

AIIB's Results Architecture

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Overview

The Asian Infrastructure Investment Bank (AIIB or the Bank) is a multilateral development bank whose mandate is to (i) foster sustainable economic development, create wealth and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors; and (ii) promote regional cooperation and partnership in addressing development challenges by closely collaborating with other multilateral and bilateral development institutions. This entails improving economic, environmental and social outcomes in Asia, as AIIB's financing contributes to development outcomes, including the Sustainable Development Goals and other development goals pursued by our Members. These guiding principles and strategic objectives are described in the Bank's Corporate Strategy and its operational policies.

AIIB's Results Architecture underpins this commitment by providing a structured approach to measuring and managing for results. It consists of two levels:

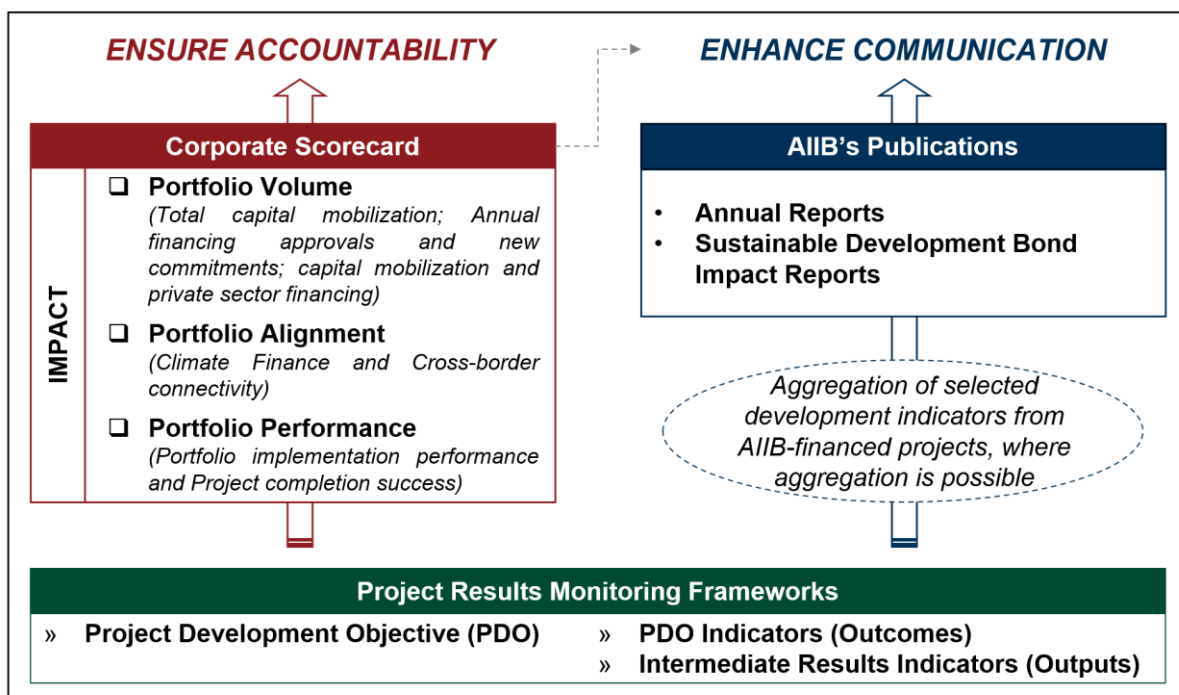
- I. **Project level**, which focuses on outcomes and outputs from individual projects, and
- II. **Corporate level**, which summarizes AIIB's contribution in terms of supporting clients to achieve project development outcomes.

In this regard, a two-pronged approach is taken:

Ensure Accountability: Hold the Bank and its project teams accountable for delivering results by publishing aggregated project completion success ratings, as a key part of AIIB's overall financing impact in the Corporate Scorecard.

Enhance Communication: Provide transparent and accessible information on selected aggregated indicators to showcase development outcomes and outputs from AIIB's financed projects.

Overview of AIIB's Results Architecture



Part I: Project Results Monitoring Frameworks as the Cornerstone for Project-Level Results

AIIB provides support to diverse clients within both the public and private sectors, employing Sovereign-Backed Financing (SBF) and Non-Sovereign-Backed Financing (NSBF) instruments. The results achieved under these financings reflect the accomplishments of AIIB's clients, with support from AIIB.

At the project level, AIIB project teams are required to ensure that projects are designed, implemented, and evaluated to deliver measurable development outcomes. The Bank's *Operational Policy on Financing* mandates that each proposed project must have clearly defined development objective(s) and a results framework that allows appropriate evaluation of the project.

The Project Development Objective (PDO) is a clear and concise statement describing the specific outcomes the project aims to achieve for its beneficiaries. A well-articulated PDO demonstrates alignment with AIIB's thematic priorities and strategies, is outcome-oriented (focusing on the effects for beneficiaries), measurable (through relevant PDO indicators), attributable (significantly influenced by the project's interventions), achievable and timebound (attainable, given the available inputs, within the project's completion date), and clear (precise and consistently understood by all stakeholders).

To track and evaluate project performance against the PDO, AIIB employs a Project Results Monitoring Framework (RMF) - a strategic results management tool that includes the PDO and a corresponding set of results indicators. These include PDO Indicators, which measure the achievement of the intended outcomes, and Intermediate Results Indicators (IRIs), which track progress through outputs. Indicators follow the SMART principle - being Specific, Measurable, Attributable, Realistic, and Time-bound.

Examples of PDOs and PDO Indicators in AIIB-financed Projects

Project Development Objectives (PDOs)	PDO Indicators (Outcomes)
To increase water availability, improve the safety of water and sewerage services in Karachi, and improve KWSC's financial and operational performance.	• People provided with safely managed water (disaggregated by gender) • People provided with safely managed sanitation (disaggregated by gender) • KWSC's Operating Cost Coverage Ratio improved
Improve urban mobility on the corridor from the JLN Stadium to Smart City via Kakkanad in Kochi.	• Public transport journey time from JLN Stadium to Smart City • Passengers transported daily along the corridor of Phase II (disaggregated by gender) • Trains reaching the end stations within 3 minutes from the scheduled time on the corridor of Phase II
To scale up solar module and cell manufacturing capacity in Türkiye and contribute to Türkiye's ambition of expanding its solar module manufacturing capacity.	• Solar module manufacturing capacity installed (MW / year) • Solar cell manufacturing capacity installed (MW / year) • Solar module sales (MW / year) • Solar module exports (MW / year) • Number of female employees (percent total)

AIIB maintains a strong commitment to transparency and accountability of its results throughout the project cycle.

Ex-ante Results. The PDO and expected results are co-developed with the Clients during the project assessment stage and form an integral part of the project documents. Consistent with peer MDB practices, the Bank provides publicly accessible information on PDO and project results, ensuring transparency and enabling stakeholders to clearly understand what AIIB finances and the development outcomes it aims to achieve.

Progress Reporting on Results. Following project approval, the RMF is used throughout implementation to track progress of results achievement by comparing actual results against targets, and to guide implementation decisions through results updates and corrective action recommendations.

Ex-post Results. At project completion, the findings from the RMF assessment directly inform the preparation of a completion report by Management, which summarizes Project's performance and provides ratings on its effectiveness, relevance, sustainability, and efficiency, as well as institutional learning through documented lessons.

Economic Impact Assessments. In addition, AIIB conducts deeper research on select projects. It includes employing experimental and quasi-experimental methodologies, complemented by innovative data sources and localized data collection, to provide a more robust and deeper understanding on how our investments impacted communities and development. Findings of such select studies are disseminated through the annual Asian Infrastructure Finance report or AIIB's working paper series.

Evaluation. For completed stand-alone projects, AIIB conducts a Project Learning Review (PLR) to assess results, identify key drivers, and extract lessons for continuous improvement. The Complaints-Resolution, Evaluation, and Integrity Unit - an independent oversight unit – prepares the PLRs.

Part II: Corporate level

At the corporate level, the overall impact of AIIB financing can be conceptually described as a combination of three essential elements¹:

- *Total resources mobilized by AIIB (Portfolio Volume).* AIIB provides the necessary financing with the right tenor and quantity in line with the needs of each project and proactively aspires to catalyze other financing sources into infrastructure investments.
- *Alignment of the objectives of investments with the Corporate Strategy (Portfolio Alignment).* AIIB contributes to direct impacts in the priority areas where it seeks to add value and establish its market position. It ensures that every project financed is ordinarily aligned with at least one of its four thematic priorities – Green Infrastructure, Connectivity and Regional Cooperation, Technology-enabled Infrastructure and Private Capital Mobilization – and does not dilute itself in other areas that may fit better with the mandates of other institutions.
- *Portfolio performance.* The performance of AIIB's portfolio encompasses the annual disbursement ratio for SBF, share of projects without severe or unresolved issues impacting implementation performance and results, and project completion success for completed projects. Project completion success is measured by aggregating the

¹ For more information, please see AIIB's [Corporate Strategy](#) and Corporate Scorecard.

overall success ratings assigned to each project it finances and the fulfillment of project objectives in line with client's development goals.

At the same time, project level RMFs serve as the key foundation for AIIB's development outcome-driven results architecture. As a project finance bank, AIIB aims to ensure that each project it finances supports clients in achieving their intended development outcomes, as defined by the PDO and monitored by relevant results indicators within the RMF. Building on this foundation, AIIB takes a two-pronged approach to communicate its development impact:

Ensure Accountability

AIIB holds itself accountable for supporting its clients in delivering development outcomes. At completion, each project is assessed against the OECD's Development Assistance Committee evaluation criteria of effectiveness, relevance, efficiency and sustainability, in line with our Learning and Evaluation Policy. Achievement of outcomes is a core factor to measuring this success. A single overall rating is assigned for each project on a four-point rating scale that reflects the Bank's objective assessment. The overall ratings assigned to each project are then aggregated at the portfolio level as the Project Completion Success indicator in the Corporate Scorecard. This ensures that the Scorecard effectively summarizes the success of the Bank in supporting its clients achieve project outcomes, and thus the performance of the Bank.

Enhance Communication

AIIB provides transparent and accessible information on project outcomes through [project documents](#) and selected aggregated indicators. This helps shareholders and stakeholders understand what AIIB finances, highlighting development outcomes in a straightforward manner. For example, outcome indicators may show anticipated changes for beneficiaries, disaggregated by gender where possible (e.g. women and girls provided with improved access to transport infrastructure and services). Such indicators exist across various sectors, and whenever possible and appropriate, benefits can be aggregated at the portfolio level to demonstrate support for gender equality, women's empowerment or climate objectives, including net GHG emissions, aligned with methodologies from the joint MDB working group.

The Bank promotes the use of standardized indicators to enable aggregation and portfolio-level analysis, we also allow and respect the flexibility to tailor indicators to specific project contexts as a client-driven Bank. It is natural that some project level results indicators may not be conducive to simple aggregation as they are tailored to project context. Direct aggregation can distort operational incentives and prove unmeaningful, potentially skewing attention toward larger economies as a result of placing greater value to absolute figures. For example, a project in a larger economy with 50,000 beneficiaries should not automatically be prioritized over a smaller project with 500 beneficiaries, as the impact felt across these economies may differ. Therefore, it is important to recognize that selected, aggregated outcome indicators do not represent all outcomes of AIIB-financed projects, as they do not fully capture the breadth and depth of development impact and significance of those outcomes can be felt differently across Members and contexts. AIIB recognizes the importance of communicating development outcomes, especially to investors and other stakeholders, thus have made these results available through public channels, such as through its website, Annual Report, Impact Report, publications, and other communication channels.

AIIB's Annual Reports

AIIB's Annual Reports provide a comprehensive overview of the Bank's activities over the course of a year. These reports include more information on the Bank's impact as described in the Corporate Scorecard including portfolio volume, alignment and performance, as well as aggregated data on select outcome and output indicators from projects, offering an overview of the Bank's contribution to sustainable infrastructure development in Asia. Aggregated project level results play a crucial role in shaping these reports by ensuring a consistent, data-driven assessment of AIIB's progress. The Annual Reports also provide deeper dive case studies of AIIB projects and additional insights into the Bank's activities beyond the projects.

AIIB's Annual Sustainable Development Bond Impact Report (Impact Report)

The Impact Report discloses both portfolio-level and project-level environmental and social outcomes and output results that are expected to be generated by the Bank's infrastructure financing activities. Project level RMFs and indicators provide the foundation for these disclosures, reinforcing transparency and accountability in AIIB's impact measurement. The report also includes alignment of AIIB's projects with the UN Sustainable Development Goals as well as selected project impact stories. AIIB's Impact Report is issued pursuant to its Sustainable Development Bond Framework, which is consistent with International Capital Market Association's Sustainability Bond Guidelines.

AIIB's Results Architecture is a living framework that evolves with the Bank's operational experience, lessons learned, and the changing development landscape. As a client-driven institution, AIIB recognizes the need for flexibility and continuous improvement in how results are measured, reported, and communicated. Accordingly, the framework is subject to periodic updates to ensure it remains fit-for-purpose, aligned with international good practices, and responsive to the evolving priorities of our Members and stakeholders.