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**An Update on AIIB's Procurement Regulations.
Procurement Policy and Co-operation with Other Multilateral
Development Banks**

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This paper can be downloaded from the [Social Sciences Research Network at Abstract No. 2781960](#).

Abstract:

As the time goes by, after the commencement of the operations by the Asian Infrastructure Investment Bank ('AIIB') in January 2016, subsequent official statements and press releases shed more light on the possible shape of the rules of procurement of goods services and construction services related to the realisation of projects financed by this institution. The first major development can be seen in that at the end of February 2016, the AIIB lift a bit the veil by releasing general 'Procurement Policy.' The second major development is the recent (April, May) series of information about AIIB's prospective co-financing projects with other multilateral development banks ('MDBs') including World Bank, Asian Development Bank and the European Bank for Reconstruction and Development.

These developments confirm the claim made in previous working paper released in mid-January 2016 that the AIIB will largely follow the substance of other MDB's existing public-procurement-related solutions. What has not been confirmed though is the prediction that the AIIB might not want to institutionalise its co-operation with the existing MDBs. To the contrary, the AIIB has decided to (i) allow its borrowers to use their country systems based on OECD benchmarking tools, (ii) determine socio-economic and environmental standards based on 'World Bank Group Environmental, Health, and Safety Guidelines,' and (iii) conclude a number of framework agreements on the co-operation with other MDBs - which at least in medium term locks the AIIB in the system of MDBs' informal co-operation and harmonisation of their public-procurement-related activities under the leadership of the World Bank.