guidelines, in above mentioned provision, the AIIB administration is bound conduct the business firstly by following the principles for sound banking system in making equity investments, providing technical assistant, and restricting the bank financing mechanism for not making any financial undertaking; if any member raise any contention against such financing. Secondly, it must ensure the financing to a project by considering the policies that address the social impact and environmental impacts of such project.¹¹

3.2.1.1 Financial Conditions of Recipient in Financing Contract

Upon receipt of an application for the financing of a proposed project; the bank administration shall take into consideration the financial ability of such recipient for obtaining the facilities and financing on such terms and conditions which are deemed reasonable by the Bank and shall consider all related factors while processing the financing application.¹²

3.2.1.2 Guaranteeing Financing and Restrictions on Procurement of Goods and Services

The Bank has to consider the prospect financial and physical position of financial recipient or guarantor as to the extent of their capability to meet their obligations as determined under financial contract. However, there is no such limit as to the profits and rate of interest applicable to certain financing project but it depends upon the

¹⁰ AIIB "Articles of Agreement" Article 13.

¹¹ Natalie Lichtenstein, "Governance of the Asian Infrastructure Investment Bank in Comparative Context", AIIB Yearbook of International Law, 2018. Available at: <https://www.aiib.org/en/about-aiib/who-we-are/yearbook/download/governance-aiib-comparative.pdf> Accessed on 20-05-2022

¹² Ibid Article 13 sub-article 5

rates as the Bank deems appropriate for such project and by undertaking the risk attached to it by Bank.

.In providing or guaranteeing financing, the Bank shall pay due regard to the prospects that the recipient and guarantor, if any, will be in a position to meet their obligations under the financing contract. In providing or guaranteeing financing, the financial terms, such as rate of interest and other charges and the schedule for repayment of principal shall be such as are, in the opinion of the Bank, appropriate for the financing concerned and the risk to the Bank. The Bank shall place no restriction upon the procurement of goods and services from any country from the proceeds of any financing undertaken in the ordinary or special operations of the Bank. The Bank shall take the necessary measures to ensure that the proceeds of any financing provided, guaranteed or participated in by the Bank are used only for the purposes for which the financing was granted and with due attention to considerations of economy and efficiency.¹³

In a broader perspective; the Bank has been debarred from making any restrictions in the procurement of services and goods from any country involving any special or ordinary financial operations and commitments of Bank. A notable principle is that the Bank would follow the desirability for avoiding the disproportionate amount, on investments, of the resources solely for the benefit of any specific member.¹⁴

The Bank shall seek to maintain reasonable diversification in its investments in equity capital. In its equity investments, the Bank shall not assume responsibility for managing any entity or enterprise in which it has an investment and shall not seek a controlling interest in the entity or enterprise concerned, except where necessary to safeguard the investment of the Bank.

3.3 Legal Rules related the Suspension and Withdrawal of Membership in AIIB

The process to withdraw membership from AIIB is quite simple as any member can withdraw its membership by delivering a notice of such

intention to the Bank's principal office. However, the membership shall cease to exist after the expiry of 6 months; from the date of the notice to the Bank and the membership withdrawal will become legally effective. Although, the same member can withdraw its such intention by sending cancellation notification to the AIIB, meaning thereby, it can only effective prior to the expiry of 6 moth after the withdrawal notice. In furtherance to the notice to withdraw membership, the existing obligations and liabilities shall remain effective even after the withdrawal of membership, however, the future obligations and liabilities will not be imposed from the date of notice of withdrawal to the AIIB. According to Article 37, .A withdrawing member shall remain liable for all direct and contingent obligations to the Bank to which it was subject at the date of delivery of the withdrawal notice. If the withdrawal becomes finally effective, the member shall not incur any liability for obligations resulting from operations of the Bank affected after the date on which the withdrawal notice was received by the Bank.¹⁵

• Suspension of Membership

There is a rigid method to be followed for the suspension of a member that have to be followed, meaning thereby, the .Board of Governess., at the occasion of non-compliance of member's obligation towards Bank, can suspend the membership by passing super majority votes of governors of Bank.¹⁶ The process of super majority has been prescribed under article 28 as .In voting in the Board of Governors, each Governor shall be entitled to cast the votes of the member he represents (ii) A Super Majority vote of the Board of Governors shall require an affirmative vote of two-thirds of the total number of Governors, representing not less than three-fourths of the total voting power of the

¹⁵ AIIB "Articles of Agreement" Article 37 Sub-article 3.

¹⁶ AIIB "Articles of Agreement Available at: <https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html> Accessed on 10-11-2022.

¹³ Ibid Article 13 sub-article 6 to 9.

¹⁴ Ibid Article 13 sub-article 10.

members.....¹⁷ Although, the suspended member will automatically cease as a member after the expiry of one (1) year from the date of such suspension, with the same effect, the suspension decision maybe restored/ withdrawn by the .Board of Governors. by passing the same super majority, to that effect, as described under article 28 of agreement of AIIB.

The legal effect of membership suspension is that; the will not be entitled to exercise his rights as prescribed in agreement. Under article 38 it is bar on suspended member to claim any right except the right for the withdrawal of membership as .. The member so suspended shall automatically cease to be a member one (1) year from the date of its suspension, unless the Board of Governors decides by a Super Majority vote as provided in Article 28 to restore the member to good standing. 3. While under suspension, a member shall not be entitled to exercise any rights under this Agreement, except the right of withdrawal, but shall remain subject to all its obligations..¹⁸

3.3.1 Legal Standards for the Settlement of Accounts

The Asian Infrastructure Investment Bank (AIIB) has a set of legal standards for the settlement of accounts that govern its financial transactions and ensure transparency and accountability in its operations. Here are some key points regarding the legal standards for the settlement of accounts in AIIB; The AIIB uses the International Financial Reporting Standards (IFRS) as the basis for its accounting and financial reporting. The bank is required to prepare and publish its financial statements in accordance with IFRS, which includes a balance sheet, income statement, cash flow statement, and notes to the financial statements. The AIIB also has a set of financial regulations that provide guidance on the proper management of its financial resources and the accounting treatment of its transactions.¹⁹

¹⁷ AIIB “Articles of Agreement” Article 28 Sub-article 2 clause ii.

¹⁸ AIIB “Articles of Agreement” Article 38 Sub-articles 2-3.

¹⁹ IFRS: International Financial Reporting Standards, Available at: <https://www.cfainstitute.org/en/advocacy/issues/international-finance-reporting->

The bank is required to maintain accurate and complete records of all financial transactions, and these records must be available for audit by external auditors. The AIIB's accounts are audited annually by external auditors appointed by the Board of Governors, who are responsible for expressing an opinion on the fairness of the financial statements and the effectiveness of the bank's internal controls. The bank is also required to prepare and submit financial reports to its members on a regular basis, including an annual report that provides an overview of its operations and financial performance.²⁰

The AIIB's financial transactions are subject to review by the bank's compliance and integrity unit, which is responsible for ensuring that all transactions comply with the bank's policies and procedures and are conducted in an ethical and transparent manner. Overall, the AIIB's legal standards for the settlement of accounts are designed to ensure the proper management of the bank's financial resources and promote transparency and accountability in its operations. By adhering to these standards, the bank aims to maintain the trust and confidence of its members and stakeholders.

3.4 Legal Rules Pertaining to the Termination and Suspension of the Operations of AIIB

The Bank's rules are clear as to the suspension or termination, in an emergency, of the operations of Bank pertaining to the investment equity, loans etc. The termination and suspension of operations of the Asian Infrastructure Investment Bank (AIIB) are governed by its Articles of Agreement, which sets out the legal framework for the bank's operations. Here are some key points regarding the legal rules pertaining to the termination and suspension of the operations of AIIB;

stds#sort=%40pubbrowsedate%20descending, last accessed on 10/11/2022.

²⁰ Mourant, Alex, and others. "Ensuring Sustainability in the Asian Infrastructure Investment Bank and the New Development Bank." *SAIS International Development Practicum Report*, 2015. <https://www.sais-jhu.edu/sites/default/files/SAIS-WRI-PracticumMay2015.pdf>.

• Suspension of Operations on Temporary Basis

The ‘board of directors’ have powers to suspend the operations, on temporary basis, of bank, meaning thereby, due to an emergency the director’s may temporary suspends the bank’s operations, in particular area, on new investment equities, loans or guarantees or any other type of financing by the AIIB on the ground of the opportunities that are pending as an option towards further considerations or the required action, on particular point of importance, by the ‘board of governors’.²¹

• Termination of Bank’s Operations

For the termination of specified project of Bank; the process is complex as it requires the super majority voting in ‘board of governors’ under article 28 of Bank’s agreement. Once the operation is terminated by the decision of board then all activities of bank shall be ceased instantly except the activities that are necessary for the preservation and the conversation of the settlement related to banks obligations and assets.²²

3.5 Legal Obstructions as to the Distribution of Assets among Members of AIIB

The mechanism for the settlement of liabilities and assets has been described under section 42 and 43 of AIIB Agreement, meaning thereby, at the occasion of the termination decision of the operations of Bank then the liabilities of members towards their uncalled shares subscription in capital stock of AIIB shall remain intact with such member; regardless of their currencies depreciation and the final account’s settlement and the satisfaction of the creditors’ claims, that also includes contingent claims, must be dissolved.²³

All creditors holding direct claims shall first be paid out of the assets of the Bank and then out of payments to the Bank or unpaid or callable subscriptions. Before making any payments to creditors holding direct claims, the Board of Directors shall make such arrangements as are necessary, in its judgment, to ensure a pro rata

distribution among holders of direct and contingent claims..²⁴

The above-mentioned provisions prescribed the manner and order of unburdening the liabilities of Bank’s creditors. Firstly, the liabilities would be discharged out of AIIB’s assets and secondary source for discharge of liabilities would be made from the callable or unpaid subscriptions. It has possessed the ‘Board of Directors’ with powers to ensure the related arrangements for the payment of pro rata distribution between the classes of creditors having contingent or direct claims.

3.5.1 Rules Pertaining to the Assets Distribution amongst Members

No distribution or reimbursement of assets or subscription shall be made to any member except in accordance with the rules under article 43. No distribution of assets shall be made to members on account of their subscriptions to the capital stock of the Bank until:

(i) all liabilities to creditors have been discharged or provided for; and (ii) the Board of Governors has decided, by a Super Majority vote as provided in Article 28, to make such distribution.....²⁵

There are two preconditions that must be complied prior to the distribution of assets between AIIB’s members; payment and discharge of complete liabilities of creditors, regardless of direct or contingent claims, is the first condition and the second is about adjudication of internal matter by ‘board of governors, by passing vote of super majority, to make decision for the distribution of remaining assets accordingly.

3.6 Appraisal of the Immunity of AIIB from Specific Judicial Proceedings

Chapter XI of Agreement secures the immunities, status, exemptions and privileges of Bank’s juridical personality and its employees. However, the following immunities have been possessed by bank:

a) Immunity as to Judicial Proceedings

Although it has been prescribed in the Agreement of Bank that it will enjoy immunity from legal process of any kind, but it does not mean that the

²¹ AIIB “Articles of Agreement” Article 40.

²² AIIB “Articles of Agreement” Article 41.

²³ AIIB “Articles of Agreement” Article 42 Clause 1.

²⁴ Ibid Clause 2.

²⁵ AIIB “Articles of Agreement” Article 43 Clause 1.

aggrieved party cannot file a suit against bank. However, Article 46 of Agreement explains the types of legal proceedings that may be lodged against bank in cases of following nature;

- Those cases that arise as a result of the exercise of Bank's power as to rising of funds.
- Those cases that arise because of the exercise of Bank's power as through borrowings or other related means.
- Those cases that arise as a result of the exercise of Bank's power involving guarantee obligations.
- Those cases that arise as a result of the exercise of Bank's power as to sell or buy or sale of securities through underwrite.

However, the above-mentioned cases could be filed in a court having competent jurisdiction of only areas where AIIB has established its office or an agent for accepting the notice for process or for accepting services related to the business of Bank; along with that where the bank has guaranteed or issued the securities.²⁶

b) Limitations Imposed on Members as to Sue bar to Seizer of Bank's Property.

Regardless of the right to sue as prescribed above; any member shall not bring a legal action against bank.

no action shall be brought against the Bank by any member, or by any agency or instrumentality of a member, or by any entity or person directly or indirectly acting for or deriving claims from a member or from any agency or instrumentality of a member. Members shall have recourse to such special procedures for the settlement of controversies between the Bank and its members as may be prescribed in this Agreement, in the by-laws and regulations of the Bank, or in the contracts entered into with the Bank.²⁷

It has been expressly declared that Bank's assets and the properties, prior to the final judgement against the bank, cannot be subject to any attachment, seizer, or execution.

²⁶ AIIB "Articles of Agreement" Article 46 Clause 1.

²⁷ Ibid Clause 2.

c) Freedom of Assets as to Restrictions

In furtherance to the above discussion as to judicial immunities of AIIB; the assets or properties of bank shall immune against any form of regulations, restrictions or control; for the purposes of smooth functioning of the functions and purposes of Bank.²⁸

d) Immunity as to Archives and Assets

According to Article 47 the assets and properties of Bank, wherever located or whoever possessed, cannot be searched or confiscated, and having immunity from expropriation or requisition and cannot held for foreclosure through any legislative or executive actions.²⁹

e) Legal Scope of Privileges and Immunities of Employees and Officers

All the appointees of Bank including the Governors, Alternates, President, Directors, Vice-Presidents and other employees or officers, but limited to the consultants and experts that are performing services and missions for Bank have immunities against acts done during the course and in relation to the performance of their assigned tasks and duties.³⁰ These immunities along-with privileges are listed below:³¹

(i) shall be immune from legal process with respect to acts performed by them in their official capacity, except when the Bank waives the immunity and shall enjoy inviolability of all their official papers, documents and records; (ii) where they are not local citizens or nationals, shall be

²⁸ AIIB "Articles of Agreement" Article 48.

²⁹ The Asian Infrastructure Investment Bank (Privileges And Immunities) (Bailiwick Of Guernsey) Ordinance, 2019. Available at: <https://gov.gg/CHttpHandler.ashx?id=121945&p=0> Accessed on 25-10-2022.

³⁰ AIIB, "Code Of Conduct For Board Officials". Available at: <https://www.aiib.org/en/about-aiib/basic-documents/download/code-of-conduct/basic-document-code-of-conduct-officials.pdf> Accessed on 25-10-2022.

³¹ AIIB, "Draft Asian Infrastructure Investment Bank (Immunities And Privileges) (Jersey) Regulations 201" Available at: [https://statesassembly.gov.je/assemblypropositions/2017/p.68-2017\(re-issue\).pdf](https://statesassembly.gov.je/assemblypropositions/2017/p.68-2017(re-issue).pdf) Accessed on 26-10-2022.

accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations, and the same facilities as regards exchange regulations, as are accorded by members to the representatives, officials and employees of comparable rank of other members; and (iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members. There are three types of immunities has been ensured categorically, first category is related to the immunity from all types of legal actions or process against their acts done while they are in office.³² Second category is the exception of the registration process of immigration regulations of a country, meaning thereby, employees, officers, consultants or experts that are non-resident or not local citizens then they shall have immunity regarding immigration restrictions, regulations pertaining to the registration of aliens etc. Importantly, the third category ensures the equal treatment and protocol by the member state to the same extent as they treats the representatives, employees or officials of comparable and equal ranks of another member.³³

3.7 Dispute Settlement Mechanism and the Arbitration

There is comprehensive legal mechanism has been provided under article 55 of agreement; for the purposes of the settlement of any kind of dispute, either between Bank and member or between the Bank and a state that ceased to be the member. If a disagreement should arise between the Bank and a country which has ceased to be a member or between the Bank and any member after adoption of a resolution to terminate the operations of the Bank, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators. One of the arbitrators shall be appointed by the Bank, another by the country concerned, and the third, unless the parties otherwise agree, by the President of the International Court of Justice or such other authority as may have been prescribed by regulations adopted by the Board of Governors. A

majority vote of the arbitrators shall be sufficient to reach a decision which shall be final and binding upon the parties. The third arbitrator shall be empowered to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.³⁴

In furtherance to the above discussion if any legal issue or disagreement arises i) between an ex-member country, that ceases to remain a member, and the Bank or, ii) between a member, after successful termination decision of the operations of Bank by adoption of related resolution to that effect, and Bank; then such disagreement or legal issue will be put before the arbitration. However, such point of disagreement or legal issue for arbitration will be decided by the tribunal of total three members.³⁵ And the standards of impartiality to be followed for their appointment, meaning that, one member of arbitration tribunal would be appointed by such country and second arbitrator would be nominated by AIIB. Notably, the third member of tribunal would be nominated by the president of International Court of Justice. with a prior condition is that if both parties agree on such nomination or by any other regulations, if adopted, by the 'board of governors' of AIIB.

3.8 Gap Analysis between the Legal Framework of AIIB and ADB

The Asian Infrastructure Investment Bank (AIIB) and the Asian Development Bank (ADB) are two major development banks operating in the Asia-Pacific region.³⁶ While there are similarities in their legal frameworks, there are also some shortcomings and gaps that can be identified

³⁴ AIIB "Articles of Agreement" Article 55.

³⁵ AIIB, "International Organizations and Effective Dispute Resolution" 2019, Available at: <https://www.aiib.org/en/news-events/media-center/blog/2019/International-Organizations-and-Effective-Dispute-Resolution.html>. Accessed on 15-09-2023.

³⁶ Memorandum of Understanding executed between AIIB and ADB, Available at: <https://www.adb.org/sites/default/files/institutional-document/185034/adb-aiib-mou.pdf>. Accessed on 13-09-2022.

³² Ibid.

³³ Ibid.

through a comparison of the two. Here are some key points:³⁷

3.8.1 Membership: The AIIB has a smaller membership base than the ADB, with 103 member countries as of 2021 compared to the ADB's 68 member countries. This could impact the AIIB's ability to mobilize resources and achieve its development objectives.

3.8.2 Governance: While both banks have similar governance structures, the AIIB's decision-making process is more streamlined than the ADB's, which could allow for more efficient decision-making. However, the AIIB's governance structure also lacks some of the checks and balances that exist in the ADB's structure, such as an independent evaluation department.³⁸

3.8.3 Environmental and Social Safeguards: While both banks have policies in place to address environmental and social risks associated with their projects, the AIIB's policies are less developed and not as comprehensive as the ADB's. This could lead to gaps in the protection of communities and the environment in the AIIB's projects.³⁹

3.8.4 Transparency and Accountability: While both banks have mechanisms in place to ensure transparency and accountability, the AIIB's mechanisms are less developed than the ADB's. For example, the AIIB does not have an independent accountability mechanism, which could limit the ability of affected communities to raise concerns or grievances.

3.8.5 Financial Management: While both banks use international accounting standards and have similar financial regulations, the AIIB's financial management practices are less established than the

ADB's, as it is a relatively new institution. In summary, the AIIB's legal framework has some shortcomings and gaps when compared to the ADB's framework. However, the AIIB is still a young institution and has the opportunity to learn from the ADB's experiences and address these gaps as it continues to evolve.

3.9 Dispute Settlement and Enforcement Mechanism under Articles of Agreement of AIIB and ADB

Both the Asian Infrastructure Investment Bank (AIIB) and the Asian Development Bank (ADB) have dispute settlement and enforcement mechanisms in place to address any disagreements or disputes that may arise during their operations.⁴⁰ Here are some key points regarding these mechanisms under the Articles of Agreement of AIIB and ADB.⁴¹

3.9.1 Asian Infrastructure Investment Bank (AIIB)

a. Dispute settlement mechanism:

The AIIB's dispute settlement mechanism provides for the settlement of disputes through negotiation, mediation, and arbitration. If a dispute cannot be resolved through negotiation or mediation, the parties may submit the dispute to arbitration under the UNCITRAL Arbitration Rules.⁴²

b. Enforcement mechanism:

Awards made by an arbitral tribunal in AIIB disputes are final and binding on the parties, and can be enforced in any country that is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

³⁷ Asian Development Bank (ADB), "Public-Private Partnership Operational Plan 2012-2020, Realizing the Vision for Strategy 2020: The Transformational Role of Public-Private Partnerships in Asian Development Bank Operations". Manila (2012).

³⁸ Ibid.

³⁹ Sonia Dunlop, Tam Do Minh, "The Asian Development Bank: Asia's Future Climate Bank?: How The Asian Development Bank Can Align With The Paris Agreement In Indonesia, Vietnam And The Philippines" *E3G* (2019). Available at: <http://www.jstor.com/stable/resrep21751> Accessed on 25-10-2022.

⁴⁰ Sonia Dunlop, Tam Do Minh, "The Asian Development Bank: Asia's Future Climate Bank?: How The Asian Development Bank Can Align With The Paris Agreement In Indonesia, Vietnam And The Philippines" *E3G* (2019). Available at: <http://www.jstor.com/stable/resrep21751> Accessed on 25-10-2022.

⁴¹ Ramit Nagpal and Christina Pak, "Development Financing of Dispute Resolution Reform Projects: The Evolving Approach of the Asian Development Bank" Available at: <https://www.jstor.org/stable/1163/j.ctvrxk3sj.13>. Accessed on 25-10-2022.

⁴² Ibid.

3.9.2 Asian Development Bank (ADB)

a. Dispute settlement mechanism

The ADB's dispute settlement mechanism provides for the settlement of disputes through negotiation, conciliation, and arbitration. If a dispute cannot be resolved through negotiation or conciliation, the parties may submit the dispute to arbitration under the UNCITRAL Arbitration Rules.⁴³

b. Enforcement mechanism

Awards made by an arbitral tribunal in ADB disputes are final and binding on the parties, and can be enforced in any country that is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards. The ADB may also suspend or terminate its lending and investment activities in cases where a member country fails to comply with an arbitral award.⁴⁴ Overall, both the AIIB and ADB have robust dispute settlement and enforcement mechanisms in place that is consistent with international best practices. These mechanisms help to ensure that any disputes that may arise during the banks' operations are resolved fairly and efficiently, and that their decisions and awards are enforceable in the countries where they operate.⁴⁵

3.9.3 Methods of Meeting Liabilities of AIIB

Initially, the Bank shall preserve the appropriate clauses, during the negotiation of project related terms, on the probability of possible losses. Although, after the determination of losses during the ordinary operations of AIIB or losses in default

on arrears or loans that had been guaranteed by the Bank; further, losses in cases related to the equity investments or the financing under Article 11 clause 2 (iv) then the AIIB must take necessary steps, as per the circumstances, that would deem appropriate.⁴⁶

....1. In the Bank's ordinary operations, in cases of arrears or default on loans made, participated in, or guaranteed by the Bank, and in cases of losses on equity investment or other types of financing under sub-paragraph 2 (vi) of Article 11, the Bank shall take such action as it deems appropriate. The Bank shall maintain appropriate provisions against possible losses. 2. Losses arising in the Bank's ordinary operations shall be charged: (i) first, to the provisions referred to in paragraph 1 above; (ii) second, to net income; (iii) third, against reserves and retained earnings; (iv) fourth, against unimpaired paid-in capital; and (v) last, against an appropriate amount of the uncalled subscribed callable capital which shall be called in accordance with the provisions of paragraph 3 of Article 6..⁴⁷

3.9.4 International Character of AIIB

The Bank shall not accept Special Funds, loans or assistance that may in any way prejudice, limits, deflect or otherwise alter its purpose or functions. 2. The Bank, its President, officers and staff shall not interfere in the political affairs of any member, nor shall they be influenced in their decisions by the political character of the member concerned. Only economic considerations shall be relevant to their decisions.⁴⁸ Such considerations shall be weighed impartially in order to achieve and carry out the purpose and functions of the Bank. 3. The President, officers and staff of the Bank, in the discharge of their offices, owe their duty entirely

⁴³ UNCITRAL Arbitration Rules 2010. Available at: <https://uncitral.un.org/en/texts/arbitration/contractual-texts/arbitration#:~:text=The%20UNCITRAL%20Arbitration%20Rules%20provide,as%20well%20as%20administered%20arbitration%20s.> Accessed on 10-01-2023.

⁴⁴ ADB, 'TA Report for Strengthening of Judicial Capacity' 2009. Available at: <https://www.adb.org/projects/54414-001/main> accessed on 27-10-2022.

⁴⁵ Asian Development Bank, "Report and Recommendation of the President to the Board of Directors on Proposed Loans and Technical Assistance Grant to the Islamic Republic of Pakistan for the Access to Justice Program", Asian Development Bank, (2001) Accessed on 02-01-2023.

⁴⁶ AIIB, "Asset Liability Management Policy", Available at: <https://www.aiib.org/en/policies-strategies/operational-policies/alm-policy.html> accessed on 02-01-2023.

⁴⁷ AIIB "Articles of Agreement" Article 20.

⁴⁸ Matthew Stephen "Liberal International Order with Chinese Characteristics? China and the Asian Infrastructure Investment Bank" *WZB Berlin Social Science Center*. Available at: <https://ecpr.eu/Events/Event/PaperDetails/40926> accessed on 05-01-2023.

to the Bank and to no other authority. Each member of the Bank shall respect the international character of this duty and shall refrain from all attempts to influence any of them in the discharge of their duties.⁴⁹

3.10 Impact of Creation of AIIB on the Regional Development

The creation of the Asian Infrastructure Investment Bank (AIIB) in 2016 has had a significant impact on regional development in Asia. Here are some ways in which it has influenced regional development, some of them are provided hereunder;

a) Increased Infrastructure Investment:

One of the primary objectives of the AIIB is to support infrastructure development in Asia. Since its inception, the AIIB has invested billions of dollars in infrastructure projects, such as roads, ports, and power plants, in member countries. This has helped to improve transportation, connectivity, and access to electricity, which are critical to economic growth.⁵⁰

b) Enhanced Regional Cooperation:

The AIIB has brought together countries from different regions of Asia, including some that are not traditionally close allies. Through joint investment in infrastructure projects, the AIIB has facilitated greater cooperation and dialogue among member countries.

c) Reduced Dependence on Traditional Development Banks:

The AIIB was established as an alternative to traditional development banks such as the World Bank and the Asian Development Bank. Its creation has given member countries greater choice in terms of financing sources and has reduced their dependence on a small number of international organizations.⁵¹

⁴⁹ Ibid.

⁵⁰ Connectivity and Regional Cooperation, Available at: <https://www.aiib.org/en/about-aiib/who-we-are/infrastructure-for-tomorrow/connectivity-and-regional-cooperation/index.html>. last accessed on 23/11/2022

⁵¹ Ibid.

d) Improved Access to Capital:

The AIIB has provided member countries with access to capital at lower interest rates than they could obtain from commercial lenders. This has enabled these countries to undertake infrastructure projects that might have been too expensive otherwise.

e) Increased Investment in Renewable Energy:

The AIIB has placed a strong emphasis on investing in renewable energy projects, such as solar and wind power. This has helped to reduce the region's reliance on fossil fuels and has promoted sustainable development.

In short we can say that, the creation of the AIIB has had a positive impact on regional development in Asia. By providing financing for infrastructure projects and promoting regional cooperation, the AIIB has helped to create jobs, improve living standards, and stimulate economic growth in the region.⁵²

Conclusion and Recommendations

Finally, based on the previous discussions and extensive research about the Asian Infrastructure Investment Bank (AIIB), its regulatory governance, and legal framework, dispute settlement mechanism and impacts on the region, the following conclusions have been drawn and recommendations have been made hereunder;

Conclusions

1. The AIIB has emerged as a pivotal institution in addressing infrastructure deficits in Asia by providing substantial financial support for sustainable development projects. Its role extends beyond regional boundaries, positioning it as a global financial institution promoting connectivity and economic growth, particularly in underserved regions. AIIB's flexible and multilateral approach has enhanced its credibility, making it an attractive partner for regional and international development efforts.
2. China's strategic initiative to establish the AIIB reflects its vision of promoting regional

⁵² Ibid.

economic integration and enhancing connectivity. China led diplomatic efforts, garnered support from diverse countries, and contributed significant capital to lay the foundation for AIIB. The institution was designed to complement existing multilateral development banks while allowing China to expand its influence in global governance. The drafting of AIIB's Articles of Agreement emphasized inclusive development, decision-making equity, and a streamlined governance structure.

3. This study identifies that AIIB's legal framework aligns with international standards by incorporating principles of transparency, accountability, and independence. Key governance structures, such as an independent board of directors and clear decision-making procedures, are in place to ensure that operations remain impartial and credible. Compliance with global standards like the Basel Accords and adherence to ethical practices further bolster the AIIB's legal and operational framework.
4. While both AIIB and ADB aim to facilitate development financing in Asia, their legal frameworks exhibit key differences. AIIB operates with a more streamlined structure, granting it greater operational flexibility and efficiency compared to ADB's more complex, historically-rooted framework. The AIIB's emphasis on equal voting rights, simplified processes, and innovative project financing models distinguishes it from the ADB's traditional methods, which are often influenced by a broader and more diverse membership base.
5. To further enhance investor confidence, AIIB needs to continue demonstrating effective governance, project efficiency, and financial sustainability. It should expand partnerships with both public and private entities and focus on areas of high global interest, such as green infrastructure and digital connectivity. Enhanced transparency in project selection, stringent risk management practices, and strong environmental and social safeguards will make AIIB more appealing to investors worldwide.
6. AIIB's decision-making mechanism is centered on a clear, consensus-based process with equitable voting rights that empower all member states. The Articles of Agreement provide a structured yet adaptable framework for governance, ensuring that decisions reflect the collective interest of members. This consensus-driven approach fosters cooperative governance and aligns with international best practices.
7. Both AIIB and ADB have well-defined legal mechanisms for resolving disputes, with arbitration being the preferred mode of resolution. AIIB's dispute settlement framework is streamlined and designed to resolve issues promptly while maintaining transparency and fairness. In contrast, ADB's dispute resolution mechanism is more traditional and may involve longer processes due to the involvement of multiple stakeholders and historical practices.
8. Globally, international development banks emphasize arbitration, negotiation, and mediation as preferred methods for resolving disputes. Institutions like the World Bank and IMF provide established precedents for resolving conflicts in a manner that preserves relationships and ensures compliance with international norms. AIIB has adopted these best practices, further refining them to suit its multilateral and rapidly evolving operational environment. The bank's innovative approaches to project preparation and management, as well as its use of technology, suggest that it will continue to evolve and adapt to meet the changing needs of its member countries.
9. The legal framework of AIIB is similar to that of the Asian Development Bank (ADB) in many aspects, but there are also differences, such as AIIB's specific focus on sustainable infrastructure projects and the fact that it is not registered with the United Nations.
10. The creation of the AIIB has had a positive impact on regional development in Asia. By providing financing for infrastructure projects and promoting regional cooperation, the AIIB has helped to create jobs, improve living

standards, and stimulate economic growth in the region.

Recommendations

1. The AIIB should continue to prioritize sustainability and social responsibility in its lending practices, including strict adherence to its Environmental and Social Framework.
2. The AIIB should further develop and expand its accountability mechanism to ensure that all complaints and grievances related to bank-funded projects are addressed in a timely and transparent manner.
3. The AIIB should continue to embrace technology and innovation in its operations to improve efficiency, transparency, and project management.
4. The AIIB should explore opportunities for collaboration and cooperation with other multilateral development banks, such as ADB, to promote economic growth and reduce poverty in the Asia-Pacific region.
5. The AIIB should continue to review and update its legal framework as needed to ensure that it is aligned with best practices and remains relevant in a rapidly changing world.
6. AIIB should continue to enhance its ESG policies by aligning more closely with international best practices. Introducing stricter environmental and social safeguards will not only ensure sustainable development but also attract a broader range of socially responsible investors.
7. AIIB should forge deeper partnerships with regional development banks, including ADB, to co-finance projects and share expertise. Additionally, greater collaboration with the private sector will unlock new sources of capital and increase the bank's project reach and impact.
8. To handle disputes more efficiently, AIIB should consider establishing a dedicated arbitration center or mechanism specific to infrastructure projects. This would enhance confidence among investors and borrowers, ensuring faster and more consistent resolutions in line with global practices.
9. AIIB should prioritize investments in digital infrastructure, such as smart cities, broadband connectivity, and digital financial systems. These investments align with global

trends and will help member states, including Pakistan, leapfrog into more advanced economic growth models.

10. AIIB should adopt more rigorous reporting and transparency mechanisms for both internal governance and funded projects. Regular public disclosures and third-party audits will bolster credibility and accountability, attracting more international investors.

11. Pakistan and other member states should align their banking and financial regulations with AIIB's standards to create a more conducive environment for infrastructure investment. This includes adopting transparent governance structures, robust anti-corruption measures, and ensuring regulatory consistency.

12. Pakistan and other developing member countries should actively engage with AIIB in project planning and implementation stages. Regular consultations with local stakeholders, including civil society, can ensure that projects are well-targeted and have strong local ownership.

13. Member states like Pakistan should utilize AIIB's technical assistance and capacity-building programs. These initiatives can enhance local expertise in project management, environmental assessment, and financial planning, leading to more successful infrastructure projects.

By implementing these recommendations, AIIB can enhance its operational effectiveness and global standing, while Pakistan and other member states can maximize the benefits of their partnership with this leading international development bank.

Table of Content

List of Abbreviations

Following are the abbreviations which have been used in this research paper.

- AIIB - Asian Infrastructure Investment Bank
- ADB - Asian Development Bank
- SBP - State Bank of Pakistan
- IMF - International Monetary Fund
- WTO - World Trade Organization
- GDP - Gross Domestic Product
- PPP - Public-Private Partnership
- IBRD - International Bank for Reconstruction and Development
- IDA - International Development Association

- EIA - Environmental Impact Assessment
- PPP - Purchasing Power Parity
- GDP - Gross Domestic Product
- MFI - Microfinance Institution
- SME - Small and Medium-sized Enterprises
- NPL - Non-Performing Loan
- IRR - Internal Rate of Return
- PPP - Public-Private Partnership
- PPP - Private Public Partnership
- MDG - Millennium Development Goals
- SDGs - Sustainable Development Goals
- ODA - Official Development Assistance
- GNI - Gross National Income
- FDI - Foreign Direct Investment
- OER - Official Exchange Rate
- APR - Annual Percentage Rate
- GNI - Gross National Income
- DSA - Debt Sustainability Analysis
- LDC - Least Developed Country
- NDC - National Development Council
- OCR - Official Cash Rate
- EBRD - European Bank for Reconstruction and Development
- ADR - Asian Development Report
- APRM - Asia-Pacific Regional Member
- ESA - Economic and Social Affairs
- ADF - Asian Development Fund
- ACD - Asian Clearing Union
- ADF - Agricultural Development Fund
- CFA - Compounded Annual Growth Rate
- CSF - Climate Smart Finance
- EDI - Economic Development Institute
- ESI - Economic and Social Infrastructure
- FGD - Financial Guaranty Insurance Division
- GMS - Greater Mekong Subregion
- HDI - Human Development Index
- IDB - Islamic Development Bank
- IED - Independent Evaluation Department
- IFAD - International Fund for Agricultural Development
- IMF - International Monetary Fund
- INGO - International Non-Governmental Organization
- IPR - Intellectual Property Rights
- ISG - Investment Support Group
- KPI - Key Performance Indicator
- LMI - Low and Middle-Income
- LSG - Local Self-Government
- MDGs - Millennium Development Goals

- MIS - Management Information System
- MoU - Memorandum of Understanding
- MTDS - Medium-Term Debt Strategy
- NCER - Northern Corridor Economic Region
- NPS - National Payments System
- OOF - Ordinary and Official Financing
- PPP - Public-Private Partnership
- QED - Quality Education Development
- RE - Renewable Energy
- RET - Reverse Equity Transaction
- SFD - Special Funds Department
- SMEs - Small and Medium-sized Enterprises
- TCB - Technical Cooperation Bureau
- WDR - World Development Report

REFERENCES

- Addario, Roberto D. .Strengthening the Central Purchase Agency Market Model Conceptual Design- Structure and Roadmap.. MRC Consultants and Transaction Advisors: (2017), 1-19.
- The Asian Infrastructure Investment Bank (Privileges And Immunities) (Bailiwick Of Guernsey) Ordinance, 2019
- Articles of Agreement of AIIB
- AIIB, .Staff Rules, Asian Infrastructure Investment Bank. January 2022
- AIIB, Draft Asian Infrastructure Investment Bank (Immunities And Privileges) (Jersey) Regulations 2016
- AIIB, .International Organizations and Effective Dispute Resolution. 2019
- Brown, Ashley C. Jon Stern and others. .Handbook for Evaluating Infrastructure Regulatory Systems.. New York: The International Bank for Reconstruction and Development/ The World Bank, 2006.
- Greiger, Giesela., .The Asian Infrastructure Investment Bank (AIIB) How lean, clean, and green is the AIIB?., Published by European Parliamentary Research Service, (2021).
- Gregory, T. Chin. .Asian Infrastructure Investment Bank: Governance Innovation and Prospects., Global Governance, Vol. 22, No. 1 (March 2016), p. 11-25
- Schrijver, Nico., .2019 AIIB Law Lecture: The Rise of the Sustainable Development in International Investment Law., AIIB

- Yearbook of International Law (2007), 329-297
- Sonia Dunlop, Tam Do Minh & others, .The Asian Development Bank: Asia's Future Climate Bank?: How The Asian Development Bank Can Align With The Paris Agreement In Indonesia, Vietnam And The Philippines. E3G, 2019.
- UNCITRAL Arbitration Rules 2010
- Mateusz, Smolaga. .Asian Development Bank and Asian Infrastructure Investment Bank- is Cooperation Possible?., Central and Eastern European Online Library, (2017), P 191-213
- Natalie, Lichtenstein. .Governance of the Asian Infrastructure Investment Bank in Comparative Context., AIIB Yearbook of International Law, 2018. <https://www.aiib.org/en/about-aiib/who-we-are/yearbook/download/governance-aiib-comparative.pdf> Accessed on 20-05-2022.
- Research journals articles**
- Alex, Mourant, and others. .Ensuring sustainability in the Asian Infrastructure Investment Bank and the New Development Bank. A SAIS International Development Practicum. Report(2015), School of Advanced International Studies. Available from [www.sais-jhu.edu/sites/default/files/SAIS-WRI-Practicum May 2015.pdf](http://www.sais-jhu.edu/sites/default/files/SAIS-WRI-Practicum%20May%202015.pdf).
- Asian Development Bank (ADB), .Public-Private Partnership Operational Plan 2012-2020, Realizing the Vision for Strategy 2020: The Transformational Role of Public-Private Partnerships in Asian Development Bank Operations.. Manila (2012).
- AIIB, .By-Laws Of The Asian Infrastructure Investment Bank. (Adopted January 16, 2016 and amended December 19, 2017 by the Board of Governors) <https://www.aiib.org/en/about-aiib/basic-documents/download/by-laws-of-the-asian/basic-document-by-laws-of-aiib.pdf> Accessed on 12-03-2022.
- AIIB, .Rules of Procedure of the Board of Directors., <https://www.aiib.org/en/about-aiib/basic-documents/rules-of-directors/index.html> Accessed on 10-03-2022.
- AIIB, .Paper on the Oversight Mechanism. July 10, 2019. <https://www.aiib.org/en/about-aiib/governance/common/download/paper-on-the-oversight-mechanism-public.pdf> Accessed on 27-03-2022.
- AIIB, .Directive on the Administration of AIIB Special Funds. July 16, 2021; updated August 12, 2021 <https://www.aiib.org/en/about-aiib/who-we-are/role-of-law/content/index/download/Directive-on-the-Administration-of-AIIB-Special-Funds-Aug-12.pdf> Accessed on 02-04-2022.
- AIIB, .Code Of Conduct For Board Officials.. <https://www.aiib.org/en/about-aiib/basic-documents/download/code-of-conduct/basic-document-code-of-conduct-officials.pdf> Accessed on 25-10-2022.
- ADB, 'TA Report for Strengthening of Judicial Capacity' 2009. <https://www.adb.org/projects/54414-001/main> accessed on 27-10-2022.
- Asian Development Bank, .Report and Recommendation of the President to the Board of Directors on Proposed Loans and Technical Assistance Grant to the Islamic Republic of Pakistan for the Access to Justice Program. (Asian Development Bank 2001) accessed 02-01-2023.
- AIIB, .Asset Liability Management Policy., <https://www.aiib.org/en/policies-strategies/operational-policies/alm-policy.html> accessed on 02-01-2023.
- ADB History, <https://www.adb.org/who-we-are/about> Accessed on 01-02-2022.
- Berg, Sanford V. .Sustainable Regulatory Systems: Laws, Resources and Values. Elsevier Science Ltd. Volume 9: Utilities Policy Research Centre, USA, (2000).

- Corporate Strategy Financing Infrastructure for Tomorrow, September 2000, AIIB, Available at: <https://www.aiib.org/en/policies-strategies/strategies/.Content/index/download/AIIB-Corporate-Strategy.pdf> Accessed on 22/02/2022
- Decision on Oversight Mechanism, available at: <https://www.aiib.org/en/about-aiib/governance/oversight-mechanism/index.html> Accessed on 25-03-2022.
- Gregory T. Chin, .Asian Infrastructure Investment Bank: Governance Innovation and Prospects., Global Governance, Vol. 22, No. 1, (2016), p. 11-25.
- Huang, Zhiyong, and others, .Analysis of Asian Development Bank's operation and enlightenment to establishing of Asian Infrastructure Investment Bank., Around Southeast Asia, vol. 11 (2013), pp. 3-11
- IFRS: International Financial Reporting Standards, Available at: <https://www.cfainstitute.org/en/advocacy/issues/international-finance-reporting-stds#sort=%40pubbrowsedate%20descending>, last accessed on 10/11/2022.
- Keatley, Robert. .China's AIIB Challenge: How Should America Respond?. The National Interest, April 18 2015, www.nationalinterest.org. 56-60
- Katja, Creutz. The Asian Infrastructure Investment Bank (AIIB) and rights protection: revisionist or just another kid on the block?, The International Journal of Human Rights, DOI: [10.1080/13642987.2022.2033727](https://doi.org/10.1080/13642987.2022.2033727) accessed on 20-10-2022.
- Meibo Huang, Na Chen and other, .An Analysis On The Potential Competitiveness Of The Asian Infrastructure Investment Bank. Asia-Pacific Development Journal Vol. 23, No. 2, December 2016. pp 19.
- Memorandum of Understanding for strengthening the Co operation between ADB and AIIB, 2nd may 2016, Available At: <https://www.aiib.org/en/about-aiib/who-we-are/our-work/download/adb.pdf> Accessed on 23/02/2022
- Memorandum of Understanding executed between AIIB and ADB, <https://www.adb.org/sites/default/files/institutional-document/185034/adb-aiib-mou.pdf>. Accessed on 13-09-2022.
- Nagpal, Ramit and Christina Pak, .Chapter 11 Development Financing of Dispute Resolution Reform Projects: The Evolving Approach of the Asian Development Bank., International Organizations and the Promotion of Effective Dispute Resolution, pp 163-187
- Private Investors and treasury finance, available at: <https://www.aiib.org/en/opportunities/career/job-vacancies/staff/future-jobdetails/Counsel-Senior-Counsel-Private-Sector-Investment-and-Treasury-Finance.html> Accessed on 10-04-2022.
- Raul C. Pangalangan, .The Asian Development Bank Administrative Tribunal: Constitutive Instruments And Case-Law., Brill. (2001) 209-215. <https://www.jstor.org/stable/10.1163/j.ctv2gjwwjb.10> Accessed on 20-04-2022.
- Smolaga Mateusz, .Asian Development Bank and Asian Infrastructure Investment Bank-is Cooperation Possible?., Central and Eastern European Online Library, (2017), P 191-213.
- Sonia, Dunlop. Tam Do Minh., .The Asian Development Bank: Asia's Future Climate Bank?: How The Asian Development Bank Can Align With The Paris Agreement In Indonesia, Vietnam And The Philippines. E3G (2019). <http://www.jstor.com/stable/resrep21751> Accessed on 25-10-2022.

- Stephen, Matthew. .Liberal International Order with Chinese Characteristics? China and the Asian Infrastructure Investment Bank. WZB Berlin Social Science Center. <https://ecpr.eu/Events/Event/PaperDetails/40926> accessed on 05-01-2023.
- Syadullah, Makmun, .Prospects of Asian Infrastructure Investment Bank., Journal of Social and Development Sciences, vol. 5, No. 3, (2014), pp. 155-167.
- .The Role of Law at AIIB., Available at: <http://www.aiib.org/en/about-aiib/who-we-are/role-of-law/index.html>
- Weiss, A. Martin., .Asian Infrastructure Investment Bank., Congressional Research Service, February 03, 2017. Available at: <https://sgp.fas.org/crs/row/R44754.pdf> Last accessed on 12/01/2022.
- Will, Kenton and Charles Potters. .The Asian Infrastructure Investment Bank (AIIB)., Investopedia, 28 Feb 2021.

Webliography

www.jstore.org
www.aiib.org
www.investopedia.com
www.ssrn.com
www.bookings.edu
www.dfat.gov.au
scholar.google.com
www.researchgate.net
www.mondaq.com
www.adb.org
www.uncitral.un.org
www.statesassembly.gov.je
www.cfainstitute.org
www.brill.com
www.ecpr.eu
www.europarl.europa.eu
www.europarl.europa.eu
www.uncitral.un.org