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INDIGENOUS PEOPLES DEVELOPMENT IN WORLD BANK-FINANCED PROJECTS:

# Our People, Our Resources

Striving for a Peaceful and Plentiful Planet

*Case Studies Report*

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***Case Studies Report***

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### Abbreviations and Acronyms

<b>ACICAFOC</b>	Central American Indigenous and Peasant Coordinator of Communal Agroforestry	<b>IPRA</b>	Indigenous Peoples Rights Act
<b>AMAN</b>	National Alliance for Indigenous Peoples	<b>IPS</b>	Indigenous Peoples Strategy
<b>AusAID</b>	Australian Agency for International Development	<b>MAWF</b>	Ministry of Agriculture, Water, and Forestry
<b>BESRA</b>	Basic Education Sector Reform Agenda	<b>MBC</b>	Mesoamerican Biological Corridor
<b>CBNRM</b>	Community-based Natural Resource Management	<b>MCA</b>	Millennium Challenge Account
<b>CCAD</b>	Central American Commission on Environment and Development	<b>MET</b>	Ministry of Environment and Tourism
<b>CICA</b>	Indigenous Council of Central America	<b>MFMR</b>	Ministry of Fisheries and Marine Resources
<b>CIDT</b>	Inter-Sectoral Demarcation and Titling Commission	<b>MIS</b>	Management Information Systems
<b>CIP</b>	Project Inter-institutional Committee	<b>MLR</b>	Ministry of Lands and Resettlement
<b>CO</b>	Community Organizations	<b>NCIP</b>	National Commission on Indigenous Peoples
<b>CODAE</b>	Council for Afro-Ecuadorian Development	<b>NGO</b>	Non-governmental organization
<b>CODENPE</b>	Council for the Development of Nationalities and Peoples of Ecuador	<b>NMPRP</b>	Northern Mountain Poverty Reduction Project (Vietnam)
<b>CONADETI</b>	National Commission for Demarcation and Titling	<b>NPSBE</b>	National Program Support for Basic Education
<b>DepED</b>	Department of Education	<b>PAF</b>	Poverty Alleviation Fund (Nepal)
<b>EDMP</b>	Ethnic Minority Development Plan	<b>PMU</b>	Project Management Unit
<b>EWERAP</b>	Enhancing Wildlife-based Economy in Rural Areas Project	<b>PO</b>	Partner Organizations
<b>GEF</b>	Global Environment Facility	<b>PRODEP</b>	Nicaragua Land Administration Project
<b>HDI</b>	Human Development Index	<b>PRODEPINE</b>	Indigenous and Afro-Ecuadorian Peoples Development Project
<b>ICEMA</b>	Integrated Community-Based Ecosystem Management Project (Namibia)	<b>RACCN</b>	Northern Caribbean Coast Autonomous Region
<b>ICR</b>	Implementation and Completion Report	<b>RACCS</b>	Southern Caribbean Coast Autonomous Region
<b>IDA</b>	International Development Association	<b>REDD</b>	Reducing Emissions from Deforestation and Forest Degradation
<b>IEM</b>	Integrated Ecosystem Management	<b>SENAIME</b>	National Secretariat of Indigenous and Ethnic Minorities
<b>IFAD</b>	International Fund for Agricultural Development	<b>SPHERE</b>	Basic Education Reforms Project
<b>ILO</b>	International Labour Organization	<b>SDV</b>	Social Development Department
<b>INDA</b>	National Agrarian Development Institute	<b>UNDRIP</b>	United Nations Declaration on the Rights of Indigenous Peoples
<b>INETER</b>	National Property Registry	<b>UNICEF</b>	United Nations International Children's Emergency Fund
<b>IPDP</b>	Indigenous Peoples Development Program	<b>USAID</b>	United States Agency for International Development
<b>IPP</b>	Indigenous Peoples Plan	<b>VCDP</b>	Vulnerable Community Development Plan
<b>IPPF</b>	Indigenous Peoples Planning Framework	<b>VDC</b>	Village Development Committee
		<b>WIMSA</b>	Working Group on Indigenous Minorities in Southern Africa

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## Executive Summary

### Why a Case Study Report on Indigenous Peoples Development?

Indigenous peoples have one of the highest poverty rates in the world. There is increased concern among poverty analysts that many countries with significant vulnerable groups—such as indigenous populations—will not meet the Millennium Development Goals (MDGs). However, the MDGs reflects only one concept of development. (Hall and Patrinos 2012). The World Bank seeks, therefore, to position social inclusion for indigenous peoples at the center of the development agenda in order for them to achieve their own vision of shared prosperity and poverty reduction.

From March 2013 until March 2014, the World Bank carried out the first phase of a worldwide Global Dialogue and Engagement Process with Indigenous Peoples with four objectives:

1. Inform the ongoing World Bank Environmental and Social Safeguards Review and Update process, particularly as it relates to Operational Policy OP 4.10 (Indigenous Peoples)
2. Improve the effective implementation of the Operational Policy OP 4.10 (Indigenous Peoples Policy)
3. Identify strategies to direct increased World Bank investment to indigenous peoples based on their own visions of development
4. Strengthen the engagement process between the World Bank and indigenous peoples worldwide.

After a pre-dialogue phase from March to May 2013, the World Bank began the formal dialogue with indigenous peoples in October 2013 and organized seven workshops in all global regions, ending in March 2014 in Kathmandu. The Global Dialogue and Engagement Process yielded excellent results in terms of participation and information gathered, and by fostering the beginning of a renewed and stronger relationship between the world's indigenous peoples and the World Bank.

As result of the dialogue, four major thematic areas were identified as critical for indigenous peoples in achieving the four Global Dialogue and Engagement Process objectives, especially with regard to sustainable development:

1. Land rights and management
2. Economic development and sustainability
3. Governance and institutional strengthening
4. Public policy and country systems

These four thematic areas are considered vital because many of the structural problems in indigenous communities are largely a result of issues pertaining to these areas. If there are weaknesses in any of these four areas, programs for indigenous peoples targeted at fighting poverty and increasing income levels and access to services are unlikely to be effective or sustainable. In sum, structural weaknesses create barriers for indigenous peoples to work with the state to ascertain their rights and make significant progress in sustainable development. One way to better understand—and begin to address—these

critical areas is to identify and assess experiences from Bank-financed projects successful at addressing one or more of them.

This report is an attempt to better understand good practices and lessons learned regarding indigenous peoples development. Experiences from eight case studies are presented and document examples of successful practices and approaches in World Bank-financed projects that have had positive impacts on indigenous communities, specifically along one or more of the thematic areas.

The main objective of this initiative is to identify good practices and lessons learned in the context of specific projects and countries and not to generalize from such good practices. The report does not provide exhaustive coverage of relevant issues within the thematic areas or beyond them. Rather, the goal of this study is to initiate a process for developing a better understanding of good practices for the sustainable development of indigenous peoples, to enhance the capacity of the Bank and its partners in developing projects that support culturally appropriate development activities for indigenous peoples, and to advance the effective application of the Bank's policy on indigenous peoples.

Another important objective is to share these good practices and lessons learned with World Bank staff, borrower governments and indigenous peoples' organizations to help improve the design and implementation of programs and projects for indigenous peoples and to substantially increase their effectiveness and impact. Finally, this initiative also intends to support a much broader plan to engage indigenous peoples in a longer-term effort to find better ways to promote sustainable development among indigenous communities worldwide through the Global Dialogue and Engagement Process.

## Scope and Methodology

To select the case studies, the team leading the exercise drew up a preliminary "assessment criteria" list, which included regional and sector representation; relevance to the key thematic

areas from the Global Dialogue; preference for completed or near-completed projects; and availability of information, such as first-hand knowledge of projects, access to Bank staff task teams, and prior coverage in Bank publications or reports.

The team also relied on the results of the Social Inclusion Portfolio Review, which analyzed projects in the fiscal 2010–13 portfolio. The preliminary list was shared with technical staff working in different regions, requesting suggestions for additional potential projects. Out of more than 20 potential cases, eight projects were chosen for inclusion in this report.

With regard to regional representation, the selected case studies represent four regions: Latin America and the Caribbean (3), Africa (1), South Asia (1), and East Asia (3). This regional representation reflects the World Bank investment-lending portfolio that targets indigenous peoples and ethnic minorities. There are only a few projects that have triggered OP 4.10 in the Middle East and North Africa or the Europe and Central Asia regions.

A small team prepared the case studies, conducting a desk review of the eight selected projects and identifying good practices and lessons learned from results. The team reviewed project documents and, for some case studies, referred to personal experiences in the projects. Task team leaders and members provided input through interviews, email communications, and draft case study reviews.

The selected case studies are as follows:

- Nicaragua—Land Administration Project: Recognizing Collective Land Rights of Indigenous Peoples
- Ecuador—Indigenous and Afro-Ecuadorian Peoples Development Project
- Indonesia—Improving Governance for Sustainable Indigenous Community Livelihoods in Forested Areas Project
- Central America—Integrated Ecosystem Management in Indigenous Communities Project

- Namibia—Integrated Community-Based Ecosystem Management Project
- Nepal—Poverty Alleviation Fund Project
- Vietnam—Second Northern Mountains Poverty Reduction Project
- Philippines—National Program Support for Basic Education Project

## Synopsis of Cases by Thematic Area

### Land Rights and Management

Indigenous peoples have a strong attachment to land, relying on it for their physical and cultural survival. To many indigenous peoples, ancestral land is a source of life and livelihoods, underpinning their cultural identity. As a result, land constitutes the basis for their social, economic, and political organization as well as for their customary laws. The case studies from Nicaragua and Ecuador demonstrate the complexity of regularizing indigenous peoples' land, a process that commonly involves multiple agencies, uncertainties concerning the legal aspects of natural resource use, and conflicts between indigenous peoples and other local or national interests.

**Nicaragua—Land Administration Project.** The project supported government efforts to secure property rights and modernize land administration through an enabling legal environment. Building on several previous Bank-financed efforts, the project contributed to the preparation and implementation of Law 445—Collective Land Rights of Indigenous Peoples in the Caribbean as well as other laws. This strengthened the policy and legal environment, enabling indigenous peoples and ethnic minorities in the North Atlantic Autonomous Region of Nicaragua to reestablish their property rights and allowed for the recognition of indigenous territories as self-governing units.

**Ecuador—Indigenous and Afro-Ecuadorian Peoples Development Project (PRODEPINE).** The project financed land titling and land regularization, benefitting 93 indigenous and Afro-Ecuadorian organizations. Given the sensitivity



around land property rights, the project, in collaboration with CARE and the implementing agency, the National Agrarian Development Institute (INDA), trained paralegals from indigenous and Afro-Ecuadorian communities for project implementation. The paralegals were able to effectively resolve land conflicts because of their backgrounds and their knowledge of participating communities and organizations. Through the cooperation between the project and INDA, the paralegals were integrated into INDA's operations for land titling and regularization.

### Indonesia—Improving Governance for Sustainable Livelihoods in Forested Areas Project.

Participatory planning is supporting the production of maps and land-use plans by indigenous peoples and promoting their use for sustainable forest management to improve livelihoods. Community mapping is proving to be a useful negotiating tool for indigenous communities promoting customary rights by asserting and claiming their land rights and responsibilities as well as enhancing their cultural norms. Community drawn maps are treated as valid evidence in dispute resolution, and they can serve as a basis for issuing formal recognition of indigenous peoples' territorial rights.

**Central America—Integrated Ecosystem Management in Indigenous Communities Project.**

The project supported conservation and management of natural resources by indigenous peoples as a means to protect their livelihoods and economic well-being. Building on their traditional knowledge of sustainable land use and an integrated ecosystem management approach, land-use plans were designed and executed in a participatory manner, benefiting 400 communities. Along with capacity building to preserve biodiversity, the land-use planning created positive environmental benefits and promoted sustainable livelihoods for rural indigenous populations.

**Namibia—Integrated Community-Based Ecosystem Management Project.**

The use of community-based natural resource management approaches brought socioeconomic benefits to communal conservancies. In the past, a major dividing issue for the government had been the merit of indigenous customary tenure systems and those based on western concepts involving the registration of individual ownership. The project promoted a community-based ecosystems management approach to help the San—a diverse group of indigenous peoples living in Namibia and South Africa—gain rights to use, manage, and benefit from the natural resources and wildlife within defined boundaries.

**Economic Development and Sustainability**

Over the past few decades, the international development community has increasingly recognized the need to tailor development interventions to local contexts, the importance of indigenous peoples to protect their cultural identities and determine their own development pace and paths, and the benefit of social and cultural diversity on national development. This recognition prompted new conceptual frameworks, such as ethno-development and development with identity, which stress the importance of finding socially and culturally appropriate development alternatives for indigenous communities that allow them to be in control of their own development. Several of the case studies illustrate the value of recovering and

reinforcing cultural traits of traditional communities, such as social solidarity, communal work, and mechanisms for the traditional redistribution of wealth. The projects have supported culture-based activities, including handicrafts, cultural tourism, and ethno-biological production, but also larger productive activities like sustainable forest management, agriculture, and fisheries.

**Ecuador—Indigenous and Afro-Ecuadorian Peoples Development Project.**

Culturally appropriate and participatory development approaches were used in all aspects of the project, providing investment resources to indigenous and Afro-Ecuadorian communities based on their own priorities. The use of traditional collective labor (Minga) was accepted as the counterpart contribution by the communities for financing particular rural investments. Important community enterprises were also financed on a matching grant basis for investments, such as small-scale agro-business ventures, which were owned and operated by communities. Indigenous communities viewed these agro-business ventures as public rather than private goods since the communities owned them and because profits were used to finance public works (e.g., schools and health clinics).

**Nepal—Poverty Alleviation Fund (PAF) Project.**

The case study illustrates how a socially and culturally appropriate approach can set the conditions for poverty reduction and broad sustainable development among indigenous peoples. Some of the activities funded include income-generating subprojects, product development, and market linkages. The project targets communities living below the poverty line and communities commonly excluded from development, such as women, indigenous peoples, and Dalits.

**Vietnam—Second Northern Mountains Poverty Reduction Project.**

The project supports development for ethnic minorities through a community-driven development approach, participatory planning with enhanced women's participation, and a local language communication strategy. It is financing public



infrastructure investments at the district level and small-scale livelihood activities at the community and household levels through “common interest groups.” These groups develop skills to procure raw materials and extension services and explore linkages with rural finance institutions and markets. The project is also increasing income-generating opportunities for ethnic minorities by facilitating a transition from a state-subsidized economy to one of market-oriented producers.

**Central America—Integrated Ecosystem Management in Indigenous Communities Project.**

This case study looks at efforts to help indigenous peoples conserve and manage natural resources as a means of protecting their livelihoods and economic well-being, building on traditional knowledge about sustainable land use practices. In Central America, high poverty levels in indigenous communities have led to land degradation activities. The project provided financing to develop culturally appropriate, environmentally sustainable, income-generating activities through technical assistance and production subprojects. It supported community land management plans through traditional community consultation and

decision-making processes, referred to as Balu-Wala.

**Governance and Institutional Strengthening**

Indigenous peoples tend to be organized as clans or tribal groups, maintaining their own institutions to manage relations within their communities and sometimes with neighboring ones. These institutions represent local forms of political organization and administrative division. An indigenous peoples' organization shares a common land area or territory, and in order to build bonds and seek alliances with others, it might become a member of a second-tier regional organization, a third-tier provincial organization, or a national organization. Given how important local organizations and institutions are to indigenous peoples, building their capacity in project design and implementation has been found to enhance their development outcomes.

**Ecuador—Indigenous and Afro-Ecuadorian Peoples Development Project.** This project strengthened indigenous social organizations and



local governments in areas with a high concentration of indigenous peoples. Through a partnership with 27 Ecuadorian universities and high schools, a pool of indigenous professionals was trained. The experiences contributed significantly to the formation and improvement of social capital, demonstrating the importance of local institutional strengthening for improving management capacity. This made it possible to include community demands on the agenda of local governments, promote institutional alliances, and form networks aimed at solving concrete development problems of indigenous peoples.

#### **Central America—Integrated Ecosystem Management in Indigenous Communities Project.**

This case study describes efforts to strengthen the knowledge of participating communities in customary law and rights and to improve their technical, administrative, and information and communication technology skills to engage in biodiversity conservation through regional networks. In particular, two regional indigenous organizations—the Indigenous and Peasant Coordination Association for Community Agroforestry in Central America and the Indigenous Council of Central America—were supported. The latter used an indigenous concept of “good living” and development to strengthen its network of various organizations focused on tourism, handicrafts production, and production of traditional natural products.

**Namibia—Integrated Community-Based Ecosystem Management Project.** The San, one of the oldest peoples in Africa, have a number of conservancies or community-based organizations. The project targeted the San people through the N#a Jaqna Conservancy and sought to systematically establish equal opportunities for the San in organizational and financial areas. In addition, it supported traditional San practices, introduced ways to connect with the modern market, and built capacity to improve the conservancy’s governance. As a result, the effective management of conservancy committees increased, facilitating the incorporation of an integrated ecosystem management approach to natural resource management.

**Indonesia—Improving Governance for Sustainable Indigenous Community Livelihoods in Forested Areas Project.** The project has introduced and evaluated creative approaches for the institution-building of indigenous community-based organizations. Also included were community approaches to forest management schemes aimed at improving non-timber forest production practices and alternative livelihood activities. Marginalized and vulnerable indigenous communities and organizations were brought together in a framework of common interest to connect with markets and provide opportunities for gaining experience, investing, and aligning their sustainable production practices with the international demand for ecosystem services. From the national to provincial and community levels, the project is being directly implemented by indigenous peoples. It is one of the few experiences at the World Bank where a grant agreement was signed with a community-based national network—the National Alliance for Indigenous Peoples (AMAN).

#### **Country Legal and Policy Systems Regarding the Rights of Indigenous Peoples**

Indigenous peoples’ rights and issues are recognized in various international instruments, such as the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), endorsed by over 140 countries, and the International Labour Organization (ILO) Convention 169 on Indigenous and Tribal Peoples, currently ratified by 22 countries. Most countries in Latin America and a few select countries elsewhere (e.g., the Philippines and Indonesia) have specific legislation recognizing the rights of indigenous peoples with regard to land, natural resources, cultural identity, education, and health. However, for many of the countries that attempt to apply these principles, implementation is often incomplete, controversial, and mired in conflict and internal power relations. Supporting a legal framework that recognizes indigenous peoples can therefore provide significant benefits to indigenous peoples.

**Nicaragua—Land Administration Project.** This case study explores the process by the Nicaragua government to formulate and implement an indigenous and ethnic minority land law. The project was designed to develop the legal, institutional, technical, and participatory framework for the administration of property rights in the territory of Nicaragua. The project’s design as well as the Indigenous Peoples Strategy emphasized dialogue with major stakeholders; a participatory approach to the legal recognition and demarcation of indigenous land; and community capacity building related to land and natural resource rights, such as demarcation and land titling. The process resulted in the preparation, enactment, and implementation of Law 445—the Law for Collective Land Rights of Indigenous Peoples in the Caribbean.

**Ecuador—Indigenous and Afro-Ecuadorian Peoples Development Project.** This case study illustrates how the project supported the formulation of national and local development plans and the preparation of draft legislation on issues of interest to indigenous peoples and Afro-Ecuadorian communities, such as land tenure and legalization, inter-cultural and bilingual education, and recognition of local-level traditional authorities and organizations. Results were achieved in part through the institutional strengthening of the Council for the Development of Nationalities and Peoples of Ecuador and the Council for Afro-Ecuadorian Development, the two official government organizations dealing with indigenous peoples and Afro-descendants.

**Philippines—National Program Support for Basic Education (NPSBE) Project.** The project has supported policy reforms in the education sector, including specific policies and institutional arrangements for indigenous peoples. Within the Department of Education, a technical working group and a special office for indigenous peoples’ education was established. A National Indigenous Peoples Education Policy Framework was developed by supporting an extensive consultation process with indigenous peoples organizations and the National Commission on Indigenous Peoples. The case study illustrates how the policy reforms only came about due to the strong



ownership taken within the Department of Education. The technical working group increased awareness about the educational situation for indigenous peoples; undertook an inventory of past and existing policies and programs regarding indigenous peoples’ education; and conducted a series of subnational and regional consultations with key educational stakeholders and indigenous peoples’ groups resulting in increased pressure to formulate the Indigenous Peoples Education Policy Framework.

#### **Cross-Cutting Approaches**

In addition to the good practices and lessons learned with regard to the four specific thematic areas, the case studies identify a number of good practices concerning important cross-cutting issues for projects involving indigenous peoples. These can be grouped into two main areas concerning: (1) project preparation and design and (2) implementation support and adaptive management.



**Project preparation and design.** Many of the case studies discuss the importance of undertaking a thorough social assessment and consultation process to identify the key issues, opportunities, and risks related to the project and to indigenous peoples. Combined with effective institutional and stakeholder analysis, the social assessment and consultations are generally useful to the design of a successful project. An Indigenous Peoples Plan tailored to a particular socioeconomic and cultural context can also enhance project benefits and opportunities for indigenous peoples and prevent or address adverse impacts and risks. Moreover, the consultation process can establish important relationships with indigenous peoples' communities and organizations, enabling their informed participation in the design and implementation of projects.

**Implementation support and adaptive management.** Two key issues emerge from the case studies as good practices for project implementation and World Bank implementation

support. First, an *adaptive management approach* enhanced project outcomes for several of the projects. For example, the original objective of PRODEPINE in Ecuador of strengthening second-tier or supra-community organizations was gradually expanded to cover higher-level social organizations and municipal governments. And when project monitoring revealed that the most marginalized communities were not receiving sufficient project benefits, Nepal's PAF Project was able to close the targeting gaps.

Second, because indigenous peoples' development can be complex and controversial, successful implementation can often require additional resources and efforts from Bank task teams. For instance, the successful results achieved with the education project in the Philippines required significant time and resources, a continued dialogue between the World Bank and the Department of Education, and a good working relationship with the National Commission on Indigenous Peoples. Similarly, the Nicaragua Land Administration

Project involved intensive supervision to address issues such as unclear territorial boundaries, relationships among neighboring communities, and clear communication of project objectives and methodologies to all key stakeholders.

## Conclusions and Recommendations

The case studies illustrate how specific World Bank-financed investment projects have contributed to land management and rights, economic development, policy development, and governance and institutional strengthening of indigenous peoples. While issues and good practices concerning indigenous peoples' development tend to be project-specific due to the particular circumstances of specific indigenous peoples and to country contexts, the case studies identify a number of key factors for sustainable indigenous peoples' development:

1. Development of culturally appropriate project designs based on solid social analysis, including institutional and stakeholder analysis, consultations, and the active participation of indigenous peoples' communities and organizations during project preparation.
2. Participatory arrangements in project design and implementation tailored to the specific political, social, and cultural contexts of indigenous organizations and communities.
3. The legalization and management of ancestral lands and natural resources is critical to development for most indigenous peoples who often think of land as a sacred, communal, and essential resource for their cultural and economic survival, not as property to be bought and sold as a commodity.
4. Building social capital has been identified as an integral component of social and economic development for indigenous peoples because it enables them to plan and manage their own development initiatives. Several of the case studies identify institutional strengthening of indigenous peoples' organizations and institutions as a good practice.
5. Policy reforms concerning indigenous peoples could enhance project outcomes and bring about broader and longer-term benefits. Good

practices for policy reforms include awareness raising, assessing past and existing policies, and conducting extensive consultations with indigenous peoples and other relevant stakeholders.

6. Because indigenous peoples are commonly marginalized and often exhibit distinct socioeconomic and cultural characteristics, projects supporting economic development for indigenous peoples should be tailored to particular circumstances. The case studies identify good practices through ethno-development, development with identity models, participatory approaches, and tailored investments.

## Recommendations

This report aims to improve the socioeconomic circumstances of indigenous peoples and their participation in development. Additional efforts are needed to identify and assess good practices for supporting improvements to indigenous peoples' development, which could include the following:

1. Expanding the identification and documentation of case studies to provide a more in-depth discussion of good practices and lessons learned concerning indigenous peoples development.
2. Conducting an in-depth analysis of these and other cases to identify additional issues and to provide a deeper understanding of factors that affect outcomes for indigenous peoples in development programs and projects, such as social inclusion and vulnerability; the identification of entry points and leverage to ensure indigenous peoples benefit from development policies, programs, and projects; and political economy assessments and other factors influencing and informing actions by the government or other stakeholders.
3. Preparing training material based on specific case studies included in this report concerning indigenous peoples' development and the application of the Bank's policy on indigenous peoples.



# 1. Introduction

## 1.1 Background

This report presents a brief discussion of indigenous peoples' development as evidenced in a select number of case studies about World Bank-financed projects that had a positive impact on Indigenous Peoples' communities. The main objective of this study is to identify and document good practices and lessons learned that can be shared with World Bank staff, borrower governments, and Indigenous Peoples' organizations to help improve the design and implementation of projects that trigger the World Bank's Operational Policy on Indigenous Peoples (OP 4.10) and/or are primarily oriented toward the sustainable development of indigenous peoples.

World Bank activities with regard to indigenous peoples have been primarily focused on applying OP 4.10 to ensure that indigenous peoples receive social and economic benefits that are culturally appropriate and gender and age inclusive, and to mitigate possible adverse impacts associated with Bank-financed projects. The policy itself encourages Bank engagement and financial support for a variety of initiatives that go beyond projects, engaging in broader dimensions of country relationships that improve the circumstances of indigenous peoples. As a result, the Bank increasingly addresses issues concerning indigenous peoples through: (1) country economic and sector work/analysis, (2) dialogue and technical assistance, and (3) capacity-building.

For instance, using a combination of World Bank resources, trust funds, and counterpart funds, the

Bank has provided support to efforts at strengthening indigenous peoples' organizations through participatory training. Such capacity building has enhanced indigenous peoples' participation in national development and policy processes as well as in specific investment projects. These activities have also served to improve the dialogue between indigenous peoples' organizations and governments. As a result of the enhanced engagement with indigenous peoples, global programs supported by the Bank have added special capacity building programs for indigenous peoples and other civil society organizations. The Forest Carbon Partnership Fund is financing the Capacity Building Program for Forest-Dependent Peoples (including indigenous peoples) and Southern Civil Society Organizations; and the Forest Investment Program includes a "Dedicated Grant Mechanism for Indigenous Peoples and Local Communities," providing direct funding to indigenous communities and organizations.

This report is an initial attempt to document good practices and lessons learned through results with regard to indigenous peoples' development. It is intended to support the ongoing engagement process with indigenous peoples and to inform the process of finding better ways to promote sustainable development that will positively affect indigenous communities.

Since March 2013, the World Bank has been implementing the Global Dialogue and Engagement Process with indigenous peoples with the following objectives:

- Inform the ongoing World Bank Environmental and Social Safeguards Review and Update process, particularly as it relates to the World Bank’s policy on indigenous peoples (OP 4.10)
- Improve effective implementation of OP 4.10
- Identify strategies to direct increased World Bank investment to indigenous peoples based on their own visions of development
- Strengthen the engagement process between the World Bank and indigenous peoples worldwide.

During the dialogue four major thematic areas were identified as critical for indigenous peoples:

1. Land rights and management
2. Economic development and sustainability
3. Governance and institutional strengthening
4. Public policy and country systems

The case studies in this report primarily discuss good practices and lessons learned concerning these thematic areas.

## 1.2 Methodology

To select the case studies, the team leading the exercise drew up a preliminary “assessment criteria” list, which included regional and sector representation; relevance to the key thematic areas from the Global Dialogue and Engagement Process; preference for completed or near-completed World Bank projects; and availability of information, such as first-hand knowledge of projects, access to Bank staff task teams, and prior coverage in Bank publications or reports.

The team also relied on the results of the Social Inclusion Portfolio Review, which analyzed projects in the fiscal 2010–13 portfolio. The preliminary list was shared with technical staff working in different regions, requesting suggestions for additional potential projects. Out of more than 20 potential cases, eight projects were chosen for inclusion in this report.

With regard to regional representation, the selected case studies represent four regions: Latin America and the Caribbean (3), Africa (1), South Asia (1), and East Asia (3). This regional

representation reflects the World Bank investment-lending portfolio that target indigenous peoples and ethnic minorities. There are only a few projects that have triggered OP 4.10 in the Middle East and North Africa or the Europe and Central Asia regions.

The cases were prepared by a small team that identified good practices and lessons learned from results through a desk review of the eight selected projects. The team reviewed project documents, including project appraisal documents, Indigenous Peoples Plans, monitoring and evaluation reports, and Implementation Completion Reports (ICRs). The case studies were informed by interviews or email communication with task team members, who also reviewed the draft case studies. In some instances, task team members provided more extensive input, including providing drafts of case studies.

## 1.3 Limitations

First, the case studies rely on existing information and interviews with task team leaders. Second, field verifications could not be carried out due to time and budget constraints.

Additionally, the scope of this work did include outreach and cooperation with other donors or organizations in order to include good practices from their projects. This study includes only World Bank-financed or co-financed operations and relies mainly on project documents and interviews with and/or input from task team members.

## 1.4 Who are Indigenous Peoples?

As recognized by the international legal framework and as stated in OP 4.10, there is no universal definition of the term “indigenous peoples.” In various countries, these groups are referred to as “indigenous ethnic minorities,” “aboriginals,” “hill tribes,” “minority nationalities,” “scheduled tribes,” and “tribal groups.” The World Bank policy uses the term “indigenous peoples” in a generic sense to refer to distinct, vulnerable, social and cultural groups who, to varying degrees, possess the following characteristics: (1) self-identification; (2) collective attachment to territories and natural

resources with them; (3) customary cultural, economic, or political institutions that are separate from those of the dominant society and culture; and (4) an indigenous language, often different from the official language of the country or region (OP 4.10, paragraph 3 and 4).

There are varying estimates of the total number of self-identified indigenous people worldwide, ranging from approximately 250 million to 375 million. As seen in table 1, the largest populations of indigenous peoples are in China (more than 100 million), South Asia (94.9 million), and Southeast Asia (30 million). There are also large numbers of indigenous peoples in Latin America (16 million in South America and 12.7 million in Central America/Mexico) and Africa (21.98 million). Many indigenous populations live in forested areas, such as those in India and South East Asia, the Amazon tropics, and the Mexican tropics and temperate areas. Dense numbers of indigenous peoples are also found in mountainous areas, including the Andes of South America, the Sierra Madre of Mexico, and the Himalayas of Asia.

## 1.5 Summary of Good Practices and Lessons Learned

The objective of this initiative is to identify good practices and lessons learned in the context of specific projects and countries; it is not to draw generalizations about the good practices. This study is also not intended to be an exhaustive coverage of issues concerning indigenous peoples, around the thematic areas or beyond them. Rather, the goal is to initiate a process for developing a better understanding of good practices for indigenous peoples’ sustainable development and to enhance the capacity of the Bank and its partners to develop projects that support culturally appropriate development activities for indigenous peoples and advance the effective application of the Bank’s policy on indigenous peoples.

The case studies are presented in detail in section 2 of this report, and they can be read as stand-alone pieces. Presented below, however, is a brief summary of the good practices and lessons learned that were identified in the eight case

### Box 1: Indigenous Population by Region (millions)

China	106.40
South Asia	94.90
Southeast Asia	29.84
Africa	21.98
South America	16.00
Arabia	15.41
Central America/Mexico	12.70
United States/Canada	3.29
Japan/Pacific Islands	0.80
Australia/New Zealand	0.60
Former Soviet Union	0.40
Greenland/Scandinavia	0.12
<b>Total</b>	<b>302.45</b>

Source: Gillette Hall and Harry Patrinos. 2012.

studies. The summary is organized around the four thematic areas, but also includes good practices of a cross-cutting nature, such as participatory mechanisms for project preparation and implementation, capacity building, and Bank support for project implementation.

### Land Rights and Land Management

Indigenous peoples have strong attachments to land because they rely on it for their physical and cultural survival. A change to their land-based livelihoods also affects their culture and social organizations. To many indigenous peoples, ancestral lands are a source of life, forming an essential part of the cultural underpinning of their identities. As a result, land constitutes the basis for their social, economic, and political organizations, as well as their customary laws. Although indigenous peoples are heavily dependent on land and natural resources, many are currently landless, live on small parcels of land, or do not have tenure security due to colonization, wars, corruption, or other processes of land alienation and expropriation. Discriminatory policies and economic development are key elements in a continuing process undermining many indigenous peoples’ rights to the land they have lived on since settlement.



The right to land is therefore considered a primary factor in sustainable development for indigenous peoples, as recognized in international instruments such as the International Labour Organization (ILO) Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). World Bank Indigenous Peoples Policy (OP 4.10) also stresses the importance of indigenous peoples' land, noting that if a Bank-financed project:

“involves (a) activities that are contingent on establishing legally recognized rights to lands and territories that Indigenous Peoples have traditionally owned or customarily used or occupied (such as land titling projects), or (b) the acquisition of such lands, then the Indigenous Peoples Plan (IPP)<sup>1</sup> sets forth an

action plan for the legal recognition of such ownership, occupation, or usage.”

International donors have recognized and supported land rights for indigenous peoples through land titling projects and support for legal reforms in borrower countries. These efforts have sought to protect indigenous land and resources from external encroachment and expropriation and to enhance the economic self-subsistence and self-identification of indigenous communities. The World Bank has financed several projects, particularly in Latin America, to support indigenous peoples' land rights. Three of the projects are described in the case studies: the Nicaragua Land Administration Project (PRODEP), the Improving Governance for Sustainable Indigenous Community Livelihoods in Forested Areas Project in Indonesia, and the Indigenous and Afro-Ecuadorian Peoples Development Project in Ecuador (PRODEPINE).<sup>2</sup>

<sup>1</sup> An Indigenous Peoples Plan (IPP) is prepared for Bank-financed investment projects affecting indigenous peoples—positively or adversely. It is prepared in a flexible and pragmatic manner, and its level of detail varies depending on the specific project and the nature of effects to be addressed. An IPP sets out the measures by which the borrower will ensure that (1) indigenous peoples affected by the project receive culturally appropriate social and economic benefits; and (2) when potential adverse effects are identified, they are avoided, minimized, mitigated, or compensated.

<sup>2</sup> The Brazil Indigenous Lands Project is another example. See Brazil Indigenous Lands Project, Implementation Completion and Results Report (World Bank 2007), for a discussion of lessons learned from this project.

Nicaragua's PRODEP supported the government's efforts to secure property rights and modernize land administration. It also contributed to the preparation of a draft law on indigenous lands, which was followed by a long consultation process and culminated with the enactment and implementation of Law 445—Collective Land Rights of Indigenous Peoples in the Caribbean. Ecuador's PRODEPINE included a component financing land titling and land regularization. The Indonesia project included a component on participatory land-use planning through which the indigenous communities reached agreements and were trained in mapping and sustainable forest management for improved livelihoods.

These case studies demonstrate that regularizing indigenous peoples' land is complex and often controversial. It commonly involves multiple agencies, uncertainties concerning the legal aspects of natural resource use, and conflicts between indigenous peoples and other local or national interests. PRODEP, for instance, experienced delays because of inter-territorial conflicts and overlapping claims, remoteness of the sites, and drawn-out legal procedures concerning the registration of the titles.

In such contexts, it is essential to include comprehensive social assessment and consultation processes for preparing and implementing land titling projects. PRODEP was based on such a process, building on previous attempts to address and build national consensus concerning land tenure issues and indigenous land claims, including social assessments and participatory land tenure analysis undertaken for previous Bank-financed projects.

The development of detailed arrangements for project implementation and the processes for indigenous inclusivity proved to be invaluable in PRODEP. At the operational level, demarcation and titling processes were tailored to the specific conditions of the target communities. The traditional organizations and decision-making bodies were directly involved in the demarcation and titling process. The project created a detailed manual for an innovative five-stage participatory territorial demarcation and titling process: (1)

land tenure assessment and diagnosis that, using local knowledge about ancestral territories, identifies the various forms of land tenure within a given territory among other things; (2) mediation and conflict resolution, starting at the local level, using traditional arrangements for solving conflicts; (3) boundary demarcation, involving the training of government staff and community members; (4) titling and registration; and (5) community-based land management plans.

The cases illustrate the value of defining institutional arrangements according to local and country contexts and based on thorough institutional and stakeholder analyses. Involvement of indigenous peoples organizations can enhance the implementation of a project and build long-term capacity for land titling and land management. PRODEP was implemented through government institutions, but the analysis for PRODEPINE resulted in an agreement with the National Agrarian Development Institute (INDA), the implementing agency, to implement the project using locally trained paralegals from indigenous and Afro-Ecuadorian communities in order to better address sensitivities about land property rights. This approach was adopted into INDA's operational procedures for land titling and regularization.

PRODEP involved a good-practice approach for tailored conflict resolution mechanisms that effectively facilitated the recognition of collective land rights as well as regular cadastral and “regularization” processes. It involved mechanisms for solving conflicts at the community level, included the Commission for Territorial Inter-Sectorial Demarcation (CIDT) to resolve conflicts between ethnic groups and third parties, and autonomous regional councils to address more complex conflicts. The process included capacity development for conflict mediation, community outreach, and close inter-institutional coordination. The success of the cadastral surveying and “regularization” interventions of the project is attributable in part to the responsiveness of the methodologies that relied on conflict resolution mechanisms in the field.

Development projects can also enhance indigenous peoples' land tenure security through

means other than land titling. Many Bank-financed projects have supported community land-use plans in connection with conservation and natural resource management projects. While these schemes may not offer the same level of land security, they often enhance communities' land tenure by documenting current and historical land-use patterns that communities can use to secure more formal tenure arrangements. Two projects included in this report supported community-based land-use planning: the Integrated Ecosystem Management in Indigenous Communities Project in Central America and the Integrated Community-Based Ecosystem Management Project in Namibia.

The Integrated Ecosystem Management in Indigenous Communities Project in Central America sought to help indigenous peoples conserve and manage natural resources as a means of protecting their livelihoods and economic well-being, building on their traditional knowledge about sustainable land use and practices. The project supported the development of community land-use plans for territorial management, productive and natural resources management subprojects, and network strengthening. The project demonstrated that enhancing the capacity of local communities to preserve biodiversity creates positive development outcomes that go beyond environmental benefits, promoting sustainable livelihoods for rural indigenous populations. Using this bottom-up approach that promoted community capacity building for environmental stewardship, the project achieved substantial biodiversity outcomes.

### Economic Development and Sustainability

Traditionally, development strategies and theories focused on economic progress without considering the cultural and social dimensions of developing countries, let alone differences within a country. Similarly, development involving indigenous peoples was rarely tailored to particular cultural, institutional, and socioeconomic circumstances. However, during the past few decades, the international development community has come to recognize the need for better tailoring development

interventions to local contexts, the desire of indigenous peoples to protect their cultural identities and determine their own paths and pace of development, and the benefits of social and cultural diversity to national development.

This growing recognition has spurred the development of conceptual frameworks for ethno-development and development with identity. Ethno-development focuses on building the capacity of culturally differentiated societies to control their own processes of change. Key elements include the need for indigenous peoples to strengthen their own cultures, assert their ethnic identity as peoples, obtain recognition of their lands and territory for self-determination, and self-manage their development process.

Development with identity stresses the importance of finding development alternatives that are socially and culturally appropriate to indigenous societies. It favors recovering and reinforcing cultural traits of traditional communities, such as social solidarity, communal work, and mechanisms for the redistribution of wealth. It stresses that poverty cannot be limited to modern economic criteria, such as individual income or consumption, but must also concern the well-being of the natural environment and community cohesion. This approach often includes culture-based activities, such as handicrafts, cultural tourism, and ethno-biological products, but it can also include larger productive activities, such as sustainable forest management, sustainable agriculture, and fisheries of native species.

A number of Bank-financed investment projects have explored this type of development in Latin America, including Ecuador's PRODEPINE.<sup>3</sup> Numerous Bank-financed community-driven development projects across regions have also supported local communities in the design, preparation, and implementation of their own small-scale community investments. Most of these

<sup>3</sup> Other examples are the Bolivia Indigenous Peoples Development Project and the Argentina Indigenous Community Development Project. For lessons learned on these projects, see "Lessons Learned from the Indigenous Communities Development Project in Argentina" (World Bank 2004a) and "Development with Identity: Rural Development and Indigenous People" (Clark 2006).

community-driven development projects have not targeted indigenous communities but did include measures to enhance their participation and recognize their particular needs and circumstances. Two examples are included in this report: the Nepal Poverty Alleviation Fund (PAF) and the Second Vietnam Northern Mountain Poverty Reduction Project.

PRODEPINE is a good example of an approach to ethno-development that demonstrates what can be achieved when governments decide to invest in activities supporting indigenous peoples who present low indexes of economic development but who possess strong cultural, social, and natural assets. The project was effective in promoting culturally appropriate and participatory development approaches while directing investment resources to indigenous and Afro-Ecuadorian communities that were based on their own priorities. The project financed a substantive subprogram of small-scale rural investments identified through a participatory planning process at the community level. After four years of implementation, PRODEPINE had supported the preparation of 210 local development plans; 1,918 subproject proposals; and 830 preinvestment studies. Key lessons learned included the importance of ensuring grassroots participation, building self-development, strengthening human and social capital, and diversifying income sources.

The Integrated Ecosystem Management in Indigenous Communities Project in Central America supported development with identity through the development of comprehensive community development plans and community land management plans based on traditional community consultation and decision-making processes known as *Balu-Wala*. The development of these plans and the methodology used helped local communities reassess traditional culture, particularly younger people feeling increasing pride in their heritage, leading to increased local involvement and project success.

The case study of the Nepal PAF Project illustrates how a socially and culturally appropriate approach can set the conditions for poverty reduction and broad sustainable development among indigenous



peoples. Some of the key practices applied in the project included: (1) a detailed and multi-layered mechanism for targeting poor and vulnerable communities; (2) a strong partnership and collaboration with various organizations working at the community and national levels to facilitate the inclusion of poor and vulnerable communities into the project implementation process; and (3) community-based, demand-driven approaches that include rigorous social mobilization initiatives to allow the poor and vulnerable to plan, design, and implement projects according to their own needs.

The Second Vietnam Northern Mountain Poverty Reduction (NMPRP-Phase II) followed a similar participatory approach. The project promoted local culture, invested in local tourism development, focused on enhanced women's participation, and supported women's handicraft production and herbal medicine products. The NMPRP-Phase I showed that, to ensure community member involvement and ownership, particularly among ethnic minorities, it was critical to adequately communicate project activities and opportunities. To better engage beneficiaries, NMPRP-Phase II has a specific

communications strategy that pays particular attention to the dissemination of information in local languages and through innovative alternative methods, such as audio books or picture galleries. One of the selection criteria for commune facilitators is fluency in relevant local languages, and the project hired local facilitators from ethnic minority communities.

### Governance and Institutional Strengthening

Because indigenous peoples have historically been excluded and marginalized, they are often unable or reluctant to participate in defining national, regional, or even local development policies, programs, and projects. They usually maintain their own institutions, managing relations within their community and sometimes with neighboring communities. Indigenous peoples tend to be organized as clans or tribal groups. What stands out in comparison to nonindigenous local communities is the tendency of indigenous grassroots institutions and organizations to have a common land area or territory as the basis for their organization and cultural identity; to build bonds and seek alliances with others; and to be members of second-tier regional organizations and third-tier provincial or national-level organizations. As a result of the strong level of social organization, indigenous peoples' voices in national and international events are being increasingly heard.

Given the importance of indigenous peoples' organizations and institutions, their inclusion in project design and implementation is likely to enhance development outcomes. Such arrangements, combined with institutional strengthening and capacity building of community-based organizations and umbrella organizations, are highlighted in several of the case studies as good practices, including PRODEPINE, the Integrated Ecosystem Management in Indigenous Communities in Central America Project, the Improving Governance for Sustainable Indigenous Community Livelihoods in Forested Areas Project in Indonesia, and the Namibia Integrated Community-Based Ecosystem Management

Project.<sup>4</sup> The Indonesia and Central America projects show that indigenous peoples' organizations can be project implementers resulting in positive outcomes—for a particular project and, even more likely, for future activities where the organizations can lead the development efforts for indigenous communities.

One of PRODEPINE's main objectives was to strengthen indigenous social organizations and local governments in areas with high concentrations of indigenous peoples. The experiences significantly contributed to the formation and improvement of social capital and demonstrated the importance of strengthening local institutions to improve management capacity, making it possible to include community demands on the agenda of local governments, promote institutional alliances, and form networks aimed at solving the concrete development problems of indigenous peoples.

The Integrated Ecosystem Management in Indigenous Communities Project in Central America supported institutional strengthening of regional indigenous organizations, the Central American Indigenous and Peasant Coordinator of Communal Agroforestry (ACICAFOC) and the Indigenous Council of Central America (CICA). It also created a permanent council—*Wayib* in Mayan—to oversee project implementation. The *Wayib* is made up of two representatives each from CICA and ACICAFOC.<sup>5</sup> The *Wayib* and the Central American Commission on Environment and Development (CCAD) delegate the implementation to a project coordination unit under ACICAFOC through the use of subsidiary agreements.

4 Specific projects supporting institutional strengthening and capacity building of indigenous peoples' organizations have also been financed by the Bank, notably, the establishment of the Fund for the Development of Indigenous Peoples of Latin America (*Fondo Indígena*) in cooperation with the ILO, the International Fund for Agricultural Development, and the Inter-American Development Bank. See "Strengthening Indigenous Organizations: The World Bank's Indigenous Capacity Building Program in Latin America" (Uquillas and Gabara 2000). It is also included in the Forest Carbon Partnership Fund and Forest Investment Program, as noted earlier.

5 The Central American Indigenous and Peasant Coordinator of Communal Agroforestry (ACICAFOC) brings together dozens of community-based organizations throughout the region.



### Country Legal and Policy Systems Regarding Indigenous Peoples' Rights

Indigenous peoples' rights and issues are recognized through various international instruments, such as the United Nations Declaration on the Rights of Indigenous Peoples, endorsed by over 140 countries, and the ILO Convention 169 on Indigenous and Tribal Peoples, currently ratified by 22 countries. Most Latin American countries<sup>6</sup> and a few countries elsewhere, including the Philippines and Indonesia, have specific legislation that recognizes the rights of indigenous peoples with regard to land and natural resources, cultural identity, education, and health. However, for many of the countries that attempt to apply these principles, implementation is often incomplete, controversial, and mired in conflict and internal power struggles.

In this context, supporting a legal framework that recognizes indigenous peoples can provide

6 See "Derechos Indígenas en las Constituciones de América Latina" (Barie, 2005) and work done by the Inter-American Development Bank at [www.iadb.org/sds/ind](http://www.iadb.org/sds/ind).

significant benefits to them, although they can also augment existing conflicts over such rights. Some of the case studies included in this report have supported the strengthening of legal reforms and policy norms regarding indigenous peoples' rights, including PRODEP, PRODEPINE, and the National Program Support for Basic Education Project in the Philippines.

PRODEP contributed to the formulation and implementation of Nicaragua's Indigenous and Ethnic Minorities Lands Law. Similarly, PRODEPINE supported the formulation of national and local development plans in Ecuador, the preparation of draft legislation on issues of interest to indigenous peoples and Afro-Ecuadorian communities to present to the legislature, and the decentralization, training, and equipment of relevant official entities and staff.

In the Philippines, the World Bank supported policy reforms in the education sector, including specific policies and institutional arrangements for indigenous peoples. Within the Department of Education, a technical working group and,

subsequently, a special office for indigenous peoples' education were established. With support provided to an extensive consultation process involving the National Commission on Indigenous Peoples, indigenous peoples' organizations and other relevant stakeholders, a national education policy framework for indigenous peoples was developed. The framework was adopted in 2011 and continues to be institutionalized through the implementation and development of supplemental guidelines and programs to enhance education outcomes for indigenous peoples using tailored interventions that take into account language and culture.<sup>7</sup>

Legal reforms are not easily achieved, particularly ones that concern indigenous peoples because there is often opposition from other population groups and economic interests, such as the extractives industry and the forest sector. The Philippines case study illustrates how policy reforms came about due to strong ownership by the Department of Education, which was strengthened by the establishment of a technical working group and a special office for indigenous peoples' education. The working group is credited with increasing awareness of the educational situation of indigenous peoples by undertaking an inventory of past and existing policies and programs on indigenous peoples' education and conducting a series of subnational and regional consultations with key educational stakeholders and indigenous peoples' groups to build support for policy reforms. This resulted in increased pressure to formulate the Indigenous Peoples Education Policy Framework. The World Bank assisted in the coordination of donor support to the education sector, obtaining additional funding for the policy reform process and specific investments within the sector.

### Cross-Cutting Approaches

In addition to the good practices and lessons learned with regard to the four specific thematic areas, the case studies identify a number of good practices concerning important cross-cutting

issues for projects involving indigenous peoples. These can be grouped into two main areas concerning: (1) project preparation and design and (2) implementation support and adaptive management.

**Project preparation and design.** Many of the case studies discuss the importance of undertaking a thorough social assessment and consultation process to identify key issues, opportunities, and risks related to the project and to indigenous peoples. A social assessment and consultations combined with a strong institutional and stakeholder analysis are generally useful in designing a successful project and an Indigenous Peoples Plan tailored to a particular socioeconomic and cultural context, enhancing project benefits and opportunities for indigenous peoples and avoiding or addressing potential adverse impacts and risks. In addition, cases such as the ecosystem management project in Namibia and the education project in the Philippines illustrate how the social assessment and consultation process established relationships and enabled the informed participation of indigenous peoples' communities and organizations in the design of the project and, more importantly, in its implementation.

A number of design measures that have enhanced project outcomes and benefits to indigenous peoples are discussed in the case studies, including:

- **Targeting beneficiaries** using a detailed mechanism with multiple criteria and indicators from various sets of data to ensure an appropriate capture of vulnerable communities (e.g., the Nepal PAF Project).
- **Participatory mechanisms** tailored to the specific social and cultural contexts of indigenous organizations and communities that enable indigenous representatives to participate on an equal footing with government agencies in the preparation, management, and evaluation of project activities (e.g., PRODEPINE, PRODEP, NMPRP-II, and the Central America Ecosystem Management in Indigenous Communities Project).

- **Sound institutional and implementation arrangements**, which involve indigenous peoples' organizations and institutions in project implementation and monitoring (e.g., the education project in the Philippines, PRODEP, and PRODEPINE).
- **Capacity building and institutional strengthening** of implementing agencies and indigenous peoples' organizations. For instance, in Nicaragua, capacity was built at national, regional, and community levels in land systems, demarcation and titling, geo-referencing, property registration, zoning, and conflict resolution to support land titling and administration activities. In Ecuador and Indonesia, capacity building for community-based organizations facilitated their primary role in project implementation for community mapping and the sustainable management of forest resources and income-generation activities. In Nepal and Vietnam, capacity was built for target beneficiaries to develop and implement subprojects. Finally, PRODEPINE helped support an increase in the available pool of indigenous professionals with the establishment of a partnership with 27 Ecuadorean universities and high schools to educate indigenous students in community development, accounting, anthropology, and communications as well as irrigation, soil conservation, and agro-forestry.

### Implementation Support and Adaptive Management

Two key issues emerge from the case studies as good practices for project implementation and Bank implementation support. First, an *adaptive management approach* has enhanced project outcomes for several of the projects. For example, the original objective of Ecuador's PRODEPINE was to strengthen second-tier or supra-community organizations, but it was gradually expanded to cover higher-level social organizations and even municipal governments in areas with a high concentration of indigenous peoples. When project monitoring revealed that the most marginalized communities were not receiving sufficient project benefits, Nepal's PAF Project was able to close the targeting gaps. And in

the Philippines, the institutional arrangements of the Department of Education were changed, and a national policy emerged through ongoing consultations and assessments of project outcomes for indigenous peoples.

Second, because indigenous peoples' development can be complex and controversial, successful implementation can often require additional resources and efforts from the World Bank task teams. For instance, the successful results achieved with the education project in the Philippines required significant time and resources, a continued dialogue between the World Bank and the Department of Education, and a good working relationship with the National Commission on Indigenous Peoples. Similarly, the Nicaragua Land Administration Project involved intensive supervision to address issues such as unclear territorial boundaries, relationships among neighboring communities, and clear communication of project objectives and methodologies to all the key stakeholders. Using existing traditional structures and organizations, this included significant attention to representativeness, social accountability, conflict resolution, and the legitimacy of consultation mechanisms.

<sup>7</sup> Similar efforts are currently being undertaken in other sectors in the Philippines with World Bank involvement.



## 2. Case Studies

### 2.1 Nicaragua—Legalizing and Managing Autonomous Territories

#### 2.1.1 Introduction

The Nicaragua Land Administration Project (PRODEP) increased the Nicaraguan government's support for the recognition and strengthening of the land rights of indigenous peoples, especially in the Caribbean region. The project provided indigenous peoples with land security and greater access to land administration services.

By demarcating and titling the territories of indigenous communities, PRODEP enabled the indigenous communities of the Caribbean region to have greater control over natural resources and offered them a path toward more sustainable and culturally appropriate development in the future. Moreover, the subtlety of establishing formal titling of their territories—as opposed to titling of individual communities—served as recognition of traditional forms of self-governance and the use of natural resources. It also allowed indigenous communities to better deal with the government and private sector around issues of sustainable development and benefit sharing.

PRODEP applied participatory methods to land demarcation and collective titling of indigenous territories. This methodology built on local knowledge of “historically recognized and well-accepted” ancestral territories—the traditional organizational and decision-making processes—and focused on local capacity building for indigenous communities, territorial authorities, and regional

#### Project at a Glance

PRODEP was designed as a major pilot effort with two project development objectives: (1) to develop the legal, institutional, technical, and participatory framework for the administration of property rights in Nicaraguan territory; and (2) to demonstrate the feasibility of a systematic land rights regularization program.

**Components:** (1) policy and legal reforms; (2) institutional strengthening and decentralization; (3) titling and regularization services; (4) demarcation and consolidation of protected areas; (5) demarcation of indigenous lands; and (6) information systems.

**Financing:** US\$42.6 million (IDA).

**Duration:** 2002–13.

and central government agencies. The project also integrated traditional conflict resolution methods in instances of inter-territorial land overlaps. To ensure equity of project outcomes, PRODEP implemented a gender strategy that ensured women's participation throughout the entire process of land demarcation.

The enactment and implementation of Law 445: the Law for Collective Land Rights of Indigenous Peoples in the Caribbean, which was supported by the project, enabled indigenous peoples and ethnic minorities in the *Región Autónoma del Costa Caribe Norte* (RACCN—Northern Caribbean Coast Autonomous Region) and *Región Autónoma del Costa Caribe Sur* (RACCS—Southern Caribbean

Coast Autonomous Region) to have their historical land rights formally recognized. The law also recognized the indigenous territories as self-governing units.

#### 2.1.2 Indigenous Peoples and Land in Nicaragua

Indigenous peoples and ethnic minorities make up approximately 7 percent (440,000) of the almost 5.9 million people in Nicaragua. Most of Nicaragua's indigenous and Afro-descendent peoples—with their considerable ethnic and cultural diversity—live in the Caribbean region of the country. Although the area is rich in natural resources, almost 80 percent of its population faces extreme poverty due to social exclusion, inequality, an insecure land tenure system, a lack of access to economic and political power or to social services, a low employment rate, and poor housing.

This region was controlled by the British Crown in colonial times. The advance of the agricultural frontier, internal migration, population resettlement after the armed conflict of the 1970's, and uncontrolled rural and urban development have put pressure on natural resources and land occupation patterns. As a result, land conflicts and inter-ethnic rivalries have increased. For many years, the lack of an institutional and legal framework made it difficult for indigenous and Afro-descendent communities to have their rights to land and natural resources formally recognized and their territories demarcated and titled.

Traditionally, indigenous communities have held land communally. Since the independence of Nicaragua, a number of land reforms have affected indigenous peoples' land rights, particularly on the Pacific coast, which was controlled by Spain during colonial times. Indigenous lands on the Pacific coast were gradually lost to white and *mestizo* people who had dominant status in society. Previous efforts in the second half of the 20th century to equitably redistribute land led to the dissolution of collective forms of land tenure. Thus, under the agrarian reform initiated in the 1960s, some indigenous community lands were converted into cooperatives, and certain provisions legalized the occupation of these



indigenous lands by third parties. As a consequence, many indigenous communities lost their organizational structures through a process of assimilation, while others were forced to join farm cooperatives in rural areas.

In addition, the agrarian reform of the 1980's was characterized by significant gender bias in the distribution of land to individual families, with men considered the heads of household and therefore designated as the beneficiaries. This gender bias was exacerbated by the preference given to former permanent agricultural workers who were disproportionately male and by inheritance laws favoring men. As a result, women were excluded from owning land, which had negative consequences on livelihoods and production assets.

The 1987 constitution established the formal recognition of indigenous peoples and their right to land. Article 5, paragraph 3 declares:

“The State recognizes the existence of indigenous peoples, who have the rights, duties, and guarantees enshrined in the Constitution and in particular to maintain and develop their identity and culture, have their own forms of social organization and administer their local

affairs, as well as maintaining the communal forms of ownership of land and enjoyment, use and enjoyment thereof, all in accordance with the law.”

Furthermore, Article 8 recognizes the multiethnic character of Nicaraguan society. While the 1987 constitution gave indigenous communities the right to make use of natural resources and to own communal property, these rights were not enforced, primarily due to the lack of an appropriate legal framework.

Since the 1990s, indigenous communities have increasingly organized themselves to preserve their cultural and organizational structures and have pushed harder for the recognition of their original land claims. One successful example is when, in 1995, the Nicaraguan government granted a Korean-based logging company a concession in the ancestral lands of Awas-Tingni—a Mayagna community located in RACCS. The government gave the concession without consulting the community and, more importantly, with no regard for the 1987 Autonomy Law, which protects the lands and rights of the Caribbean coast’s indigenous and Afro-descendant peoples. The Mayagna people successfully sued in the case of Awas-Tingni versus the State of Nicaragua at the Inter-American Court of Human Rights in Costa Rica. The court maintained that the government had violated the human rights of the Mayagna peoples. This case paved the way for Law 445, which is comprehensive legislation that regulates the securing of indigenous and ethnic communities’ land rights and that provides a process for titling, land management, and access to natural resources in accordance with constitutional principles.

Indigenous communities in the Caribbean still maintain their native tongues, customs, and the collective use of lands, and they are part of the regional government in RACCN and RACCS. In the late 1990s, the area’s population was estimated at around 464,000, occupying thirteen municipalities in the two autonomous regions of the Caribbean. Approximately half of this population was indigenous; the rest were *mestizo* and creole. In 1996, the indigenous population, which included the Miskito, the Mayagna, the Garifuna, and

the Rama peoples, fell to an estimated 183,000 inhabitants, with about 70 percent living in rural areas. Data from the 2005 census indicated an increase in the RACCS and RACCN populations to approximately 620,000 inhabitants, out of which 254,000 are indigenous peoples.

### 2.1.3 Project Description

Securing property rights and modernizing land administration is central to Nicaragua’s social and economic development. The country experienced years of fluctuating and apparent contradictory legal and administrative decisions that contributed to land tenure insecurity. In 2002, poverty was overwhelmingly concentrated in rural areas, and the country was emerging from a conflict situation; an estimated one-third or more of rural land did not have a clear title. The land claims of indigenous peoples—among the most disadvantaged and poorest rural groups—remained largely unaddressed. In addition, the promotion of gender equity in land ownership was urgently needed as past agrarian reform programs and inheritance laws had favored men. To address these challenges, the World Bank supported the Nicaraguan government through PRODEP.

This case study focuses on the indigenous peoples component of the project—demarcation and titling of indigenous territories in the RACCS and RACCN regions of Nicaragua.

### 2.1.4 Process of Social Assessment and Consultation

A social assessment was carried out during project preparation, focusing on the social aspects of issues related to land and natural resources for beneficiary populations in 15 of the 28 municipalities and 32 indigenous communities in areas targeted by the project. The study included representatives of populations living on private and public lands, inside and around protected areas, and indigenous people in areas of project influence. The main thematic areas of the assessment were the socioeconomic and geographic characteristics of the beneficiary populations, key factors determining access to land and natural

resource use, gender issues, a typology of land and natural resource-related conflicts, potential scenarios for displacement, and the need for participatory mechanisms. The findings of the social assessment informed a strategy for enhancing the development outcomes of the indigenous peoples’ land titling project component.

To support the recognition of indigenous peoples’ land rights, the Government decided to focus on the territories of the Caribbean coast, which were outside the regular project area. Land regularization aimed at individual beneficiaries of the reformed sector took place in the Pacific region. Cases involving indigenous peoples were not considered part of the “regularization,” implying a status of illegality or unclear rights. As such, the activity in the Caribbean was aimed at recognizing indigenous peoples’ land rights through demarcation and titling of their territories. Moreover, the intention was to always respect indigenous peoples land rights in the Pacific.

The project supported the recognition of the communal land rights of indigenous peoples, including the Miskitos, Mayagna, Rama, and Creole populations. A territory could include land of several communities as well as the natural habitat. The communities were included in the process of demarcation and titling. Instead of creating new consultation entities, the traditional organizations and decision-making bodies, such as the Council of Elders and the *Sindico*, were directly involved in the process. After the passage of Law 445, a manual for demarcation and titling was prepared, describing all the necessary steps for carrying out the activities and outlined institutional responsibilities.

The process of consultation, participation, and collection of baseline information for the preparation of the strategy was achieved by using focus groups and semi-structured interviews with technical specialists, indigenous leaders, non-governmental organizations, and provincial government representatives. These consultations and other efforts confirmed that indigenous communities within the project area were supportive of the reinvigorated titling and demarcation activities.

### 2.1.5 Indigenous Peoples Component and Strategy

To implement the project component on indigenous land demarcation and titling, PRODEP initially developed the Indigenous Peoples Strategy (IPS). The IPS focused on the legal recognition and on-the-ground demarcation of indigenous land claims as well as community capacity-building activities related to land and natural resource rights. The IPS built on the results of several studies carried out by World Bank-financed projects, including a legal and social assessment made during the preparation phase of the Atlantic Biological Corridor Project and a broad participatory diagnostic of the land tenure situation of the indigenous and ethnic communities of the Atlantic coast carried out during implementation of the Agricultural Technology and Land Management Project (World Bank 1997) (Dana et al. 1998; Rivera y Asociados 2001).

The IPS included the following key elements:

- Promotion of a dialogue about an indigenous peoples’ land law at the national and regional levels involving all major stakeholders, indigenous and nonindigenous, as well as relevant state and non-state institutions. The goal was to build a consensus around the adoption of comprehensive legislation that would regulate the securing of indigenous and ethnic community land rights, the titling process, land management, and access to natural resources in accordance with constitutional principles. This process resulted in the preparation and passage of Law 445.
- Development of the capacity of key actors, especially the indigenous organizations, to ensure their effective participation throughout the process of dialogue over legal issues, conflict resolution, demarcation, elaboration, and implementation of territorial management plans.
- Establishment of the process of participatory demarcation, titling, and territorial management as well as conflict resolution on the ground, where indigenous organizations were playing a primary role. In instances where there were overlapping claims, other parties were also involved. Demarcation of indigenous territories

would be completed only after a successful conflict resolution process had occurred.

The IPS emphasized a participatory approach and created avenues for increasing indigenous community ownership of the process. It was based on the principles of consultation and informed participation and consisted of three subcomponents as outlined below:

- **Regulatory land rights framework** to support the establishment of a legal framework for the legal recognition, regularization, and protection of indigenous land rights. It included the development of a legal and policy framework as well as capacity building of indigenous organizations to actively participate in the process.
- **Technical assistance, capacity building, and institutional development to:** (1) support indigenous communities and organizations in attaining the capabilities needed for carrying out activities for the demarcation and titling process as well as for the design and implementation of subprojects in the management of their respective territories; (2) strengthen the regional councils to allow them to better execute their conflict resolution roles in the establishment of regional dialogues with indigenous and other relevant stakeholders; and (3) promote awareness about land rights in the autonomous regions within key agencies at the central and regional levels.
- **Pilot demarcation and territorial management**, including the identification of boundaries and participatory ethno-mapping, socioeconomic characterizations, identification of third parties and private rights, information campaigns, mediation, conflict resolution, and training. This subcomponent introduced innovative approaches to land demarcation and titling, taking into account traditional decision-making and consultation structures, collective tenure arrangements, and the communal use of natural resources, and integrated the cultures and worldviews of indigenous peoples. The participatory boundary-making efforts included several steps, discussed in more detail in the following section on implementation.



After the adoption of Law 445, the Indigenous Peoples Strategy was adapted, focusing on demarcation and land titling.

### 2.1.6 Results

As a result of the project, the overall framework for land administration has been strengthened and inter-institutional coordination has been improved. Property registry times and transaction costs have been reduced. The policy and legal framework for land administration was strengthened through the preparation of a National Land Policy Framework and the passing of three fundamentally important laws: the Law for Collective Land Rights of Indigenous Peoples in the Caribbean (2003), the Cadastre Law (2005), and the Public Registry Law (2009). These laws provided clarity and fairness to the demarcation and titling processes of indigenous communities' territories as well as to cadastral and registration activities.

In addition, due to the government's political commitment and with the implementation of Law 445, the poor and marginalized indigenous communities in the Caribbean region received collective

titles to 15 ancestral territories in RACCN and RACCS, comprising over 22,000 square kilometers—almost 19 percent of the national territory. At the same time, legal recognition strengthened the acceptance of central, regional, and local authorities for the traditional forms of governance in these territories. In total, 120 indigenous communities (more than 103,790 people) benefited. More than 50 percent of PRODEP beneficiaries in the 15 territories were women. The experience and capacity created through the project provided the basis for the government's continued efforts to recognize the land rights of the remaining indigenous communities in the Caribbean region (World Bank 2013a, 15).

One major achievement of the project was the titling of the Awasi Tigni territory (733.94 square kilometers). In 2001, this community had won a case against the Nicaragua government in the Inter-American Court of Human Rights, demanding the recognition of its collective land rights. In December 2008, with the support of the project, Awasi Tigni was finally titled.

For the purposes of carrying out the demarcation, the government created various structures, including the National Commission for Demarcation and Titling (CONADETI), regional inter-sectoral commissions, and regional technical commissions.

The project created a manual for territorial demarcation and titling that outlines the steps in the process. The participatory demarcation was a five-stage process involving the following elements:

- **Land tenure assessment and diagnosis.** Indigenous communities requested that the autonomous regional councils prepare assessments to determine ancestral rights to collective land. The various forms of land tenure within a given territory were identified, including whether it was private or collective, by a technical team that surveyed the area. Sociological studies accompanied the diagnosis. These assessments set up baselines for land tenure. Indigenous communities participated in selecting the consultants carrying out the assessments and sociological studies.

- **Mediation or conflict resolution.** This process was organized as a forum for communities to come together in a friendly way to resolve problems of overlapping land and disputes over natural resources. The Intersectoral Demarcation and Titling Commission (CIDT) resolved conflicts between ethnic groups and third parties. Unresolved conflicts were referred to the autonomous regional councils.
- **Boundary demarcation.** This phase involved the process for setting boundaries in a participatory manner. PRODEP trained government representatives and indigenous communities to conduct land surveys. Combining ancestral and cadastral knowledge, indigenous peoples and government representatives walked together to demarcate the land. This process was gender sensitive—women and men both participated in the demarcation walks.
- **Titling and registration.** These were the final steps in the participatory process. CONADETI submitted territorial claims to the government, which in turn issued collective titles to the communities. The titles were then duly recorded in the property registry.
- **Community-based land management plans.** In the Bosawas territories, communities prepared proposals for the development and implementation of indigenous territory management plans that could improve the administration of the demarcated indigenous territories. Five plans were developed and implemented through participatory processes in the demarcated areas. Thirty activities for fire control and prevention were also carried out.

## Key Factors of Success

**Continuous government-Bank partnership and strong political commitment** by the government to formally recognize the ancestral territory rights of indigenous communities on the Caribbean coast of Nicaragua.

**Changes in implementation arrangements.** The appointment of the Nicaragua attorney general's office as the implementation agency and the restructuring of the Project Inter-institutional Committee fostered collaboration, especially between the judicial branch (property registry) and the executive (cadaster, regularization), strengthened co-executing agencies' institutional capacities, and improved implementation.

**A participatory methodology** built on local knowledge about ancestral territories and traditional organizational and decision-making processes was applied to land demarcation and the collective titling of indigenous territories.

**Capacity building of key project actors—** indigenous organizations, territorial authorities, and regional and central government agencies—ensured their effective participation.

**Alternative conflict resolution mechanisms** facilitated the recognition of collective land rights. Traditional conflict resolution methods were applied in instances of inter-territorial land overlaps.

**There was an enabling legal environment** through the establishment of a legal framework for the recognition, regularization, and protection of indigenous land rights—Law 445.

### 2.1.7 Lessons Learned

PRODEP tells a story of how the political commitment of a government, an enabling legal environment, and respect for the social and cultural aspects of a land titling process can translate into local benefits and the empowerment of people. Law 445 enabled the formal recognition of the ancestral territorial rights of indigenous communities on the Caribbean coast of Nicaragua. However, as mentioned previously, not all of the indigenous communities in the Pacific and Central

regions of Nicaragua have received similar benefits due to differing historical and sociocultural conditions. For example, some of the indigenous peoples on the Pacific coast have benefited through cadastral surveying and regularization activities. The constraint on the Pacific region is that the legal framework does not yet allow for the recognition of territories.

Through PRODEP, the government emphasized innovative participatory approaches to mobilize indigenous communities to participate in the demarcation and titling of their ancestral communal territories. The project was prepared through a consultative and participatory approach with significant representation among indigenous peoples' communities and organizations combined with analytical work to identify specific issues and constraints.

This story demonstrates efforts and actions that can lead to successful outcomes and presents challenges and lessons learned from project results, as described below.

- **Sustaining outcomes of land administration interventions requires building broad social and political commitment as well as maintaining and mainstreaming key competencies across electoral cycles.** The Nicaraguan government's two-decade commitment to the land administration agenda, supported by the Bank, stands out in Latin America as well as in other regions of the world. The project spanned three national administrations as well as municipal and regional elections. It maintained focus on the original project development objective and geographic targets in part because the underlying justifications were sound and shared across the political spectrum. The project was flexible with implementation responsibilities and modalities.
- **The complex process of indigenous peoples' land titling** Complex challenges were encountered with regard to making progress on indigenous peoples' land titling during most of the life of the project. As the project implementation began, the demarcation and titling processes advanced slowly due to inter-territorial conflicts, overlapping claims,

remoteness of sites, and the need to ensure essential, adequate consultations with relevant stakeholders. In addition, registration of the titles for the first five territories, located in Bosawas, were delayed because preexisting titles first had to be annulled and reissued to minimize the possibility of future legal challenges (World Bank 2013a).

Unresolved tenure issues also posed challenges during the regularization process in municipalities with indigenous communities in the Pacific and Central regions. Although the government demonstrated its commitment by advancing a cadastral process in some municipalities, the legal framework was not always conducive for dealing with issues of indigenous territorial lands. Diligent World Bank supervision supported government efforts in addressing community concerns and facilitated community participation.

- **Improving a land administration system involves gradual changes in legal and institutional frameworks.** Laws that seek to reform this system set out to change societal behaviors and long-established procedures and norms. In Nicaragua, the expectation that the full package of reform laws would be passed by the start of the project proved to be unrealistic. In fact, the process spanned six years, with institutional capacity and associated information systems being continually developed during the period. Future projects should consider longer terms for achieving land administration reforms as well as mechanisms to better monitor the evolution of legal and institutional frameworks and their implications for achieving project development objectives.
- **Historical and social context matters.** The complexity of recognizing indigenous people's land rights requires attention to historical and social particularities and intensive supervision of social dimensions. In the case of Nicaragua, a specific legal framework was developed for titling indigenous territories in the Caribbean region. However, a different set of legal provisions will be required for titling indigenous territories in the Pacific and Central regions. At the operational level, demarcation and titling processes must be tailored to the specific conditions of target communities. Under the

project, intensive supervision of social dimensions was carried out to address issues such as unclear territorial boundaries, relationships among neighboring communities, and communications about project objectives and methodologies. Efforts included significant attention to representativeness, conflict resolution, and legitimacy of consultation mechanisms, using existing traditional structures and organizations.

- **Alternative conflict resolution mechanisms can effectively facilitate the recognition of collective land rights as well as typical cadastral and regularization processes.** As demonstrated by PRODEP's experience, key elements of this process should include capacity development for conflict mediation, community outreach, and close inter-institutional coordination. The success of the project's cadastral surveying and regularization interventions are partly attributable to the responsiveness of methodologies relying on alternative conflict resolution mechanisms in the field that are well aligned with socially defined rights as commonly encountered in other regularization programs.
- **Capacity building takes place at different institutional levels.** The capacity of local institutions contributes to the sustainability of project results and increases local ownership. Capacity building took place at the national government level with the strengthening of the Secretariat for the Development of the Caribbean Coast. An example is the work done at INETER, the national property registry, as well as at the implementing agency itself. Capacity building also occurred at the regional government level and through the strengthening of other institutions such as CONADETI.

The demarcation and titling process has led to the continued involvement of community and territorial leaders and to the empowerment of indigenous peoples' communities. The project encouraged the participation of indigenous peoples in activities including demarcation, hiring consultants to prepare territorial diagnostics, and conflict resolution. In terms of themes, national capacity was built in land systems, demarcation and titling, georeferencing, property registry, zoning, and conflict resolution.

The recognition of collective land rights is an important outcome; it also presents new challenges and opportunities. Going forward, indigenous communities need to develop capacity to ensure adequate governance of their territories. They will also require better knowledge and tools to manage natural resources and to engage in development processes that will ensure the continued sustainable use of these resources and the sharing of benefits for all, including and especially with women.

The Nicaraguan government is now implementing a long-term national land program. In March 2013, as a part of this program, the World Bank approved a second phase—PRODEP II, US\$40 million—that contains similar components to PRODEP but that expands activities to other municipalities.

### Key Results

- Policy and legal reforms.** Law 445—Law for Collective Land Rights of Indigenous Peoples in the Caribbean was adopted and new institutions were created, including the National Commission for Demarcation and Titling (CONADETI), regional inter-sectoral commissions, and regional technical commissions.
- Titling and regularization services.** Indigenous communities in the Caribbean region received collective titles to 15 ancestral territories in which indigenous peoples rights are enforced and respected by government authorities at the national, regional and municipal levels. Over 22,000 square kilometers of indigenous territories were titled—equal to 19 percent of the national territory. A total of 44,019 people in rural areas benefited from new titles. Increases in property values derived from a sense of enhanced tenure security. Over 50 percent of PRODEP beneficiaries in the 15 indigenous territories were women.
- Demarcation and consolidation of protected areas and indigenous lands.** Fourteen protected areas were demarcated, georeferenced, and integrated into INETER’s database.
- Institutional strengthening and decentralization** was improved with the satisfactory implementation of organizational development plans and the preparation of manuals and guides.
- Technical capacity** improved, allowing relevant agencies to directly implement activities that had been contracted to consultants at the start of the program. The experience and capacity generated through the project provided a basis for the government’s continued efforts to recognize the land rights of the remaining indigenous communities in the Caribbean region.
- The systematic land rights regularization methodology** developed and tested in the project has provided the country with a foundation to launch a long-term national program. The methodology has also improved capacity for alternative conflict resolution—critical to any land rights regularization program. At project closing, 1,622 land conflicts had been mediated by the Nicaraguan Directorate for Alternative Conflict Resolution.



## 2.2 Ecuador—Empowering Indigenous and Afro-Ecuadorian Communities

### 2.2.1 Introduction

The Indigenous and Afro-Ecuadorian Peoples Development Project (PRODEPINE) was part of an initiative that began in Latin America in 1993, designed to build pro-poor forms of social capital and to promote development for indigenous peoples. The project was an effort to apply concepts like ethno-development, development with cultural identity, social and human capital (Uquillas and Van Nieuwkoop 2006; Van Nieuwkoop and Uquillas 2000), and community-driven development to address the marginalization of indigenous peoples (Uquillas and Van Nieuwkoop 2006; Van Nieuwkoop and Uquillas 2000).

The project demonstrated what is achievable over decades when governments decide to invest in indigenous peoples’ development. Indigenous peoples often have strong cultural, social, and natural assets but suffer from a lack of economic opportunities. The project provided many lessons to all stakeholders involved, including the

### Project at a Glance

The project development objective was to improve the quality of life for poor rural indigenous and Afro-Ecuadorian communities by providing improved access to land resources and financing for investment subprojects.

**Components:** (1) institutional strengthening of indigenous peoples’ organizations, (2) support for regularization of land and water rights, (3) rural investments and credit, and (4) institutional strengthening of The Council for Development of Nationalities and Peoples of Ecuador or *Consejo de Desarrollo de Nacionalidades y Pueblos del Ecuador* (CODENPE) and the Council for Afro-Ecuadorian Development or *Corporacion de Desarrollo Afro-Ecuatoriano* (CODAE)—the official institution dealing with indigenous peoples and African descendants.

**Financing:** US\$22.2 million (World Bank), US\$8.1 million (IFAD), and US\$10 million from the Ecuadorian government and beneficiary communities and organizations.

**Duration:** 1998–2004.

Government of Ecuador, the World Bank, and the International Fund for Agricultural Development (IFAD). Lessons include the benefits of inter-institutional collaboration and participatory approaches as well as the need to build self-sufficiency by strengthening networks and communities while promoting the increase of income levels through diversification.

### 2.2.2 Indigenous Peoples in Ecuador

Together, indigenous and Afro-Ecuadorian peoples represent almost 20 percent of the Ecuadoran population of 15.74 million, although estimates vary widely.<sup>8</sup> There are thirteen officially designated non-Hispanic ethnic groups or nationalities in Ecuador, the largest of which comprises the highland Quichua or Kichwa speakers who identify as Runacuna—they constitute over 90 percent of Ecuador's indigenous peoples. But the Quichua speakers are culturally diverse, as demonstrated by the differences between subgroups like the Otavalo and Saraguro or the Chibuleo and Cañari peoples.

### 2.2.3 Project Description

A critical combination of favorable factors led to the preparation of this project in the mid-1990s.

First, the indigenous peoples' level of organization and capacity for social mobilization had grown substantially from historical levels. Second, in 1994, the Ecuadoran government created the National Secretariat of Indigenous and Ethnic Minorities (SENAIME) and initiated a series of contacts with donors to request support for SENAIMÉ and its proposed operations to benefit indigenous peoples and Afro-Ecuadorians. Third, partly in anticipation of the United Nations International Decade of the World's Indigenous Peoples, the World Bank started its own Indigenous Peoples Development Initiative in 1993. Thus, the World Bank was relatively well positioned to respond to requests for support to indigenous peoples.

<sup>8</sup> Indigenous peoples' organizations often give higher estimates, but on the basis of census data, Ecuador's Integrated Social Development Indicators (*Sistema Integrado de Indicadores Sociales del Ecuador 2003*) puts the figure closer to 10 percent.

Finally, in 1995, the Bank Poverty Assessment pointed out the existence of a strong relationship between poverty and indigenous ethnicity, stressing the need for a targeted poverty intervention focused on Ecuador's indigenous and Afro-Ecuadorian populations. The fact that other rural development projects had difficulties reaching out to this population further emphasized the need for a new approach.

### 2.2.4 Process of Social Assessment and Consultation

One of the first project challenges was to identify the indigenous peoples and Afro-Ecuadorians who were the intended beneficiaries. The two principal questions were: (1) whether the *mestizo* or nonindigenous Spanish speaking population living in the same areas would be part of the project's target population, and (2) how should the politically contentious issue of defining who is indigenous be settled. To tackle these questions, the project adopted an approach that combined quantitative methods and geographic locations with the notion of self-identification and community affiliation with second-tier organizations. To obtain figures on the level of poverty by ethnicity, census information on indigenous and Afro-Ecuadorian populations at the *parroquia* (parish) level was combined with data on poverty (an index of unsatisfied basic needs). The project collected information about the self-identification of communities as either indigenous or Afro-Ecuadorian and membership in second-tier indigenous organizations. This information was then represented in a poverty map of indigenous peoples.

The quantitative analysis provided a sense of which *parroquias* had majority indigenous and Afro-Ecuadorian populations and which had only a minority presence of the groups. Once the *parroquias* were determined, it was possible to identify the second-tier indigenous organizations that were operating in those areas. The project then formed alliances with the organizations to aid in implementation. The project included the *mestizo* population to the extent that they were members of the second-tier organizations. Based on the analysis, the project targeted approximately



815,000 people who were members of indigenous and Afro-Ecuadorian communities in rural areas and approximately 180 second-tier organizations operating in the 288 *parroquias* with concentrated indigenous and Afro-Ecuadorian populations.

The original project proposal was the result of a consultation process among indigenous grassroots organizations carried out by SENAIMÉ. Initially, SENAIMÉ requested World Bank support for a very ambitious but conventional rural development project. During consultations, the umbrella indigenous national organizations and World Bank experts adopted a relatively simple project design that followed the provisions of the World Bank's Indigenous Peoples Policy (OD 4.20, now OP 4.10). This draft project proposal was submitted to the national indigenous peoples' organizations for review and received formal support.

### 2.2.5 Implementation

PRODEPINE was designed as a community-driven development operation. It implemented a

participatory planning methodology, including capacity-building interventions for community members on basic conceptual and methodological tools—such as participatory diagnostics and planning—and instructions on how to submit relatively simple project proposals. As a result, participating communities held a series of meetings to prioritize their needs and aspirations in areas relevant to the overall project. Communities relied on local customary decision-making processes to come up with project proposals. This approach provided evidence of community support for the project.

The project financed investments to enhance human development, financial management, and natural resource conservation and management in the target communities. It intended to strengthen indigenous peoples' organizations and grassroots communities in three ways. First, existing communal linkages and institutions, such as agricultural associations, community governments, and small commercial and artisanal groups, would be effectively

complemented with new ways of organizing and addressing communal needs (i.e., by strengthening preexisting water user associations). Second, where internal community organizations and linkages were weak, projects would be designed to supplement governance efforts in order to provide internal cohesion and managerial capacity. In most cases, this promoted collective management and solidarity among members. Third, the project stimulated the gradual extension of original forms of networking and organizations into new fields, higher levels of sophistication, and types of cooperation (e.g., women's solidarity credit associations), which have no equivalent in traditional Andean communities.

PRODEPINE relied on empowering local governments and self-management as tools for retaining a strong sense of project ownership by indigenous peoples and Afro-Ecuadorian organizations. Investments in social capital—for example—coupled with a focus on participatory planning and self-management as the basic principles for the project's operational procedures formed the project's conceptual framework.

Component 1, Institutional Strengthening of Social Organizations, aimed at improving the institutional capacity of indigenous and Afro-Ecuadorian organizations, giving priority to second-tier organizations, particularly where social capital was not strong. Activities included support for building managerial and technical capacity, such as project preparation. When needed, the project also helped organizations obtain legal status. To emphasize the focus on ethno-development or development with cultural identity, the project supported activities that strengthened the cultural heritage of indigenous and Afro-Ecuadorian communities and their organizations.

There was a critical need to increase the available pool of indigenous professionals. The project established a partnership with 27 Ecuadorean universities and high schools to provide formal education at high school and college levels for indigenous students. The curriculum included disciplines that were relevant for the second-tier

organizations, such as community development, accounting, anthropology, and communications. In order to increase the probability that students would remain in their communities and organizations after graduating, the formal education program emphasized and promoted distance learning.

As a result, by the end of 2002, of the 1,080 high school students enrolled, 335 graduated, and of the 850 college students enrolled, 67 graduated; 43 percent of all graduates were women. Among the program fellowships, 77 persons completed courses in subjects including irrigation, soil conservation, and agro-forestry, and 496 benefited from an internship program in agro-ecology (World Bank 2002b).

An assessment of the impact of institutional strengthening activities revealed that 31 organizations (12.9 percent) obtained a relatively strong level of strengthening; 126 (52.3 percent), a medium level; 71 (29.5 percent), a moderately weak level; and 13 (5.4 percent), a weak level.

Under Component 2, Support for Regularization of Land and Water Rights, the project financed a land titling and regularization program in collaboration with the National Agrarian Development Institute (INDA). Given the sensitivity surrounding land property rights, the project trained paralegals in indigenous and Afro-Ecuadorian communities to execute the program. In collaboration with CARE, the project supported a training program that aimed to reach approximately 100 paralegals and to establish a professional network. Given their local backgrounds and knowledge of participating communities and organizations, paralegals were able to effectively facilitate the resolution of land conflicts. The cooperation agreement between the project and the National Agrarian Development Institute explicitly recognized the integration of paralegals into the Institute's operational procedures for land titling and regularization.

As a result, by the end of 2002, approximately 122,685 hectares of land had been titled for 71 grassroots organizations, and 97,312 hectares were being processed. In addition, 160 paralegals

had finished the training program. Furthermore, in order to help communities regularize water tenure and use, 458 community irrigation systems were being studied, corresponding to 2,647 kilometers of channels (World Bank 2002b).

The target outcome for land title adjudication was achieved. Although only 30 percent of the appraisal target for the number of titles transferred was achieved, the effort benefitted 93 indigenous and Afro-Ecuadorian organizations, 16 percent higher than planned at appraisal, representing a population of 11,000. The project transferred 253,076 hectares of land, 58 percent higher than the appraisal estimate.

Component 3, Rural Investment and Credit, financed a substantive program of small-scale rural investments identified through a participatory planning process at the community level. Investments characterized as having a "public good" were financed through matching grants, while investments characterized as having a "private good" were financed on a credit basis. The use of traditional collective labor (*Minga*) was accepted as the counterpart contribution from communities for financing particular rural investments. Important community enterprises were also financed under the project, typically small-scale agro-business ventures owned by the communities and operated by community members.

After recovering all relevant costs, including salaries of personnel, profits were put back into the communities and invested in associated social infrastructure (e.g., schools and health clinics). Although some of these agro-business ventures could have involved private firms financed with credit, they were viewed as public ventures by indigenous communities because the communities owned them and profits were used to finance "public good" works. The project accepted this latter definition and, therefore, community enterprises were financed on a matching grant basis.

After about four years of implementation, PRODEPINE had supported the preparation of 210 local development plans, 1,918 subproject proposals, and 830 pre-investment studies. It had also financed 654 small investment operations of over US\$12 million, involving an estimated total of US\$4.5 million in additional community contributions. As a special activity targeting indigenous women, 547 community banks had been created, benefiting 14,022 members.

Of the subprojects financed, 50.4 percent were for social infrastructure, 40.4 percent for community productive infrastructure, and 8.1 percent for environmental and natural resource management. Social infrastructure investment was primarily for classrooms, shelters, dining areas, and drinking water systems. Productive investments were irrigation systems, agro-industry, stone paved roads, and greenhouses.

Under Component 4, Strengthening of the Council for Development of Nationalities and Peoples of Ecuador or *Consejo de Desarrollo de Nacionalidades y Pueblos del Ecuador* (CODENPE) and the Council for Afro-Ecuadorian Development or *Corporacion de Desarrollo Afro-Ecuatoriano* (CODAE)—the official institution dealing with indigenous peoples and African descendants, the project supported the formulation of national and local development plans; the preparation of draft legislation on issues of interest to indigenous peoples and Afro-Ecuadorian communities to be presented to the legislature; and decentralization, training, and equipment acquisition for official entities and their staffs.

## Key Factors of Success

**Inter-institutional collaboration** among the Project Implementing Unit (PIU), CODENPE, and CODAE helped define roles.

**Clear and well-defined participatory methodologies** for project design and planning ensured greater indigenous control over project results.

**Self-sufficiency and self-management** were built through capacity building and training of indigenous peoples' networks and organizations. Community demands reached the agenda of local governments because human and social capital was strengthened.

**Identification of intended beneficiaries** was achieved through quantitative methods and geographic tools, allowing resources to accurately target the most vulnerable indigenous peoples and Afro-Ecuadorians.

**A programmatic approach** was taken that included local capacity building; small-scale, demand-driven rural subprojects; land tenure regularization; cultural heritage activities applying principles of ethno-development (indigenous communities self-managing development through shared decision making); strong social and human capital; and community-driven development.

### 2.2.6 Lessons Learned

In its general project evaluation, the International Fund for Agricultural Development stated:

“PRODEPINE is considered a highly replicable and successful project, both because of its relevance within the socioeconomic context in Ecuador and because of its effectiveness setting up an operating structure at the national level. Above all, it was achieved in the midst of a serious economic crisis, social upheaval, and far-reaching institutional change” (IFAD 2005, 9).

Observations by external reviewers of the project included the following:

“Several design features of the project seem particularly relevant for replication in other similar operations. First, the design should reflect the capacity of indigenous peoples and ethnic or racial minorities to mobilize social capital and include efforts to consolidate and strengthen this capacity, including its cultural dimensions. Second, the design should incorporate a range of complementary inputs, including the formation and strengthening of human, environmental and physical and financial capital. The exact specification of interventions in these fields should take into account how they interact with and complement existing forms of social capital. Third, to ensure relevance of the activities, the project's investments should reflect priorities established in local development plans elaborated in a participatory fashion. Fourth, to ensure ownership and ultimately the investment's sustainability financed under the project, institutionalizing self-management should be a guiding principle for project implementation” (Doughty 2003).

A field review of the project carried out as part of the Forest Peoples Project (FPP) study confirmed that the project was bringing real, tangible benefits to target communities in health, education, and community irrigation schemes. The key project elements are: the project's relative autonomy; shared decision making which gives communities and indigenous spokespersons authentic involvement in project management, transparent procedures and flexible operations, along with the project's successful “ethno-development” and “self-management” approach (Griffiths and Colchester 2000).

One of the most innovative features of PRODEPINE was that the beneficiaries participated in all stages of the project—from the preliminary agreements to preparation and implementation.

The main lessons learned include the following:

- **Importance of a clear role and definition of participating institutions.** The roles, functions, and relations among CODENPE, CODAE, and the

project implementation unit were clearly defined in order to avoid politicizing the project. CODENPE and CODAE had a *polycymaking* role, while the project implementation unit was in charge of the *implementation of these policies* based on the following guidelines: (1) a participatory approach to avoid the exclusion of beneficiaries and their representatives; (2) an agile structure and procedures to ensure project efficiency and efficacy; and (3) acknowledgment and operationalization of the different ways indigenous and Afro-Ecuadorian nationalities and peoples are organized.

- **A clear and well-defined participatory approach.** The experience of PRODEPINE demonstrated a need to promote participatory planning for local development to appropriately respond to the country's decentralization process. The project trained grassroots communities to organize their own research, systemically interpret their findings, propose options, and select the best solutions to their problems. It also trained the communities to actively participate in the visualization and building of their own futures.
- **Community empowerment and self-development.** PRODEPINE built a culture of development based on social participation, empowerment, and accountability.
- **Strengthening of human and social capital.** The experiences generated by PRODEPINE contributed significantly to the formation and improvement of local social capital and demonstrated the importance of institutional strengthening for improving management capacity. This made possible the inclusion of community demands on local government agendas and issues that promoted institutional alliances as well as the forming of networks aimed at solving concrete development problems.
- **Diversification of income sources.** The survival strategies of indigenous and Afro-Ecuadorian families lead them to combine various sources of income from agricultural activities, temporary labor, and migration. The economic viability of rural areas is not solely related to traditional agricultural production and farm wage labor; it also relies on the formation of microenterprises for production and the promotion of various rural services and any general sector in which

men and women participate in employment- and income-generating activities.

Other lessons included:

- An ethnic vision of development that builds on the positive qualities of indigenous cultures and includes a sense of ethnic identity used to mobilize labor and capital can be an effective vehicle for promoting local employment and growth.
- Any successful model of *development with identity* must overcome a traditional basic-needs approach and must facilitate opportunities to generate wealth through productive initiatives based on the culture.
- An integrated participatory approach applied at grassroots level can create a sense of ownership and responsibility for self-development in beneficiaries, but the sustainability of public infrastructure will ultimately depend on the availability of public budget resources to maintain it.
- A project design that emphasizes decentralized implementation is crucial for successfully dealing with the ethnic and cultural diversity of beneficiaries. The design cannot rely on “one-size-fits-all” methodologies. Procedures should be tailored to different cultures, types of organizations, and settings.
- Piloting implementation procedures should speed up project implementation and improve results.
- The concept of social capital and the notion of community, when applied to development issues, should be tempered by the reality of differing income levels and personal interest imperatives.
- Participation and social capital do not guarantee the absence of discretion. For example, when administering scholarship programs, care must always be taken to design checks-and-balances in the selection process to reduce favoritism and co-opting by elites. Also, the social mechanisms of reciprocity do not seem to easily extend into the management of micro-enterprises.
- A project focused on empowerment should systematically monitor how its own inputs may affect the relationships between communities and their higher-level organizations, because



- when the latter handle implementation, they should remain accountable to their members.
- One of the crucial elements in the successful implementation of small investment subprojects is to ensure that the training of beneficiary groups is provided in the right sequence and in a timely manner.
  - Participatory planning can increase the capacity of beneficiaries to define and implement their visions of development, and such plans can provide a community with a key instrument or negotiating priorities with government development agencies and donors.
  - There is a trade-off in community procurement between lump-sum, fixed-price contracting, and fully-documented subcontracting. The former delivers the investments more simply and effectively, while the latter increases paperwork and field supervision but provides an incentive to strengthen formal organizational capacity.
  - The transfer of land in environmentally fragile, protected areas may require an

- accommodating legal framework that confirms the right to unique access to those lands by indigenous and Afro-Ecuadorian communities based on ancestral rights.
- Attention should be given to gender differential issues during appraisal through a comprehensive inclusion lens.

Lessons were also learned from the struggles between the national-level organizations over project control and benefit apportionment; the failure to properly strengthen Afro-Ecuadorian organizations due to internal conflicts; and the failure of a substantial percentage of the community business ventures, which did not manage to achieve financial sustainability.

## Key Results

- **Institutional strengthening of indigenous peoples' organizations** resulted in approximately 65 percent of organizations obtaining relatively strong or medium levels of institutional strengthening.
- **Support for regularization of land and water rights.** 253,076 hectares of land were legalized through title deeds awarded to 55 grassroots communities, benefitting 1,832 families. This provided security for the ancestral lands of 44 indigenous and 19 Afro-Ecuadorian communities. In addition, 458 community irrigation systems were assessed with a total length of 2,647 kilometers of irrigation ditches belonging to 37,194 beneficiary families.
- **Rural investment and credit** supported the preparation of 210 local development plans; 1,918 subproject proposals; and 830 preinvestment studies. There were 654 small investment operations financed at over US\$12 million, including an estimated total of US\$4.5 million in additional community contributions. As part of a special activity that targeted indigenous women, 547 community banks were created, benefitting 14,022 members. The investments benefited 62,644 families located in 103 cantons, 57 percent higher than the original target.
- **Institutional strengthening of CODENPE and CODAE** resulted in the establishment of the basis for a dialogue between the government and indigenous peoples by the national council of CODENPE; the preparation of twelve drafts and development plans with the aim of ensuring the interests of the various nationalities and peoples; and the delivery of 114 workshops and forums on collective rights related to organizational strengthening of nationalities and peoples, which led to the creation of innovative mechanisms for State and the indigenous peoples relations.



## 2.3 Indonesia—Improving Governance and Livelihoods in Forested Areas

### 2.3.1 Introduction

The Improving Governance for Sustainable Indigenous Community Livelihoods in Forested Areas Project in Indonesia directly targets indigenous peoples. The project provides indigenous communities and organizations with innovative means to enable them to be active participants in forest resource management. It introduces and evaluates creative approaches to institution building of indigenous community-based organizations as well as community approaches for the adoption of forest management schemes through the improvement of non-timber forest production practices and alternative livelihood activities.

The project is innovative because it brings together marginalized and vulnerable indigenous communities and organizations within a framework of common interests, connections with markets, and opportunities to gain experience, invest, and align

## Project at a Glance

The program development objective is to improve the livelihoods of 250 ancestral communities located in 10 primary forest provinces and to increase the capacity of indigenous peoples to participate in and benefit from forest policy development at the national and international levels.

**Components:** The objectives will be achieved through implementation of the following four components: (1) promotion of participatory land-use planning; (2) capacity building of indigenous organizations; (3) development of forest resource and culture-based income generation; and (4) promotion of administration, project management, monitoring and evaluation, and knowledge dissemination.

**Financing:** US\$2.86 million (Japan Social Development Fund); US\$142,857 (World Bank).

**Duration:** 2012–15.

sustainable production practices with the international demand for ecosystem services. A key

objective of the project is to forge longer-term social inclusion schemes into Indonesia's forest policies, especially for the most disadvantaged groups living in remote forested areas.

The project is directly implemented from the national to the provincial and community levels by indigenous peoples. It is one of only a few World Bank experiences in which a grant agreement was signed with a national alliance for indigenous peoples, the *Aliansi Masyarakat Adat Nusantara* (National Alliance for Indigenous Peoples or AMAN), a community-based national network. By working directly with this type of institution, the project provides an exemplary learning experience.

### 2.3.2 Project Description

The development objectives of the project are to improve the livelihoods of indigenous communities in Indonesia and their capacity to participate in and benefit from, national and international forest policy developments. These objectives will be achieved by strengthening community governance, improving local customary institutions, and promoting income-generation activities under the four project components: (1) participatory planning of land use will be conducted in 250 villages, identifying at least 30 poor and marginalized communities where the other three components will be carried out; (2) capacity building of indigenous village and organization representatives; (3) forest resources and cultural-based income-generation activities; and (4) project management, monitoring, evaluation, and knowledge dissemination.

This project targets approximately 250 indigenous communities and villages as well as their dependents, involving 250,000 people. The direct and indirect beneficiaries come from ten key forest provinces: Central Kalimantan, East Kalimantan, West Kalimantan, Papua, West Papua, Jambi, South Sumatra, Aceh, Riau, and Central Sulawesi.<sup>9</sup>

<sup>9</sup> More specifically, this project is active in 19 work territories of AMAN: (1) North Sumatra, (2) Tano Batak, (3) Riau, (4) Jambi, (5) South Sumatra, (6) Bengkulu, (7) West Java, (8) West Kalimantan, (9) East Kalimantan, (10) Central Kalimantan, (11) South Kalimantan, (12) South Sulawesi, (13) Tana Luwu, (14) Central Sulawesi, (15) North Sulawesi, (16) West Nusa Tenggara, (17) East Nusa Tenggara (Nusa Bunga), (18) Maluku, (19) North Maluku, (20) Sorong Raya Regional Office, (21) Moi Regional Office for West Papua Region, and (22) Mentawai Regional Office.

Individuals benefit directly from training, small grant disbursements, and participation in land-use planning and livelihood activities and from the resulting positive impacts on rural livelihoods.

The project is financed with a grant from the Japan Social Development Fund and implemented by AMAN, an independent civil society organization with a vision for achieving an equitable and prosperous life for all indigenous peoples in Indonesia. AMAN is a membership-based social movement made up of over 2,300 indigenous communities across the Indonesian archipelago, with 17 million individual members. Its mission is to empower, advocate, and mobilize indigenous peoples of the archipelago to protect their collective rights and to live in ways that safeguard the environment for current and future generations. Its programs meet local, national, and global challenges by using indigenous sociocultural values, customary institutions and practices, knowledge, and solidarity to promote social justice, ecological sustainability, and human welfare.

The institutional arrangements for project execution enable villages, local communities, and local organizations to assume primary roles in project implementation. The project management and governance components include the consolidation of an organizational structure, which comprises the directive committee, a board, and a project management unit. The project management unit includes a project leader, a functioning project administration, and indigenous professionals managing all of the project components.

### 2.3.3 Indigenous Peoples in Indonesia

Indigenous peoples in Indonesia are commonly considered to be *Adat* (customary) communities or *Masyarakat Adat*, an Indonesian concept for traditional communities that are bound together in association. Indonesian indigenous peoples have well established *Adat* institutions, customary law that is still adhered to, and territory defined by the customary law, the existence of which is affirmed by the community and by the government.

Indonesia has a very diverse population of almost 250 million comprising hundreds of ethnic groups

speaking over 800 languages across thousands of islands. There are an estimated 50–70 million indigenous peoples in Indonesia—the exact number is difficult to determine due to the lack of national census data for ethnic identity. Some of the indigenous peoples are nomadic, others sedentary; some subsist by gathering, practicing rotational farming, agro-forestry, fishing, small-scale plantation farming, or mining. Distinct social and political traditions regulate life in indigenous communities. Indonesia's indigenous peoples have historically relied on the environment for their continued survival, using traditional knowledge to ensure the sustainability of natural resources. Indigenous peoples in Indonesia have endured land grabbing, violence, displacement, and the subsequent poverty resulting from being denied access to the land and natural resources on which they have existed for generations.<sup>10</sup>

About a quarter (50–60 million) of Indonesia's population lives in the mostly rural, state-claimed "forest zone." This area is also home to most of Indonesia's *Adat* communities, many of which are forest-dependent and poor or vulnerable to poverty. Poverty alleviation remains a challenge in the forest zone; while forests provide important resources to local communities, unclear user rights, bureaucracy, poor access to markets, and a lack of institutional capacity often prevent the full economic use of these resources. Communities living in the forest zone do not usually have formal rights to the land, and this leads to conflicts with logging, mining and plantation companies and to a poor investment climate.

Indigenous peoples and other forest-dependent people have been largely excluded from the forest policy processes that directly impact their lives, and they have not had the opportunity to be protagonists in their own strategic development due to a lack of capacity and empowerment. To address this situation, the project focuses on the indigenous communities' ability to represent themselves and their economic, environmental, and social concerns in the context of government policy dialogue, public consultations, and decision-making processes.

<sup>10</sup> See AMAN's website: <http://www.aman.or.id/en/>.



### 2.3.4 Process of Consultation

The project activity was designed in close consultation with the *Adat* indigenous peoples—the main beneficiaries of the project. AMAN carried out an extensive consultation process with indigenous representatives, including traditional authorities—both men and women—to provide input to the project design and to build broad-based support. Among the consultations that involved the discussion of program components were a national council meeting; three central governing body meetings, including discussions with local government representatives at the district and *Desa*, the administrative village level; three Reducing Emissions from Deforestation and Forest Degradation (REDD) working group meetings; and a coordination meeting. Indigenous representatives from Papua, Sumatra, Kalimantan, Sulawesi, Bali, Nusa Tenggara, and Maluku participated in the consultation process that was conducted using local languages and community consensus-making decision meetings.

AMAN's own experience also contributed to the design of the project, including suggested

approaches to strengthening community-based indigenous organizations, community mapping and cultural land-use plans, and the introduction of practical schemes for REDD+<sup>11</sup> applications in forested areas with indigenous communities.

### 2.3.5 Indigenous Peoples Plan and Project Design

Because the project targets indigenous peoples as the sole beneficiary group, a separate Indigenous Peoples Plan was not prepared. The design of the program incorporated the elements of an Indigenous Peoples Plan and was prepared by an indigenous peoples' organization in consultation with select indigenous communities. AMAN has experience in implementing this type of intervention using good practice principles for indigenous peoples' involvement in program implementation, including the recruitment and tailored training of community facilitators from indigenous communities; the use of culturally appropriate mechanisms for consultations, including local language translations; and customary participatory planning processes. In addition to being the beneficiaries, indigenous peoples are part of the program's organizational structure. Practical implementation guidelines were prepared for the project covering social and environmental safeguards.

The following activities are included in the project:

- **Participatory land-use planning.** This component focuses on the wider and systematic application of existing models of the participatory planning processes. It supports the production of indigenous peoples' maps and land-use plans and promotes them for economic development and payment for environmental service initiatives. The activities facilitate institutional learning at different levels for indigenous communities and their organizations, including enabling community-based organizations to take primary roles in payment for environmental service schemes at the local level. The following activities are

supported: (1) training of communities on the effective use of geographic information technology and participatory mapping, with local organizations and communities being provided with mapping equipment such as GPS units, computers, software, and related geographic information and communication technologies; (2) participatory land-use planning and design in areas including cultural land-use mapping, temporal change analysis, sustainability analysis, and design of land management plan; and (3) empowerment of the Ancestral Domain Registration Agency (*Badan Registrasi Wilayah Kelola Adat* or BRWA).

- **Capacity building for community-based organizations.** This component focuses on capacity-building activities to strengthen the organizational, technical, and entrepreneurial skills of local community-based organization members engaged in forestry and agro-forestry activities. Special attention is paid to the inclusion of women to promote their full and effective participation in all decision-making processes. The component also facilitated the dialogue on issues related to forest policy between local governments on the one hand and indigenous communities and organizations on the other.

The following activities are supported: (1) technical and financial assistance for indigenous communities, (2) training on payment for environmental service implementation, (3) establishment of a learning exchange program, and (4) capacity building of indigenous women. Training on forest resource management and potential schemes of payment for ecosystem services are also provided. The trainings are updated to continually enhance the administrative and technical capacity of members of indigenous communities. This enables them to actively participate in the identification of deforestation and forest degradation as well as in the development of pro-poor forest policies.

As part of the indigenous learning exchange program, key representatives are invited to share their own experiences in successful forest resource management with other communities. Shared knowledge and experiences can be related to economic development, engagement with payment for environmental service activities, or

forest management, as examples. Workshops and training sessions are conducted to strengthen the existing indigenous women's national networks and their capacity to engage in decision-making processes at the community, local, subnational, national, and international levels.

- **Forest resource and culture-based income-generating activities.** The purpose of this component is to strengthen the sustainable economic livelihoods of indigenous peoples. Activities target highly isolated communities in forested areas that can contribute to climate change mitigation initiatives as well as to poverty alleviation. It is estimated that this component will finance activities in 30 villages such as:
  - Assessment of indigenous peoples' forest and culture-based resources for income generation.** This builds on the results of the mapping and land-use plan activities and will provide a basis for selecting appropriate community enterprises for development. The assessment process is based on AMAN's long experience of utilizing customary consultation approaches, which will be conducted through an informed consultation process to ensure broad community support.
  - Development and financing of community enterprises.** This component works by giving direct block grants of approximately US\$25,000–30,000 to participating member organizations of AMAN for a wide range of environmentally friendly activities, such as improving existing rubber plantations, associated non-timber forest product marketing, ecotourism, food production, handicrafts, traditional medicines, and music. These community enterprises will evolve and become stronger to serve as managing agencies for community forest resources and will be responsible for marketing, production, trading, monetary transactions, and benefit sharing. Proposals are selected through an inter-village decision-making process.
  - Facilitation of access to markets.** Products from indigenous enterprises are promoted through retail points, e-commerce, and exhibitions.

### 2.3.6 Implementation

The project started in August 2012 and is scheduled to end in August 2015. After more than 18 months of project implementation, it has progressed satisfactorily. Major achievements include:

- Capacity building was provided to 519 indigenous communities involving 349 men and 220 women including:
  - Training on participatory mapping was conducted for 18 participatory mapping service working units for 321 trained participatory mapping facilitators of which 266 were men and 55 were women.
  - Four geographical information systems and database trainings were carried out in 18 regional offices, training 35 men and three women.
  - Seventeen spatial planning and participatory mapping workshops were organized and coordinated through the implementation of Constitutional Court (MK) No. 35/PUU-X/2012 Decision and one mapping workshop was conducted in South Sulawesi.

The implementation of the Constitutional Court (MK) No. 35/PUU-X/2012 Decision is conducted by direct visits to the indigenous communities to build their understanding of the importance of the Decision as evidence of the recognition and protection of their indigenous rights, particularly concerning indigenous forest areas.

The project provided participatory mapping equipment support and delivered training and workshops on geographical information systems. Effective participatory planning is used by the project to train facilitators and community crews. Fifty-six communities have now completed the participatory mapping process in their own communities, and another 42 communities are in the mapping development stage. Several national workshops have been conducted to strengthen and improve the coordination and socialization issues between AMAN regional offices with the Participatory Mapping Service Mapping Unit. A conference called the "Indigenous Peoples Global Conference: Lessons and Good Practices on Community Participatory Mapping" was

<sup>11</sup> "REDD+" goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks.



conducted in partnership with the Regional Indigenous Organization in Asia (*Tebtebba*), which included the sharing of community mapping experiences from around the globe.

Significant work has been done in mapping ancestral territories. As part of AMAN efforts, 625 community maps covering 4.9 million hectares have been completed. In November 2012, the 265 Heads of the Presidential Delivery Unit and the Geospatial Information Agency accepted a total of 2,402,223 hectares to be integrated into “One Map Indonesia.”<sup>12</sup> In July 2013, the Ministry of Environment accepted 324 maps that covered 2,643,261 hectares of ancestral territories.

Communities are key players in mapping their territories. It is well documented in project reports that communities are playing a more proactive role in participating in the community land mapping process, which involves a range of community members and traditional authorities.

<sup>12</sup> One Map Indonesia is a proposed single, all-encompassing map of Indonesia that aims to contain all relevant information linked to forest licensing and land-use claims.

They are also using the maps as a negotiating tool to reduce conflict and bring about social cohesion among community members around issues like access to and ownership of land and forest areas. Empowering communities is a key factor for long-term sustainability. It is widely understood that the capacity-building and community-mapping process has integrated sustainability issues into the project. At the same time, the project has generated significant experiences and capacity in mapping ancestral territories.

Finally, the project has helped provide a better understanding of and more knowledge of indigenous peoples in Indonesia. In cooperation with SEKALA, a civil society organization working on forest governance, community mapping, and spatial land-use planning and JKPP (*Jaringan Kerja Pemetaan Partisipatif*), a civil society organization with a participatory community mapping network, the Indicative Map of Indigenous Ancestral Territories in Indonesia has been developed.

Indigenous communities and forestlands have been evolving for several decades. Challenging

these changes, in order to seek recognition for their socioeconomic and cultural rights, local actors are now much more directly engaged in protecting their land resources and advocating for their claims and demands regarding access to resources and benefits from economic growth and sustainable development. This project has fostered this positive transition through its support and capacity building of AMAN and its member organizations and communities.

More concretely, the mapping of indigenous lands enables communities to secure tenure, manage natural resources, and strengthen their cultures. In the long run, this work on community mapping should contribute to producing evidence for the formal recognition of the ancestral domain registries as part of land inventory and the ensuing modernization of the land administration process. In that sense, with the active cooperation of the government and respective ministries working in forestry, land, natural resources and tenure security, the preparation of the Standard Operational Procedures for Community Land Mapping and indicative indigenous land maps will help improve cost efficiencies in land administration. To further support this positive development, opportunities for reforms within the government are available and should be recognized and nurtured.

### 2.3.7 Lessons Learned

The community land mapping that has been supported by this project has catalyzed innovation in land and resource allocation and management for indigenous peoples in Indonesia. Community mapping has proven to be a useful tool for indigenous communities to promote customary rights by asserting and claiming their land rights and responsibilities as well as by enhancing their cultural norms.

Community-drawn maps are treated as valid evidence for the resolution of disputes and can serve as the basis for the issuance of clear and unconditional formal recognition of the territorial rights of indigenous peoples, along with requisite legal details. For instance, the project has helped to develop two regional regulations (*Perda*) in

### Key Factors of Success

#### Inclusive institutional arrangements

made during project implementation have enabled villages, local communities, and local organizations to assume primary roles in project implementation and governance. Key actors have included the directive committee, a board, and the project management unit. The project management unit is comprised of a project leader, the project administration, and indigenous professionals managing all project components.

#### Institution and capacity building of

indigenous peoples’ organizations have been conducted in participatory land-use mapping and geographical information systems, as examples.

#### The right of indigenous peoples’

organizations to engage in and profit from policy development on forestry at the national and international levels has been recognized. AMAN is a membership organization of 2,300 indigenous communities and 17 million individual members. It also has extensive experience in consultations and project management. Participatory processes were used at the national, provincial, and community levels. Local languages and indigenous peer knowledge exchange were used for community consensus-making on decisions.

#### Standard operational procedures were

prepared for community land mapping and for making indigenous land maps of ancestral territories. The mapping served as valid evidence for the resolution of disputes and for securing tenure.

A programmatic approach was implemented with participatory land-use planning; capacity building for community-based organizations; forest resource and culture-based income-generating activities; and administration, project management, and monitoring and evaluation.

South Sulawesi Province, including Tana Luwu and two Regent’s Decisions recognizing the existence of Indigenous peoples: (1) Perda North Luwu No. 12 of 2004 and Regent’s Decision in North Luwu Regent No. 300 of 2004 on the recognition of the existence of indigenous peoples in Seko; and (2) SK Tana Toraja Regent No. 222 of

2005 on the recognition of 32 indigenous forests in Tana Toraja.

The combination of capacity building, support to community mapping and sustainable management of forest resources, and financial support for income-generating activities and entrepreneurship has proven successful. It has been recognized that, in some cases, the absence of a clear livelihoods and employment component as a follow-up to the mapping exercises discourages participation.

The diversity of indigenous peoples in Indonesia creates a unique demand for context-specific solutions. In such contexts, indigenous representative groups like AMAN help to reduce and explain the cultural, geographic, and knowledge barriers to effective consultation and participation. While there may be a risk that political interests play a role, consultations with indigenous peoples can be effective where strong networks and local-level institutions exist. AMAN's diverse and representative equitable governance system has contributed to its

suitability for implementing the project. The organization's national council consists of community members from across the archipelago, representing diverse ethnicities, languages, religions, including indigenous belief systems, and cultures. This diversity enriches AMAN's knowledge and helps the organization comprehend the basic challenges faced by the indigenous peoples of Indonesia.

Trust fund instruments and grant funding are useful to promote social inclusion and to implement specific capacity-building strategies and studies concerning indigenous peoples. Trust funds tend to be disbursed more quickly and are easier than investment loans; they allow for flexibility in carrying out necessary baseline surveys prior to implementation for quick responses to issues that arise during field implementation.

## Key Results

- **Participatory land-use planning.** Eighteen trainings were conducted for mapping specialists (266 men and 55 women), four trainings on GIS and database management (35 men and 3 women), and three national workshops and 18 regional workshops on participatory planning. Participatory mapping was completed for 625 community maps covering 4.9 million hectares, and 16 maps and profiles of indigenous peoples were produced. In July 2013, the ministry of environment accepted 324 maps that covered 2,643,261 hectares, and in November 2012, 265 Heads of the Presidential Delivery Unit and the Geospatial Information Agency accepted a total of 2,402,233 hectares to be included into "One Map Indonesia."
- **Capacity building for community-based organizations.** Eighteen trainings were held for indigenous communities on organizational management. 30 learning exchanges took place among indigenous communities; and five trainings/workshops on indigenous women and decision-making processes were conducted.
- **Forest resources and culture-based income generation activities.** Ten assessments of indigenous peoples' non-timber forest and cultural resources for income-generating activities were conducted; one community enterprise was developed; four packages of indigenous enterprise financing was established; one package of house outlet was developed indigenous peoples participated in three expos to ensure that access to markets was facilitated, and nine training sessions on financial support for indigenous women groups were conducted.



## 2.4. Central America—Managing Critical Ecosystems in Indigenous Communities

### 2.4.1 Introduction

The Integrated Ecosystem Management in Indigenous Communities Project in Central America aimed to help indigenous peoples conserve and manage natural resources as a means to protect their livelihoods and economic well-being by building on their traditional knowledge about sustainable land-use practices.

This regional project targeted indigenous and peasant communities located in the Mesoamerican Biological Corridor (MBC). It supported activities consistent with biodiversity conservation and income generation, including the development of community land-use plans, productive and natural resources management subprojects, and the strengthening of community networks. Some of the most innovative aspects of

### Project at a Glance

The project was designed to achieve more effective biodiversity conservation in Central America (Guatemala, Belize, Honduras, Nicaragua, El Salvador, Costa Rica, and Panama) by strengthening the capacity of indigenous communities to protect and manage their natural and cultural resources and by recuperating and promoting their cultural values and sustainable traditional land-use practices, helping to: (1) prevent further land degradation that posed a threat to environmental services, livelihoods, and the economic well-being of the people; and (2) conserve the region's high level of—but threatened—biodiversity resources.

**Components:** (1) cultural and institutional strengthening and capacity building; (2) promotion of sustainable cultural land use and traditional ecosystem management; (3) development of culturally appropriate products, markets, and services for environmental sustainability in indigenous communities; and (4) participatory project monitoring and evaluation.

**Financing:** US\$9 million from the Global Environment Facility Grant.

**Duration:** 2004–10.

this project included a thorough social assessment and consultation process, the formulation of criteria for the classification of social organizations and the definition of priority areas, and special institutional arrangements that gave indigenous and peasant organizations decision-making roles and voice during implementation.

Besides culturally appropriate concrete benefits, the project generated new knowledge about indigenous peoples and enhanced the capacity of local community members and organizations in all aspects of project management, including governance, monitoring and evaluation, natural resource management, proposal development, accountability, transparency, and project design.

### 2.4.2 Project Description

Recognizing the importance of preserving the gene pool of native varieties of crops and other

plants, the Central American governments established the MBC with the aim of making wiser use of the region's natural resources. In 1995, the heads of state of Belize, Costa Rica, El Salvador, Honduras, Guatemala, Nicaragua, and Panama instructed the Central American Commission on Environment and Development to implement the MBC initiatives and to establish connections or corridors in protected areas located between South Mexico and northern Colombia.

The MBC initiative emphasized combining work in designated national protected areas with conservation of biodiversity in community-owned lands. In Central America, community-owned lands often contain a high percentage of remnant forests. Very often, indigenous peoples, who have a strong ethical basis for the conservation and protection of biodiversity, communally own lands. Indigenous peoples and rural communities are usually very interested in programs aimed at environmental and biodiversity conservation and community development that follow strict economic and social criteria based on a respect for and harmonious relationship with nature.

The Integrated Ecosystem Management in Indigenous Communities in Central America Project was considered an Indigenous Peoples Plan because over 90 percent of the beneficiaries were indigenous peoples. An outcome of the project was to promote community participation and the common vision of indigenous peoples of conservation, protection, and land planning based on traditional knowledge and practices. The project was carried out within the MBC.

#### 2.4.3 Indigenous Peoples in Central America

According to an appraisal in 2004, the Central American region's total indigenous population was an estimated 6.7 million—24 percent of the total population. Guatemala had the highest concentration of indigenous people (66 percent), followed by Belize (20 percent), Honduras (15 percent), and Nicaragua (8 percent).

Historically, indigenous peoples tended to live in less populated areas with intact natural forests

and ecosystems. While the extent of lands where indigenous peoples live in Central America is difficult to define, the 2004 analysis estimated it to be as much as 170,000 square kilometers, almost 33 percent of the total area of the seven countries. More than 50 percent of this land contained forests or natural ecosystems, and a similar amount corresponded with the MBC. Likewise, a disproportionate share of forests and natural ecosystems, and an even greater share of national protected areas, overlapped with indigenous populations and territories.

#### 2.4.4 Process of Social Assessment and Consultation

During the initial design, the project carried out a comprehensive social assessment and consultation process. One challenge faced in this early phase was defining who comprised “indigenous peoples.” The project coordination team, in consultation with a collection of leaders of indigenous organizations, agreed that “indigenous peoples” could be characterized by a set of well-defined socioeconomic and cultural criteria as well as by self-identification. Forty-three different indigenous peoples were discovered in the region, representing approximately 24 percent of the population of Central America, including Mayans in the north and Chibcha descendants in the south.

Project priority areas were selected following two basic criteria: (1) where there were already-established indigenous regions, reserves, or communities; and (2) areas where either the Central American Indigenous and Peasant Coordinator of Communal Agroforestry (ACICAFOC) or the Indigenous Council of Central America (CICA) was already actively involved. After intensive consultations with leaders of indigenous organizations, a decision was made to work with community-level organizations rather than with national or regional ones.

Finally, to simplify project implementation and coordination, the project created a permanent council (*Wayib* in the Mayan language) to oversee project implementation, a project coordinating unit, and liaison organizations that provided administrative and financial oversight for the

subprojects within their fields of expertise. The *Wayib* was made up of two representatives from CICA and two from the ACICAFOC.<sup>13</sup> The *Wayib* and the Central American Commission on Environment and Development delegated the implementation to a project coordination unit under ACICAFOC.

The primary beneficiaries were indigenous communities and rural populations living in the eco-regions expected to benefit from biodiversity conservation efforts. The primary target population included 607 indigenous organizations and 558 communities. The secondary beneficiaries targeted were local, national, liaison, and regional indigenous organizations that were expected to benefit from strengthened capacity building to protect and manage natural and cultural resources of the Central American countries. The expected benefits to Central American countries on the whole included the positive ecosystem impact of biodiversity conservation efforts, the cultural protection and rescue of spiritual and sacred sites as part of a regional cultural heritage, and the inclusion of indigenous peoples in biodiversity conservation activities as well as the income-generating activities that were expected to immediately reduce land degradation. The Central American Commission on Environment and Development also benefited from a strengthening of its profile by having greater decision-making capacity with regard to environmental issues and by better positioning itself as an advocate for environmental and biodiversity conservation in the region.

#### 2.4.5 Project Design

The Inter-American Development Bank was responsible for the execution of Components 1 and 2, and the World Bank was responsible for the implementation of Components 3 and 4. But despite the fact that the project was executed by two institutions, it was designed to be integrated

<sup>13</sup> ACICAFOC is a nonprofit, grassroots organization that gathers together associations, cooperatives, federations, and organized groups of small- to medium-scale agroforestry producers, indigenous peoples, and peasant communities. These groups work to have access to, use, and manage natural resources, and to look for ways to achieve food security and economic sustainability for their communities in ways that are in harmony with the environment.

as a whole. The coordination effort and successful integration were achieved through the following four components:

- 1. Cultural and institutional strengthening and capacity building.** This component was designed to strengthen the knowledge of participating communities with regard to customary law and rights and to improve technical, administrative, and information and communication technology capacities that would enable participants to engage in biodiversity conservation within their communities and as part of regional networks. The component focused on: (1) strengthening indigenous communities' organizational, technical, and administrative capacities to articulate their cultural values and then apply them to natural resource management; (2) systemically developing standards and criteria for traditional ecosystem management, including a certification process for engagement in effective ecosystem management; and (3) strengthening the capacity of indigenous organizations in traditional ecosystem management. These goals were achieved through community exchanges, study tours, community meetings, training on indigenous rights and customary law, and strengthening local nongovernmental organizations (NGOs) and communities.
- 2. Promotion of sustainable cultural land use and traditional ecosystem management and preparation of land-use plans.** This component was designed to build on the capacities developed through Component 1. With new competencies and knowledge, members of indigenous communities developed community conservation and sustainable cultural land-use plans using an integrated ecosystem management approach. These plans comprised community plans for territorial management, which focused on the management of local ecosystems using traditional knowledge; and integral community development plans, which utilized western techniques such as mapping and biodiversity inventories to delineate the land according to established conservation criteria. An additional key activity under this component was strengthening institutions to implement the community-developed integrated ecosystem management plans.

**3. Development of culturally appropriate products, markets, and services for environmental sustainability in indigenous communities.** This component was based on the underlying assumption that high poverty levels in indigenous communities had led to land degradation activities being undertaken for subsistence income. Therefore, the component introduced grant resources to develop culturally appropriate and environmentally sustainable income-generating technical assistance and some actual income-generating production subprojects. This provided communities with alternatives for revenue generation that were compatible with natural resource conservation.

**4. Participatory project monitoring and evaluation.** This component supported training and capacity building on monitoring and evaluation of project impacts as well as progress in conservation and sustainable use of biologically diverse resources. It financed scientifically sound monitoring and evaluation of biodiversity outcomes to follow project implementation and biodiversity changes over time.



#### 2.4.6 Results

The target of 100 communities and organizations participating in the project was surpassed, with 350 indigenous communities participating in conservation and sustainable use of natural resources. Capacity building was provided to more than 4,000 indigenous peoples and 357 organizations. The communities and institutions learned to combine traditional knowledge with integrated ecosystem management; this was used to prepare land-use plans. Some 379 communities prepared 23 integrated ecosystem management land-use plans based on their strengthened capacity. Furthermore, the project provided assistance to 472 communities and 69 community-based organizations to support the introduction and implementation of productive conservation-compatible subprojects.

Plans for territorial management or territorial/community conservation were intended to strengthen the capacity of indigenous communities in traditional ecosystem management. Ten of the plans were designed in a participatory manner and were executed in all

countries, comprising a total of about 10,000 hectares and benefitting 130 communities and 8,170 households. In addition, the project prepared a total of 13 integral community development plans or cultural land-use plans covering 162,809 hectares and benefitting 15 territories and over 300 communities. Furthermore, 207,000 hectares were established across the region for sustainable cultural use.

Moreover, the land-use plans contributed to the identification of conservation-compatible income-generating subprojects benefitting indigenous communities and developing networks for marketing products, including environmental services. The implementation of 69 subprojects, consisting of US\$20,000 grants made to local organizations, had a positive effect on community organizations that were previously unable to receive government support or even development aid such as credit, financing, or technical assistance. These organizations often had limited or no assets to use as collateral, had no ability to borrow, and lacked the necessary skills to apply for aid. The project provided the opportunity to

acquire and develop these skills. From the point of view of these organizations, the grants received were significant because a lack of financial resources had been the constraint limiting their ability to invest in machines, establish tourism infrastructure, or obtain necessary staff training.

The project supported the development of two very useful tools: CICA's Balu-Wala, a methodology that allowed for the building of integral community plans based on the concept of "good living" according to the principles of the indigenous people's view of the world, and ACICAFOC's sustainable livelihoods approach for its Community Land Management Plan I (plans for territorial management). As stated by an indigenous leader in Bocas del Toro "... in many of these communities, the local culture was undervalued, and instead a Western model of development was used." The development of these plans and the methodology helped younger people reassess their culture and take pride in their heritage.

The project also supported CICA and ACICAFOC in strengthening their networks. ACICAFOC sought to increase revenues and promoted cacao, community tourism, and environmental service networks. CICA, using the overarching concepts of a strengthened indigenous economy and good living, was able to make its networks stronger. These included tourism (27 organizations), handicrafts production (27 organizations), and traditional products of nature (26 organizations). All activities have increased capabilities in areas including marketing, strategic partnerships, promotion of environmentally friendly products, and tourism. The networks have enabled participants to adopt strategies to optimize the use of natural resources.

Capacity building was a cross-cutting theme existing at virtually every levels of the project's operation. Program activities improved the capacity of communities to more efficiently conserve biodiversity. The project promoted the local and regional transfer of skills, experience, and expertise. Beneficiaries of capacity building were not only at the community level: the staff of implementing and executing agencies also

improved their ability to work with indigenous communities. At the local level, there was an improvement in basic skills, such as preparing proposals and managing subprojects, as well as in managing development aid. As a direct result of the project, both CICA and ACICAFOC currently have regional capacity building strategies.

All of the project's actions helped to improve livelihoods in indigenous communities and to develop skills for the conservation of biodiversity. Moreover, the project not only achieved its objectives, but also produced a series of positive externalities and leveraged new resources, including linking with other donor organizations, developing capacities to create proposals, and increasing the profile and influence of these organizations at the national and regional levels.

These types of projects often face challenges in building on implementation experiences and in obtaining needed additional financial support. Resources were leveraged during the life of the project when ACICAFOC obtained US\$11 million of leveraged funds from other international cooperation agencies and later received resources from the Japan Social Development Fund of US\$1.9 million and a KfW14 grant of US\$6.5 million to support the strengthening of the cocoa network and community natural resource management in the MBC.

The Integrated Ecosystem Management in Indigenous Communities in Central America Project is a good example of the potential for international cooperation agencies to work on aspects of ecosystem management with the active participation of peasant communities and indigenous peoples. With access to appropriate modern technology, indigenous peoples can effectively contribute to conservation by protecting forests and sustainably managing land and natural resources.

<sup>14</sup> KfW is a German-owned development bank based in Frankfurt.

## Key Factors of Success

**A thorough social assessment consultation process was undertaken**, which also generated new knowledge about indigenous peoples and enhanced the capacity of the members of local communities and organizations in all aspects of project management, including governance, monitoring and evaluation, natural resource management, project development, accountability, transparency, and project design.

**Defining of who comprised “indigenous peoples” was accomplished** by working with leaders of indigenous peoples’ organizations, using agreed-on characterizations of well-defined socioeconomic and cultural criteria in addition to a sense of belonging or self-identification.

**Priority areas for project initiation were defined using the following criteria:** (1) already-established indigenous regions, reserves, or communities; and (2) areas where indigenous peoples’ organizations were already actively involved.

**An integrated programmatic approach was used with the following project components:** (1) Cultural and Institutional Strengthening and Capacity Building; (2) Promotion of Sustainable Cultural Land Use and Traditional Ecosystem Management; (3) Development of Culturally Appropriate Products, Markets, and Services for Environmental Sustainability in Indigenous Communities; and (4) Participatory Project Monitoring and Evaluation.

### 2.4.7 Lessons Learned.

Although regional projects involve numerous institutional and social actors in several countries, the case of the Central America project demonstrates that successful implementation is possible. Key elements of success include a government being open to a participatory process, a strong local community, and indigenous peoples organizations.

Three main lessons learned are:

- **Utilizing a social approach to conservation with community capacity building as an entry point can be effective for both improving biodiversity protection and for promoting sustainable livelihoods for rural indigenous populations directly dependent on the natural environment.** The project demonstrated the positive role trained communities can play in biodiversity conservation. Through a bottom-up approach that expanded local capacity and promoted community empowerment, the project achieved important biodiversity results. Individual participating communities and regional indigenous networks drove project implementation processes through participatory mechanisms that promoted joint responsibility.
- **In a regional project, it is important to create mechanisms to maintain the engagement of key political actors so that they preserve their commitment to the project and reinforce the link between the project objectives and the relevant regional agenda.** The implementing agency’s board of directors and the project council provided an important means to connect government actors with the project and sustained their engagement and commitment. CCAD and other regional bodies served as representatives, and they provided important project oversight within these entities, ensuring the project’s ongoing relevance in the context of evolving policy.
- **Utilizing a community-based management approach helped link individual countries’ environmental and indigenous political agendas, with the potential to make both more effective and efficient.** The project contributed to engaging governments on the “community-based resource management approach.” Across Central America, there was a strong government emphasis on and investment in biodiversity conservation and the importance of the participation of rural and indigenous peoples to protect biodiversity resources. Some countries had more elaborate environmental agendas and programs while others had more sophisticated programs to protect indigenous peoples’ cultures and rights. Nonetheless, prior to the project, there was not a single country that had amalgamated both agendas. By utilizing the community-based resource management

approach, which linked the two agendas, the project functioned as a vehicle for opening a new avenue for thematic discussions and operations.

- **When the World Bank co-manages a project with another multi-development agency, particularly when it works with low-capacity community partners, it is important to focus on streamlining institutional procedures to ensure responsibilities are shared according to each agency’s comparative advantage.** The project has shown that significant coordination challenges can arise when two international agencies co-manage a project. The project appropri-

ately considered each agency’s thematic strength with regard to sharing project management responsibilities. But more planning should have been done to harmonize administrative and fiduciary procedures, particularly because it affected the executing agency, which faced significant compliance difficulties.

## Key Results

- **Capacity building.** Over 4,000 indigenous peoples and 357 of their organizations participated in 302 capacity building activities, including study tours and experimental exchanges in corporate governance, marketing, law, customary law, land use, forest management, biodiversity, information technology, empowerment, advocacy, collective rights and participatory research techniques, and eco/ethno tourism.
- **Institutional and business development.** Twenty-three plans for land use (residential, forest, and agriculture), territorial management, or territorial/community conservation were designed in a participatory manner and executed in all countries, comprising a total of about 10,000 hectares and benefitting 130 communities and 8,170 households; 50 business plans and 16 institutional development plans were developed and traditional ecosystems management were recovered through 38 participatory activities and studies. Sixty-nine subprojects were implemented, consisting of US\$20,000 grants made to local organizations.
- **Promotion of sustainable cultural land use and traditional ecosystem management.** Twenty-three plans were developed and 236 communities participated in conservation and sustainable cultural land use activities; 69 subprojects were carried out to promote sustainable development and natural and cultural conservation; 162,810 hectares were developed under community conservation and 207 hectares were developed under sustainable cultural land use, benefitting 15 territories and over 300 communities.
- **Culturally appropriate and environmentally sustainable income-generating subprojects.** Institutional and community production training was provided to 4,549 representatives. The project also supported CICA and ACICAFOC in strengthening their member organization networks, which included one network for marketing traditional indigenous products like cacao comprising 386 communities; one artisanal network comprising 27 organizations; 32 communities participating in two networks dedicated to eco/ethno tourism; and 107 communities participating in an environmental trading network. Sixty-nine subprojects were implemented and 351 communities determined their regional supply of traditional products and carried out marketing of these products; 121 communities determined their regional offer to carbon credits and received support to engage in marketing efforts for them.
- **Participatory monitoring and evaluation project level.** Organizational and technical capacities for the evaluation of project impacts were developed by 307 communities. However, according to the World Bank’s Independent Evaluation Group, the project had an “overly ambitious objective”.





## 2.5. Namibia—Strengthening the San Community Ecosystem Conservancies

### 2.5.1 Introduction—Good Practice Benchmarks

Namibia’s Integrated Community-Based Ecosystem Management Project (ICEMA) is one of the few World Bank-financed operations in the Sub-Saharan region of Africa where an Indigenous Peoples Plan was successfully prepared and implemented. The Indigenous Peoples Plan is considered a good practice example because it is based on a comprehensive socioeconomic study complemented by broad and comprehensive consultations and a detailed action plan specifically targeted at and tailored to indigenous peoples. Implementation was hampered by delayed activities and project objectives that were not fully achieved. The project attempted to create a more

### Project at a Glance

ICEMA’s project development objective was to promote community-based, integrated ecosystem management that would accrue socioeconomic benefits to communal conservancies.

**Components:** (1) ecosystem-based income-generating activities; (2) sustainable ecosystem management; (3) targeted institutional support; and (4) management support.

**Financing:** US\$7 million (Global Environment Facility).

**Duration:** 2004–11.

equitable playing field for indigenous peoples so that they could develop in the same way other social and cultural groups in Namibia had.

### 2.5.2 Project Description

ICEMA aimed to promote community-based integrated ecosystem management to bring socioeconomic benefits to communal conservancies, areas in which rural communities gain rights to use, manage, and benefit from consumptive and nonconsumptive use of wildlife within defined boundaries formed by the San, a diverse group of indigenous peoples living in Namibia and South Africa.

The project components are described below:

- **Ecosystem-based income-generating activities** were designed to provide resources to local communities to help generate socioeconomic benefits. It supported a community funding facility grant to finance subprojects (microprojects) using agreed-on and detailed selection criteria.
- **Sustainable ecosystem management** was aimed at strengthening conservancies to incorporate an integrated ecosystem management approach to natural resource management.
- **Targeted institutional support** was designed to strengthen the capacity of the ministry of environment and tourism to carry out strategic planning, implementation, monitoring, and replication of activities that strengthened Namibia’s existing national community-based natural resource management program and policies.

### 2.5.3 The San People

The term “San” is used to refer to a diverse group of indigenous peoples living in southern Africa who share historical and linguistic roots. The San are considered one of the oldest peoples living on the continent of Africa. Their current livelihood systems are still heavily dependent on traditional hunting and gathering. Namibia has a San population of approximately 33,000, less than 2 percent of the total population of approximately 1.8 million. Their Human Development Index rating is less than half the national average, while their Human Poverty Index rating is more than double the national average. Per capita income of the San is the lowest among all language groups in Namibia; the majority of the population lacks

access to any means of earning cash income. Food security is a major problem—up to 70 percent of the Namibian San are dependent on food-aid programs.

Historically, the San people have been exploited by other ethnic groups. The Namibian government has taken a number of measures to end the societal discrimination, including seeking advice from the San about proposed legislation on communally held lands and increasing their access to primary education. By law, all indigenous groups are able to participate in decisions affecting their lands, cultures, and traditions as well as the allocation of natural resources. Nevertheless, the San and other indigenous Namibians have been unable to exercise these rights due to the legacy of their minimal access to education and economic opportunities coupled with their relative isolation in remote areas of the country.

The San live in isolated groups in widespread regions of the Kalahari Desert. Traditionally, they were hunter-gatherers who migrated in small family bands, did not keep domestic livestock, and moved with all of their possessions, following available water, game, and edible plants. Ownership of livestock was not typical. Women looked after the children and the collected plants while men hunted.

Today, San communities are permanently settled in villages where they are diversifying their sources of livelihood, similar to other indigenous communities in Namibia. Some San members are engaged in livestock and crop farming at a very small scale; some earn income by selling crafts. The San benefit from social welfare grants provided by the government, participate in national programs, and have access to social services, such as education, water, health, transportation, and communication.

The San communities living in the Otjozondjupa and the Caprivi region still derive their livelihoods from hunting and gathering, depending on the natural resources within their environments. The Otjozondjupa region and the Tsumkwe area have the highest concentrations of San. Approximately half of the Namibian San population lives on



communal lands and of these, only 10 percent live in the Tsumkwe District—the only district where San have customary land rights; 25 percent live in the Kavango, north-central, Otjozondjupa, and Omaheke (formerly Hereroland) regions combined; and just over 10 percent live in West Caprivi. Only the San in Tsumkwe District have retained access to sufficient land and have traditional authorities that are officially recognized by the government.

The San in Nyae Nyae (East Tsumkwe) have well-established community-based organizations—the Nyae Nyae Conservancy and the Nyae Nyae Development Foundation of Namibia. They are beneficiaries of a number of nongovernmental organization (NGO) initiatives, predominantly coordinated by a Foundation. The Ju/'hoansi of Nyae Nyae are mostly culturally homogenous with a relatively stable social structure and a strong sense of tradition and identity. By contrast, the West Tsumkwe population is predominantly a

mixture of San people from different areas (mainly !Kung). Until recently, they have been unable to access services provided by NGOs. They have weak community institutions and capacity even though they operate under a single traditional authority. In 2003, however, they succeeded in getting the N#a-Jaqna Conservancy registered, which has since become the largest conservancy in Namibia.

Of the six broader Namibian San communities today, only two—the Kung and Jul'hoansi of Tsumkwe District—control their ancestral lands (now state-owned communal land), which gives them access to natural resources. A divisive issue within the government has been the relative merit of indigenous customary tenure systems as compared with those based on western concepts involving individual ownership registration. In the 1980s, the policy debate on the individualization of tenure focused on economic development; in the 1990s, the focus was on the sustainable use of land resources.

#### 2.5.4 Indigenous Peoples Development Plan

The Indigenous Peoples Development Program (IPDP) Action Plan was developed after consultations were conducted with leaders from selected San communities and support organizations, such as the Nyae-Nyae Development Foundation and the Working Group on Indigenous Minorities in Southern Africa (WIMSA). The IPDP developed a thorough participatory framework for the San, including a comprehensive indigenous consultation management process to inform the implementation of ICEMA.

The IPDP sought to systemically establish equal opportunities for the San in organizational, cultural, technical, and financial areas. It was based on a broad analysis of secondary data and interviews with Namibian experts on the San and included the following activities:

- site selection and social assessment of San communities
- implementation of a San participation plan
- capacity building and training for facilitators
- San participation in project planning, implementation, and monitoring
- development of benefit distribution plans
- external monitoring

#### 2.5.5 Implementation

After 2007, the IPDP had carried out most of the planned activities, which largely focused on the N#a Jaqna Conservancy, including:

- a strategic social assessment of conservancies with San including the Uukolonkadhi Conservancy and Sheya Uushona Conservancy
- capacity building on governance—roles and responsibilities of the conservancy and financial management planning
- community game-guard training, wildlife management and trophy hunting, and predator identification training
- tourism development supported by game introduction and game water development

- harvesting and processing devil's claw, an herbal medicinal plant native to southern Africa
- natural resource management, particularly for improving the harvesting, processing, and marketing of devil's claw.

ICEMA helped San peoples not only through the collaboration with WIMSA but also by using community funding facility grants, a financing mechanism created by the project. For instance, the Nyae Nyae Community Development Foundation received support for increasing ecosystem-based income-generating activities and preparing a zoning/management plan.

Participatory evaluation exercises with members of two conservancies—Otjituuo and N#a Jaqna—were carried out as part of the mid-term evaluation. Participants reiterated that the IPDP was relevant to their socioeconomic and cultural situation and that, after a slow start, it was beginning to show results and that objectives were within reach. The San of N#a Jaqna were particularly vocal about the importance of the project to their conservancy and to the San in general.

Because the Ministry of the Environment and Tourism did not have the capacity to fully implement the IPDP, it outsourced the task to NGOs, particularly WIMSA. Because WIMSA's expertise on natural resource management needed to be enhanced, they subcontracted with a specialized consultant for assistance. Although WIMSA's ability to implement the project had been hampered by internal problems—that were expected to be overcome through positive interventions—it still had a comparative advantage to work with the San and implement the IPDP.

WIMSA experienced several challenges during project implementation, including issues with supervision and monitoring and evaluation activities. While WIMSA had a full-time coordinator in N#a Jaqna at the central level, it was unable to follow-up and report due to a lack of qualified personnel.

### Key Factors of Success

**A comprehensive socioeconomic study** provided a good diagnostic of the situation and needs of the San peoples.

**Broad and comprehensive consultations** with the socioeconomic study created the conditions for informed participation of the San people throughout the project cycle and developed culturally appropriate activities that benefitted them.

**A detailed action plan was developed with capacity building** on governance, community game guard training, wildlife management, trophy hunting, tourism development, and harvesting and processing devil’s claw.

**A participatory mid-term evaluation exercise** with members of two indigenous peoples’ conservancies was conducted that showed results and encouraged the San people to see the importance of the project.

**A programmatic approach** supported ecosystem-based income-generating activities in conservancies, including local-level institutional strengthening; sustainable ecosystem management in conservancies and restoration; rehabilitation and monitoring and evaluation of the resource base; and policy, legal, and institutional framework development for the harmonization of community-based natural resource management-related policies, decentralization efforts, and knowledge exchange.

### 2.5.6 Lessons Learned

ICEMA is a conservation project with strong social implications, focusing on community conservancies and the use of community-based natural resource management approaches that are strengthened by the creation of a community funding mechanism. Lessons learned from other projects in areas of high cultural diversity have shown that even a project with a strong social orientation can end up marginalizing some of the most vulnerable groups in society because of existing patterns of social exclusion. The application of the Indigenous Peoples Policy through the preparation of an IPDP helps ensure that vulnerable ethnic minorities are

comprehensively and authentically included in the development process.

ICEMA’s IPDP was deemed adequate and relevant to the socioeconomic and cultural situation of the San peoples of Namibia. First, it was based on a relatively good diagnostic of the situation and needs of San peoples in the country. Second, the IPDP had created conditions for the informed participation of the San throughout the life of the project and had developed activities to benefit them in culturally appropriate ways. The IPDP is considered by all stakeholders to be a good example to follow when preparing similar instruments in projects involving indigenous peoples or when there is collective attachment to project lands.

The San were increasingly interested in participating in the project after they began to see results on the ground. It was evident that they became more open to trying new things in order to improve their livelihoods and, as a consequence, became more involved in activities aimed at achieving that goal.

The project’s IPDP experience pointed to the need for enhancing action plans through improved targeting and tailoring of activities. Although the San were the main beneficiaries of the IPDP, some activities should also have included poverty-stricken groups living among the San from other ethnic backgrounds.

Worldwide experience indicates that actions oriented to help indigenous peoples should include strong capacity-building components. Therefore, the exit strategy should have included training that focused on strengthening the social organization and participatory planning among the San to allow them to become increasingly independent with regard to the use of resources rather than continuing to rely on help from others.

Other key lessons<sup>15</sup> learned from the ICEMA project (partly applicable to N#a Jaqna and the San) include:

<sup>15</sup> These “other lessons” apply to ICEMA activities as a whole and not solely about the support for conservancies managed by the San or other indigenous peoples.

- Conservancies operate in large, open systems with highly variable climatic conditions. Rainfall is extremely sporadic. Ungulates move over vast areas in accordance with their availability to find grazing and browsing; predators roam in search of prey; and elephants follow ancient migration routes. The effects of climate change are likely to increase this variability. Adaptive management that takes changing circumstances into account is vital in such systems. Landscape-level management was one of the key approaches for management of a range of resources that was tested by the ICEMA project. The Mudumu North Complex consisted of four conservancies and a community forest in which inhabitants pooled their resources and expertise to manage those resources at a landscape level. This positive experience is worth sharing and replicating in similar parks and surrounding conservancies—not just in Namibia but throughout Africa and around the world.
- ICEMA has filled important gaps in natural resource management (as acknowledged by all of the stakeholders during the ICR mission), thanks to the adoption of the Integrated-Ecosystem Management (IEM) approach by the Community-Based Natural Resource Management (CBNRM) program. To succeed with IEM, it is important to: (1) introduce standardized business development approaches based on a vision of sustainability, using a categorization of conservancies and an integrated planning and implementation approach; (2) strengthen governance through compliance systems, local-level monitoring, and financial management; and (3) strengthen the concept and capacity to carry out and implement ecological and economic zoning within each conservancy, including monitoring of the zoning rules by internal and external conservancy users. Community-based integrated ecosystem management is now an accepted and adopted strategic approach, and the development of IEM guidelines is leading to an innovative, integrated CBNRM framework that will involve several line ministries in Namibia (e.g., Ministry of Land and Resettlement (MLR), Ministry of Agriculture, Water and Forestry (MAWF), and Ministry of Fisheries and



- Marine Resources (MFMR) and the Ministry of Environment and Tourism (MET).
- Community subprojects faced challenges during implementation, as previously indicated. The main lessons learned for future activities involving income-generation subprojects with communities include: (1) focus resources geographically; (2) earlier definition of the thematic focus related to subprojects; (3) ensure that the capacity of service providers is in place before subprojects are selected; (4) disseminate Community Funding Facility information early in the process through 25 stakeholder meetings with targeted conservancies and service providers; and (5) strengthen conservancy-level business planning. Retrospectively, the main stakeholders involved—from community-based organizations to the government and the World Bank—underestimated the time and resources needed for sound business development in conservancies as well as within the Contract Service Provider network.
- Large-scale translocations of fauna to conservancies in differing biomes and with various biodiversity, income-generating and development needs were, until the inception of ICEMA, largely untried and untested. The project was able to develop an implementation approach that showed good results and attracted significant funding from Enhancing

Wildlife-based Economy in Rural Area Projects (EWERAP) and the Millennium Challenge Account (MCA) to scale up MET/ICEMA achievements. Key lessons are to ensure that: (1) leadership and strong oversight by one entity, such as the ministry of environment, manages the entire process and provides technical oversight and quality control; (2) this entity provides a quota on an annual basis of animals that may be moved to conservancies from protected areas; (3) regular meetings are held with a range of partners, including field staff, NGO partners, and regional experts to agree on recipients for different species, taking due cognizance of institutional, ecological, economic, and management issues; (4) translocations are discussed and agreed to by the conservancies and release sites are agreed on, with field staff participating and contributing to the process; (5) a joint action plan for the release of the animals is agreed on; (6) post-release monitoring takes place, involving a suite of approaches; (7) intensified local-level monitoring takes place to ensure long-term success and to compensate for any technical failures; and (8) a satellite and animal tracking system is used.

- Planning, monitoring and evaluation are core aspects of conservancy activities because they allow for adaptive management through the strategic use of gathered information. A number of monitoring and evaluation systems were put in place by MET and its development partners. However, many of these monitoring and evaluation efforts were either ad hoc interventions required by external funding agencies to determine the impact of their programs or are of a specialized nature that can be linked to the environmental mandate of MET with regard to desertification, biodiversity, climate change, and so on. What is required, in addition to the above-mentioned efforts, is a monitoring and evaluation system that is: (1) recurring at fixed intervals; (2) conducted nationwide; (3) institutionalized as an official/legitimate data gathering exercise; and (4) standardized, with an enumeration methodology that allows impact assessment over time.

### Key Results

- **Ecosystem-based income-generating activities.** Benefits through game hunting, sale of products, and tourism activities created much-needed employment, especially for rural school youth for whom opportunities were limited. Household income in 1998 was N\$1.15 million and by 2008, it had increased to N\$42 million.
- **Sustainable ecosystem management and effective management of the conservancy committees were increased.** All 16

conservancies had fulfilled at least 80 percent of the criteria: four had achieved criteria outcomes in natural resource management; three in governance; and three in financial sustainability and economic development. There was an increase in the number of conservancies using integrated ecosystem management approaches. At the end of the project, the total area covered by the 16 conservancies that had adopted an integrated ecosystem management

approach was 38,595 square kilometers—significantly above the target of 25,000 square kilometers.

- **Targeted institutional support.** An increase in the effective partnerships of the ministry of environment and tourism with other agencies and institutions, including local governments, NGOs, and the private sector, was achieved. The ministry of environment and tourism surpassed the original target of five partnerships by the end of the project.



## 2.6. Nepal— Alleviating Poverty in Indigenous and Marginalized Communities

### 2.6.1 Introduction

The Nepal Poverty Alleviation Fund (PAF) is a semi-autonomous government agency that is governed by the “Poverty Alleviation Fund Act 2006.” With support from the World Bank since its inception in 2004, PAF has been operating as a demand-driven and targeted poverty alleviation program for marginalized and poor households in Nepal. In particular, PAF provides funds to community organizations of the poor for income-generating activities, small-scale community infrastructure, and capacity development initiatives.

The results of PAF’s approaches have been significant. Monitoring results indicate that 68 percent of households have obtained a minimum income increase of 15 percent (in real terms). An impact evaluation study, carried out over three years of the project duration (2007-2010), found

### PAF-I at a Glance

The project was designed to benefit the poor and excluded communities by improving their access to income-generation projects and community infrastructure.

**Components:** (1) Income-Generation Subprojects Targeted to the Poorest and Excluded; (2) Small-Scale Village and Community Infrastructure; (3) Innovation and Special Programs; (4) Capacity Building and Institutional Strengthening; and (5) Project Administration.

**Financing:** US\$ 42 million (IDA Grant).

**Duration:** 2004–08

statistically significant causal impact of the program on key welfare outcomes. The treatment-on-the-treated estimate showed a 19 percent growth on real per capita consumption, a 19 percentage point decline on the incidence of food insecurity (defined as food sufficiency for six months or less) and a 15 percentage point

### PAF-II at a Glance

The objective of the second phase repeater project is to improve the living conditions, livelihoods and empowerment of the rural poor, with particular attention to groups that have traditionally been excluded by reasons of gender, ethnicity, caste and location.

**Components:** (1) Small-scale Village and Community Infrastructure; (2) Income Generating Sub-projects; (3) Innovation and Special Programs; (4) Capacity building through social mobilization of community groups, capacity building of local bodies, capacity building of target groups engaged in income-generating activities, support to rural and community finance, and information, monitoring and evaluation; (5) Administration of PAF II. Under the Second Additional Financing, the component on 'innovation and special programs' was replaced with 'Product Development, Market Linkages and Pilots.'

**Financing:** PAF II: US\$ 100 million (IDA Grant); First Additional Financing, 2008: US\$ 65 million (IDA Grant), 4.1 million (IFAD), US\$ 10 million (Food Price Crisis Response Trust Fund); Second Additional Financing: US\$ 80 million (IDA Grant).

**Duration:** 2007-17

increase in the school enrollment rate among 6–15 year-olds. The net impact in growth in per capita consumption is even higher for *Dalits* and *Janajatis* and for the poorer segments of the population, indicating that the program is able to effectively distribute growth towards targeted groups. The study also suggests that PAF households have seen increased access to services (agriculture centers, community groups, farmer groups) and a positive change in women empowerment.

Some of the major strengths of PAF's approach include: demand-driven and community-centered approach; multi-tiered targeting method to benefit the poor and excluded households; capacity building at community level through rigorous social mobilization; transfer of decision-making responsibilities to communities; and the innovative use of direct financing to

communities for multi-sector investments. In addition, PAF also has a robust monitoring and evaluation mechanism which allows PAF to monitor progress and conduct periodic assessment, including on matters relating to gender and inclusion of marginalized groups.

### 2.6.2 Nepal's Population Dynamics and the Indigenous People

Nepal is a country of significant diversity: the 2011 census of Nepal recorded the presence of 125 caste and ethnic groups, 123 languages spoken as mother tongue, and 10 different types of religious groups. The indigenous people (known as *Adivasi Janajati* or *Janajatis* in Nepal) comprise approximately 35 percent of Nepal's total population. Besides the *Janajatis*, another group that is considered marginalized for reasons of caste differences and hierarchy are the Dalits (formerly known as the 'untouchables') who constitute approximately 15 percent of the population. Likewise, the *Madhesis* who reside in the southern belt (Tarai) of Nepal comprising 30 percent of the total population have historically been excluded due to their regional identity. As shown in the figure above, these different groups are interspersed throughout the country, and in only a few areas one group is numerically predominant allowing such areas to be considered as 'traditional homelands' of indigenous peoples. Further, there are significant overlaps between the groups—for instance, there are Dalits who are also Madhesis; and there are also a significant percentage of Janajatis whose origins are in the Tarai belt of Nepal, along with the Madhesis.

These social identifiers—caste and ethnicity—have significant bearings on poverty rankings. According to the 2014 *Nepal Human Development Report*, one in every four poor person in Nepal is a Hill Janajati, and this ratio becomes even higher if the total Janajati population (both Hill and Tarai) are taken into consideration. Further, the same report also indicates that throughout Nepal, indigenous groups, Dalits and women (especially female headed households) lag behind in terms of incomes, assets and most human development indicators. Among the four major caste and ethnic clusters, the Brahims/Chhetris (the privileged groups) rank at the top with Human Development



Index (HDI) value of 0.538, followed by the Janajatis at 0.482<sup>16</sup>, the Dalits at 0.434 and the Muslims at 0.422. As a marker of deprivation, the latter two groups--the Muslims and the Dalits have HDI values 27 and 24 percent lower respectively than that of the Brahmins/Chhetris. Among all Janajatis and Dalits, those from the Hills are much better off with higher HDI scores than those from the Tarai.

### 2.6.3 Project Description

The first phase of PAF was initiated in 2004 to support the Government of Nepal implement a new, targeted instrument—the Poverty Alleviation Fund (PAF)—for reaching out to and bringing poor, vulnerable and excluded communities into mainstream development. The project components at that time included:

- income generation sub-projects targeted to the poorest and excluded groups
- small-scale village and community infrastructure sub-projects
- innovation and special programs window

- capacity building of community groups and local bodies through social mobilization, support to micro-finance intermediaries, and information, monitoring and evaluation
- administration of PAF. PAF started as a pilot, operating in six districts (out of 75 districts) that were chosen on the basis of the Human Development Index (HDI), geographic location, and level of conflict-affectedness. Later, in 2005/06, the PAF program expanded into an additional 19 districts based on the same criteria.

Recognizing the success of the PAF approach, the Government of Nepal in 2006 introduced the Poverty Alleviation Act 2006, to govern PAF and provide it with an autonomous status. Meanwhile, a case for providing Bank financing for a second project (PAF-II) was also made in order to build on the successes of PAF-I and support the government's efforts to emphasize inclusive development and sustainable poverty reduction. PAF-II became effective in 2007 with the objective to improve living conditions, livelihoods and empowerment of rural poor, with particular attention to groups that have traditionally been excluded by reasons of gender, ethnicity, caste and location. In 2011, additional financing for PAF-II

<sup>16</sup> This figure excludes the Newars, who are categorized as Janajatis but are considered a much better off groups than the other Janajatis (and even some Brahmins and Chhetris).

was approved allowing the program to expand into 15 more districts. In addition, the Multi-Donor Trust Fund for Food Price Crisis Response Core (FPCR) provided additional support for activities in remote and food insecure areas of the country.

By May 2013, PAF had reached over 555,000 households, out of which 64 percent fell under the category of ultra-poor (households with food sufficiency for less than three months). PAF households comprise 25 percent Dalits, 27 percent Janajatis (indigenous groups), 3 percent Muslims (religious minorities), and 16 percent from other ethnic groups. About seventy-four percent of members of community organizations (COs) were female.

Based on the aforementioned success of PAF interventions, a second additional financing was approved in June 2013 to finance scaling-up of PAF interventions into an additional 15 districts and support higher level institutional development.

Activities of the Second Additional Financing for PAF II include:

- **Small-scale community infrastructure projects** (e.g. micro-irrigation, footbridges, schools, health posts, school buildings), especially to poor and excluded groups;
- **Income-generation sub-projects** supported through revolving funds managed by COs that are targeted to the poorest and excluded people for income-generating activities (e.g. micro-enterprises, crafts, land productivity, vegetables and animal husbandry);
- **Product development, market linkages and pilots** that seek to support COs that are engaged in higher-level institutional forms such as cooperatives, CO networks and federations, and piloting of CO creation and investment support in peri-urban and pocket areas;
- **Capacity-building and institutional strengthening** to support the formation and development of COs, capacity building of CO members, establishment of cooperatives and market alliances, and development of linkages with education, literacy, nutrition and public health training activities being implemented at the local levels;

- **Project management, planning, and monitoring and evaluation** to oversee the overall management of PAF including forging stronger participation of COs and PAF personnel in the integrated planning forums of local bodies and provisions for public hearing/social audits as well as an improved grievance handling system.

#### 2.6.4 Social Assessment and Consultation

During PAF preparation, a series of consultative meetings were held with key stakeholders from the government, NGOs, civil society, community groups, and the private sector to inform the design of PAF. District-level social assessments and socio-economic impact assessments were also conducted during project preparation. In particular, these assessments involved collection and analysis of baseline data on vulnerable groups—e.g., population, location, culture and belief systems, language, education, socioeconomic conditions, access to natural resources, and related management practices. Besides informing the project design, the baseline data is used as a reference during the evaluation of sub-project proposals to ensure they are successfully targeting vulnerable groups.

Findings from the assessments conducted during project preparation indicated that traditional leaders of vulnerable communities (including indigenous peoples) can be important actors in mobilizing people and should be brought into the planning process. Accordingly, PAF supports the participation of vulnerable groups in the decision-making process throughout all phases of planning, implementation, and evaluation of sub-projects.

Further, the assessments also indicated that the diverse context in which indigenous peoples are found in Nepal means that no single definition of ‘indigenous people’ can adequately capture their diversity. Additionally, it was also apparent that there are outlier groups—such as Dalits—who meet the criteria for identifying as indigenous peoples because of their language, geographical attachment, and other factors. Such groups are equally, if not more disadvantaged than the indigenous peoples. Thus, PAF developed a Vulnerable Community Development Plan (VCDP) to incorporate issues and concerns of

indigenous peoples and other vulnerable groups like Dalits, women and the ultra-poor. The VCDP not only seeks to identify and mitigate potentially adverse effects on the vulnerable groups but also contains provisions to ensure that they are able to participate in decision-making processes and benefit from project activities.

The VCDP is in accordance with the Indigenous Peoples Planning Framework required by OP 4.10 for projects affecting or benefiting indigenous peoples. It includes mechanisms and procedures on how PAF-supported activities would address legal requirements, collect baseline data, ensure compliance with land acquisition and resettlement requirements, and enhance local participation in all stages of project cycle. In addition, measures for institutional capacity development, implementation schedule, and framework for monitoring and evaluation are also included in the VCDP. The VCDP is included in the operations manual for PAF, and the same instrument is being used for PAF-II to monitor safeguards compliance.

At the time of the preparation of PAF-II, the World Bank in partnership with DFID published the flagship report on social inclusion—*Unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal*.<sup>17</sup> The report was one of the key analytical works that informed the design of PAF-II, particularly on the need to focus on groups that have traditionally been excluded by reasons of gender, ethnicity, caste and location.

#### Box 2: Vulnerable community population index

1a. Woman-headed household index

#### Empowerment index

- 2a. Vulnerable group participation index
- 2b. Decision-making status and voice index
- 2c. Gender awareness index

#### Accessibility index

#### Social development index

#### Economic status index

<sup>17</sup> *Unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal*, DFID/World Bank 2006

#### 2.6.5 Methodology for Targeting to Ensure Inclusion of Indigenous People

As a targeted program, one of the key aims of PAF is to ensure inclusion of indigenous people and other vulnerable groups into mainstream development. There are multiple ways in which PAF achieves this:

- **Multi-tiered targeting approach to ensure inclusion of indigenous peoples in project benefits.**
  - a. **District targeting:** PAF selects program districts based on 28 different poverty monitoring indicators developed by the National Planning Commission. Generally, these are districts that rank the lowest in the Human Development Index.
  - b. **Village targeting:** Once the districts have been selected, within each district, PAF selects approximately 25 Village Development Committees (VDCs) based on different measures/indices of poverty, exclusion, and vulnerability (see Table below). The information for these indicators is obtained from the preliminary social assessment carried out in each district. Further, during the VDC level ranking/prioritization process, more weight is given to those VDCs with higher density of target groups (such as Dalits, Janajatis and other deprived groups).
  - c. **Beneficiary targeting:** Once the VDC is finalized, settlements within VDCs are selected on the basis of participatory mapping exercise. For income generating sub-projects, beneficiary eligibility is determined at the village level by the villagers themselves (self-selection) based on objective criteria such as caste, ethnicity, gender, accessibility to services, and poverty-related indicators such as ownership of assets and income levels.
  - d. **For community infrastructure sub-projects** eligibility is determined on the basis of the proposed sub-project’s relevance to the Village Development Committees and the District Development Committees’ development plans, impact on target groups, technical feasibility, local employment generation capacity and beneficiary



commitment to a viable operations and maintenance plan. Additionally, it is also required that such projects: (1) benefit at least 80 percent of the target population, including indigenous peoples; (2) ensure participation of all community members at every level (i.e., subproject identification, design, implementation, and maintenance); and (3) provide opportunities for more employment to local community members, including indigenous peoples.

- **Indigenous peoples as targeted beneficiaries.** The main targeted beneficiaries of PAF are the Janajatis, Dalits, women, and other vulnerable communities living below the poverty line. Accordingly, PAF's social mobilization efforts, income-generating activities, capacity-building initiatives, and community infrastructure projects are designed and implemented to maximize project benefits to these vulnerable groups.

In addition to receiving services and project benefits, PAF also supports measures to ensure the participation of vulnerable groups in decision-making processes. According to PAF's policy, at least 50 percent of community organization members need to be women and key positions, such as Chairperson, Treasurer, or Secretary, need to be held by poor women and/

or an indigenous or Dalit person. Similarly, one of the selection criteria for Partner Organizations (POs)—the organizations responsible for social mobilization and community support—is that they have representatives from vulnerable groups who will be working with the communities.

- **Special programs for inclusion of indigenous peoples.** PAF-I and PAF-II included a provision to implement special window programs in districts that are not part of the regular program. To be selected for the special window, the proposed program was required to be “innovative,” meaning that it had to have substantial potential benefits for uplifting the livelihoods of the poorest among the poor, including indigenous peoples. An analysis of the intermediate monitoring results indicated that despite the positive results for indigenous peoples and other vulnerable communities, some very marginalized communities (representing about two percent of the target population) had not yet benefitted from PAF services because of their distinct socio-cultural characteristics. In order to address this gap, PAF prepared a concept paper to provide additional focus and support to these extremely marginalized communities and PAF will provide targeted capacity building and institutional strengthening activities to support these groups.

- **Monitoring and evaluation framework.** PAF's framework for monitoring and evaluation comprises of five different databases: a partner organization database; a community organization database that includes beneficiary assessments; a community agreement database; a sub-project database; and a revolving fund database. These databases include specific indicators for indigenous peoples that are analyzed to improve planning and address weaknesses in the project implementation process.

### Key Factors of Success

**A programmatic approach** with indigenous peoples as the main target beneficiaries, and their inclusion in decision-making, implementation arrangements, and monitoring and evaluation framework. In addition, special programs to support the extremely marginalized indigenous peoples among others has also been envisaged.

**Demand-driven and community-centered design** provides communities control over funds and investment decisions which in turn has helped enhance efficiency, ownership, accountability and transparency.

**Social mobilization** conducted extensively to ensure the participation of vulnerable groups, including indigenous peoples in program implementation.

**Multi-tiered targeting mechanism** has created space for meaningful participation by all those who are typically marginalized and excluded.

**Strong partnerships, collaboration, and consultations** with various village-, district- and national-level organizations, such as NGOs/ community-based organizations and the private sector that has facilitated poor and vulnerable groups and their communities to maximize project benefits

**A rigorous monitoring and evaluation framework** based on five different databases has allowed the project to track progress at various levels, and take corrective actions, if and when required.

**Flexible design and adaptive management** has supported the adoption of corrective measures based on the monitoring results.

### 2.6.6 Lessons Learned

As a targeted program, PAF has been successful in benefiting its target group of poor and vulnerable communities, including indigenous peoples. This has been achieved through an appropriate capture of vulnerable communities and a detailed mechanism for targeting beneficiaries. In particular, the targeting mechanism uses multiple criteria, including national level data on poverty with participatory social assessment tools. These types of detailed and multilayered mechanisms for targeting the vulnerable are particularly important in countries with diverse population groups, such as Nepal.

Effective targeting is however not sufficient and the experience of PAF suggests that institution-building, especially for long-term sustainability of rural communities is also important. In this regard, key good practices and lessons learnt from PAF are:

- The establishment of PAF as an independent, autonomous, and professional organization mandated by a separate law focused on addressing the needs and aspirations of the poor and marginalized communities. Such a legal standing has helped enhance project efficiency, accountability and transparency.
- Community-based and demand-driven approaches that involve rigorous social mobilization initiatives to allow the poor and vulnerable to plan, design, and implement projects according to their needs can be very successful in ensuring the empowerment and livelihood improvement of indigenous peoples and other vulnerable communities.
- PAF has been partnering with Partner Organizations (POs) who are from the targeted areas to conduct community mobilization. This has helped in establishing community organizations, facilitating delivery of services and strengthening local ownership.
- Establishment of community-level institutions, Community Organizations (COs) and transferring decision-making responsibilities and resources to them is important in facilitating their access to productive assets, improving their incomes and livelihood opportunities. Further,

regular meetings of the COs contribute towards setting project priorities in a participatory manner and also ensure good communication regarding finances as well as transparency and accountability of decision-making.

- The community-driven approach adopted by PAF is important in terms of improving rural livelihoods. However, communities are themselves divided according to class, ethnicity, caste, gender and other such social and economic variables. To ensure that vulnerable groups are adequately targeted, there is a need to ensure the participation of all community members at every level (i.e., sub-project identification, design, implementation, and maintenance) and also include them in decision-making. The provisions that PAF has set-up in terms of mandatory representation, e.g., representation of women, Dalits and Janajatis in the executive committee, is one possibility. Further, introducing special programs and implementing targeted capacity building and institutional strengthening activities to support the extremely marginalized groups can also result in measurable outcomes.
- Strong partnerships and collaboration with various organizations working at the local level and with national organizations not only help communities maximize project benefits but increased coordination also helps avoid duplication and maximize cumulative impact from various efforts.
- Sustained and periodic monitoring and rigorous impact evaluation are crucial. The Management Information System (MIS) system of PAF draws from five different types of databases, and also emphasizes participatory processes to involve vulnerable groups in appraising the project according to their needs and demands. This type of comprehensive monitoring and evaluation frameworks help track relevant inputs, outputs, processes and results at each tier of implementation.
- The differences in impacts based on how long a community has received PAF support suggests that sustainable community development is a long-term process requiring consistent input and support over time in order to build their capacity and develop 'workable capital' at the local level—human, social as well as financial.

- Flexible design and adaptive management has allowed the project to address obvious weaknesses and challenges and to take timely corrective measures based on monitoring results.

A number of constraints have also emerged during the implementation of PAF including:

- Sustainability of income-generating activities undertaken by indigenous peoples and other vulnerable groups has been a challenge, particularly in areas where access to roads and markets are constrained. Under the second additional financing for PAF II, a separate component focused on value chains, pocket area development, and market linkages is now being implemented to specifically address this issue and improve sustainability over the long run.
- Since PAF was first implemented in six pilot districts in 2004, community organizations have achieved various levels of maturity. Mature community organizations have managed to accumulate large amounts of funds, but as mentioned earlier, have experienced constraints due to market access and product development. On the other hand, less-established community organizations are currently facing challenges operating a number of subprojects due to technical capacity constraints, inadequate funds for operations and maintenance, management of revolving funds, to name a few. A two-pronged strategy has been adopted to address these challenges. For the mature community organizations, the project is now focusing on capacity development so that they can institutionally graduate to the next level and register themselves as cooperatives, and hence achieve long-term sustainability. For the less-established organizations, the emphasis continues to be on capacity development and institutional strengthening through social mobilization.
- An analysis of intermediate monitoring results have indicated that a small percentage of extremely marginalized groups have not been able to benefit from PAF support. To address this, PAF is planning on introducing a special program and a targeted capacity building and institutional strengthening activity to support these groups. Further, since 2012, PAF has also been implementing a JSDF-supported project, 'Mak-

ing Markets Work for the Conflict Affected People' to enhance livelihood opportunities and the share of rural artisans in the market for cultural industries. These are communities which are among the poorest in Nepal and have been severely affected by conflict, but are traditionally known for their rich cultural heritage.

- Nepal is undergoing rapid political and social changes which is not only affecting the project but also communities at the local levels. In such a situation, ensuring that the gains made by PAF are sustained beyond the life of the project is going to be challenging. This is particularly the case in terms of the specific measures and policies adopted by PAF for vulnerable groups.
- As PAF expands its scope as well as coverage, PAF has been receiving increasing numbers of complaints, including from its targeted beneficiaries. This has called for a more effective grievance redress mechanism than the one that is currently in place. Accordingly, PAF is in the process of developing a strategy paper for han-

dling grievances and institutionalizing an improved complaints mechanism. Further, with the support from the World Bank Institute, an improved grievance handling system, *On-track*, which uses open data platforms, is currently being piloted in Kapilbastu district.

- The returns from PAF investments have been significant, and PAF has emerged as a very effective tool for targeted poverty alleviation. However, there are many other poverty alleviation programs that are being implemented in Nepal, including those supported directly by the government. In order to ensure sustainability of PAF and as well as decrease its dependence on external funding, there is a need to develop a cohesive strategy at the national level that is aimed at integrating social mobilization and support efforts of various programs, and hence provide long-term support to the poor and marginalized.

## Key Results

- **Small-Scale Village and Community Infrastructure.**

A total of 2,515 infrastructure-related subprojects such water supply schemes, pump sets, irrigations schemes, culverts and roads were completed by the communities, benefiting a total of 178,873 households.

- **Income-Generation Sub-projects Targeted to the Poorest and Excluded.** More than 448,000 beneficiary households have participated in income-generating activities. Revolving funds grew in the community organizations and most beneficiaries have accessed funds more than once. While the real per capita consumption increase for *Dalits* and *Janajatis* was 30 percent, the increase was about 16 percent for

the poorest three quintiles of households, measured by the baseline survey of 2007, thus demonstrating the program's ability to distribute wealth among targeted groups. There has also been a 10 percent decrease in the incidence of food insufficiency and a 6 percent increase in school enrolment for children aged 6–15 in PAF-supported households. The program effect can also be observed in improved access to services—e.g., agriculture centers, community forest groups, and farmer's groups.

- **Capacity Building and Institutional Strengthening.** Of the total 606,609 beneficiary households, which includes households participating in other project activities such as

social mobilization and training in entrepreneurship development, book keeping, maintenance of revolving funds 28% are Dalit; 29% indigenous peoples; 3 percent Muslim; 6% Brahmin; 23% Chhetri; and 11% other castes/ethnic groups. Of the total key position-holders (15,383) in the community organizations supported by PAF, 63 percent are women, 34 percent Dalit; 28 % indigenous peoples; 28 % Brahmin/Chhetri; 2 % Muslim; and 8 % other ethnic groups.

- **Project Planning, Management and Monitoring and Evaluation** included the development of training materials, capacity building in impact evaluation.





## 2.7 Vietnam—Transitioning from Poverty in the Mountains to Prosperity in the Market

### 2.7.1 Introduction

The Vietnam Second Northern Mountain Poverty Reduction Project (NMPRP-II) supported ethnic minorities in some of the poorest rural areas to improve their living standards through enhanced access to infrastructure, services, and markets. The project was built on the successful Northern Mountains Poverty Reduction Project-1 (2002–07), which at the time, was one of two World Bank-financed community-driven development projects in Vietnam that were accelerating rural development and targeting poverty reduction in some of the country’s poorest rural areas. NMPRP-II targets more difficult-to-reach communes—the lowest administrative unit comprising several villages. In these villages and communes, 94–100 percent of the total population is part of an ethnic minority, and all are significantly poorer than

### Project at a Glance

The project is designed to enhance the living standards of project beneficiaries by improving: (1) their access to productive infrastructure; (2) the productive and institutional capacity of local government and communities; and (3) market linkages and business innovation.

**NMPRP-II components:** (1) district socioeconomic development—i.e., financial support for medium-scale infrastructure investments; (2) commune development budgets—i.e., small-scale infrastructure and livelihoods; (3) capacity building for central and local officials and the strengthening of community planning; and (4) project management, monitoring and evaluation and facilitation for implementation, communication, and knowledge sharing.

**NMPRP-II targets 230 communes within 27 districts of six provinces:** Dien Bien, Lao Cai, Yen Bai, Son La, Lai Chau, and Hoa Binh.

**Financing:** US\$150 million (IDA).

**Duration:** 2010–15.

**Box 3: Percentage of People Living in Poverty in Vietnam, 1993–2012**

	1993	1998	2002	2004	2006	2008	2010	2012
All of Vietnam	58	37	29	19	16	14	20	17
Urban	25	9	7	4	4	3	6	5
Rural	66	45	36	25	20	18	27	22
Kinh and Chinese	54	31	23	14	10	9	13	10
Ethnic minorities	86	75	69	61	52	50	66	59

Source: Based on VHLSS 2012.

other population groups.<sup>18</sup> It is also important to note that in many villages and communes mixed ethnic minorities live together. Overall, the project is estimated to benefit 159,534 ethnic minority households in Vietnam living in 2,366 of the poorest villages in 230 communes. These communes are in 27 districts; the districts are in six provinces.

The project features several examples of good practices with regard to livelihood support for ethnic minorities. Its design includes principles of a community-driven development approach, participatory planning with enhanced women’s participation, and the use of ethnic minority languages in training and communication materials. In addition, NMPRP-II aims to enhance income-generating opportunities for ethnic minorities by facilitating a transition from a state-subsidized economy to one of market-oriented producers. The project also promotes the local culture of ethnic minorities. For example, it invests in local tourism development and supports women’s handicraft production and herbal medicine products. Ethnic minority communities are empowered through ownership and management of the project investments and local infrastructure development.

<sup>18</sup> Poverty is substantially higher among ethnic minorities in Vietnam compared with the overall population. Although Vietnam’s 53 ethnic minority groups make up only 15 percent of the total population, they represent 59 percent of the poor in Vietnam. Although living conditions for many minorities have improved since late 1990s, the concentration of minorities among the poor has increased substantially—by 25 percentage points for the extreme poor (from 43 percent in 1998 to 68 percent in 2010) and 19 percentage points for the poor (from 28 to 47 percent) (Government of Vietnam 2012).

### 2.7.2 Project Description

NMPRP-II is part of a larger government strategy for supporting ethnic minority activities throughout the country. Other similar programs include: (1) the Program for Socioeconomic Development in Communes Facing Extreme Hardship in Ethnic Minority and Mountainous Areas (P135), which uses geographic targeting and provides additional resources to remote communes and villages; and (2) the Central Highlands Poverty Reduction Project targeting the second poorest region, which also has a high concentration of ethnic minorities. In short, the government is making an effort to support ethnic minorities and to channel funding to areas with a high presence of minorities because these groups carry the greatest burden of poverty in Vietnam.

NMPRP-II has drawn on the experiences and lessons learned from the results of NMPRP-I. The first project’s design was built on the experiences of decentralized and participatory projects in Vietnam by the United Nations Development Programme, the International Fund for Agricultural Development, and the UNCDF, as well as regional projects such as the First and Second Village Infrastructure Projects in Indonesia and the Southwest and Qinba Mountains Poverty.

To address uneven poverty distribution among ethnic minorities, the World Bank supports the Government of Vietnam through NMPRP-II.

### 2.7.3 Indigenous Peoples in Vietnam

According to the country-wide census in 2009, Vietnam’s population was around 86 million. Ethnic minorities accounted for an estimated 15

**Box 4: Classification of Ethnic Minorities (Groups with Populations of More Than 100,000)**

Name	Language Family	Primary Location	Total Population
Kinh	Viet-Muong	Country-wide	73,594,427
Tay	Tai-Kadai	Northern Highlands	1,626,392
Thai	Tai-Kadai	Northern Highlands	1,550,423
Muong	Viet-Muong	Northern Highlands	1,268,963
Khmer	Mon-Khmer	Southern Mekong Delta	1,260,640
Hoa	Sinitic	Urban centers, mainly in Ho Chi Minh City	823,071
Nung	Tai-Kadai	Northern Highlands	968,800
Mong	Miao-yao	Northern Highlands	1,068,189
Dao (Yao, Mien)	Miao-yao	Northern Highlands	751,067
Gia Rai (Jarai)	Austronesian	Central Highlands	411,275
E De (Rhade)	Austronesian	Central Highlands	331,194
Ba Na (Bahnar)	Mon-Khmer	Central Highlands	227,716
San Chay	Tai-Kadai	Northern Highlands	169,410
Cham	Austronesian	Central and Southern Vietnam	161,729
Co Ho (Koho)	Mon-Khmer	Central Highlands	166,112
Xo Dang (Sedang)	Mon-Khmer	Central Highlands	169,501
San Diu	Sinitic	Northern Highlands	146,821
Hre	Mon-Khmer	Central Highlands	127,420
Raglay	Austronesian	Southern Vietnam	122,245
Mnong	Mon-Khmer	Central Highlands	102,741

Source: Government of Vietnam 2009.

percent of the population—more than 12 million people. The cultural communities of Vietnam are diverse, officially comprising 54 ethnic groups and encompassing seven major language families from western Asia to the Pacific. The largest minority group—the Tay—has over 1.6 million members; the smallest—the O Du—has barely 400 members. The ethnic minority groups share some things in common; 75 percent of Vietnam’s minority populations live in two rural regions—the Northern Mountains and the Central Highlands. There is much internal diversity among minorities; they vary tremendously in terms of assimilation and levels of economic success. Household income and education levels among some groups, like the Tay and the Muong, rival those of most Kinh, but some ethnic communities have no members who have received a tertiary education (World Bank 2009a).

All ethnic groups in Vietnam enjoy full citizenship and are protected with equal status under the law and national constitution. According to Article 5 of the 2013 constitution,

“The State carries out a policy of equality, solidarity, and mutual assistance among all nationalities and forbids all acts of national discrimination and division. Every nationality has the right to use its own language and system of writing; to preserve its national identity; and to promote its customs, habits, traditions, and culture.”

The state implements a policy of comprehensive development and provides conditions for national minorities to promote their abilities and develop alongside the nation. Articles 58 and 61 designate

**Box 5: Excerpt from the Operational Manual for NMPRP-II**

**Some issues to be noted during village meeting:**

- The language should be in ethnic language if it is convenient for most of the meeting participants.
- In case the meeting uses the national language, an ethnic interpreter should be arranged for people who cannot speak Kinh language.
- The invitation should not be made urgently, and the subject should be clear for villagers to have enough time to think about it in advance. It should not be a general invitation only, for example “each family has one member go to the meeting”; because in such case, only the man in the family goes to the meeting and the woman has no chance to involve. So it should invite both wife and husband to go to the meeting and should encourage woman to attend. The greater number of women that attend the meeting, the better meeting is.
- If the village has a lot of citizens, it could organize 2 or 3 meetings. Because if each meeting has too many people (60–70 participants or more), the discussion could not be effective and managed. For the village that does not have community hall, the meeting should take place in a suitable place. The sound should be loud enough for local people to catch all meeting contents. If it is possible, it should arrange some speakers to avoid someone cannot get clear information when they sit too far away or the chairman speaks too low, etc.

Source: World Bank 2013. NMPRP-II Operations Manual

that the state prioritize education and healthcare for nationalities living in the mountainous regions and for national minorities. As mentioned earlier, poverty reduction gains have been unevenly distributed among some populations and regions of Vietnam. The highest concentration of poverty is among ethnic minorities living in rural areas that are difficult to reach. Thus, the region that NMPRP-II covers has the country’s highest rate of poverty. Table 1 illustrates poverty distribution in Vietnam and table 2 shows the composition of ethnic minorities and their regional distribution.

**2.7.4 Process of Social Assessment and Consultation**

To better understand the needs and priorities of ethnic minority communities, a large number of consultations with them were included in the project preparation phase. By the end of September 2009, the project team organized 280 commune and 2,168 village meetings. The villagers discussed the priorities for project support of their communities. Between 70–90 percent of village households attended the meetings. Women’s participation was very high, reported at 40–50 percent. Consultation results confirmed that the ethnic minority beneficiaries were satisfied and they ratified the project’s proposed range of activities. The ethnic minority beneficiaries were expected to

benefit significantly from the village investment projects since they could actively participate in all stages—from planning and implementation to supervision and monitoring and evaluation. Moreover, no ethnic minority objected to the project activities. Thus, a participation framework was developed as part of the project implementation manual to guide project consultation activities and validate the participatory planning.

To design culturally sensitive project activities, NMPRP-II built on findings from the report, “Country Social Analysis on Ethnicity and Development in Vietnam” (World Bank 2009a), and the NMPRP-I’s project completion report, which included the good practices and lessons learned from implementation. A standalone social assessment was not conducted because it was superseded by data collected during the intensive consultation process and by other social studies. However, social assessment elements were incorporated in the project design, including:

- “free, prior, and informed consultations” with ethnic minorities
- evaluation of the potential impacts of the project on ethnic minorities, carried out as part of the studies noted above
- evidence that the affected ethnic minority communities provided broad support to the project.



Since the overwhelming majority—94 to 100 percent—of direct project beneficiaries were ethnic minorities (Government of Vietnam 2009), the project itself was considered an Ethnic Minority Development Plan (EDMP) and no separate EMDP was needed. Instead, the plan’s elements were incorporated into the overall project design including:

- carrying out consultations at an early stage of project design and continuing throughout the planning process, implementation, and monitoring and evaluation stages
- documenting broad community support by ethnic minorities for the project
- building capacity of minority groups to ensure that they participate in a meaningful way and benefit from project activities
- conducting public information campaigns in local languages to address information barriers
- developing partnerships with NGOs who work with minority groups
- hiring commune facilitators belonging to the targeted ethnic minority groups.

Across all ethnic minority groups, women are recognized as being more impoverished than men. Therefore, the project enhanced the voice and actions of ethnic women in three specific ways: (1) by promoting the separate prioritization of women’s subprojects; (2) by requiring at least one of the two village representatives on the commune development board be a woman and requiring that the head of the commune women’s union be the deputy chair of the board; and (3) by setting aside specific grant financing for women’s groups and activities under the commune development component—20 percent of the component’s budget. The activities identified to support women’s groups included savings and credit activities; literacy and numeracy training; linkages with government institutions for the efficient delivery of services; and information dissemination about relevant social issues, such as drug addiction, child education, child labor, and HIV/AIDS.

At the outset of the NMPRP-II, a survey was conducted to collect baseline information that would provide a comprehensive overview of the

demographic and socioeconomic situation of the participating communes prior to project implementation. The baseline information will be compared with impact evaluation data at the end of the project.

### 2.7.5 Results

The project’s first two components are district economic development and commune development budgets. Representing approximately 80 percent of the project funding, they finance:

- public infrastructure investments at the district level and small-scale infrastructure at the commune level for which villages and communes take direct responsibility
- household-based livelihood support through the formation of “common interest groups.” Funding includes the development of common interest group skills, help to procure raw materials and extension services, and exploration of linkages with rural finance institutions and markets. Common interest groups are present in two subcomponents of the Commune Development Budget component, one with both men and women, and one for women only. Another subcomponent under the district economic development component also supports a larger number of common interest groups who are in partnership with agri-business.

Currently, NMPRP-II is in its fourth year of implementation. As a result of the project, the poor communities in the Northern Mountains region improved their access to markets and services through the paving and upgrading of more than 4,230 kilometers of rural roads and the construction of 3,250 kilometers of small bridges. Water flow to irrigation schemes has been improved to more than 9,000 hectares of farmland, reducing the number of months of hunger for the poor. Over 8,600 households now access improved water quality from the 126 schemes. Roads provided both social and economic benefits, mainly through reduced travel time, while irrigation developments led to increased rice yields and reduced hunger for poor families. Community water supply schemes reduced workloads and improved family health by



increasing assured flow and benefits from improved water quality.

The World Bank conducted a study during the project’s mid-term review that demonstrated a number of positive results. Project beneficiaries reported high levels of satisfaction with the project’s infrastructure program. The mid-term satisfaction rate of 85 percent exceeded the end-of-project target of 60 percent set in the results framework. Focus group discussions conducted with female beneficiaries supported this high satisfaction rate. There were corresponding high levels of satisfaction with related indicators for access to productive infrastructure. Public service delivery satisfaction levels for all beneficiaries, including women and ethnic minorities, were also quite high, some exceeding end-of-project targets and others well in excess of mid-term targets. Achievements for market linkages were lower but still in excess of the mid-term targets. An extensive capacity-building program has been

implemented with over 25,000 trainees attending more than 600 courses.

NMPPR-I demonstrated that to ensure involvement and ownership by community members, particularly ethnic minorities, and adequate communication about project activities is critical. Therefore, NMPPR-II has a specific communications strategy, paying particular attention to dissemination of information in local languages and other methods to better engage beneficiaries—e.g., through the innovative use of audio books and picture galleries. Another innovation was in the hiring of community facilitators to support the communes. The community facilitators were hired from predominant ethnic groups within each commune. One criterion for their selection was fluency in ethnic languages. Gender issues and cultural sensitivity were included in operations manual for the project. The excerpt from the manual in table 3 illustrates this practice.

### 2.7.6 Lessons Learned

Since 2010, the implementation of NMPPR-II has yielded a number of important lessons on working with the ethnic beneficiaries. While NMPPR-II is still capturing lessons, the most important ones learned from the project results to date include:

- **Recognition of the great diversity of ethnic groups.** Every ethnic group has different social and cultural features and varying levels of interaction with the majority Kinh population. Ethnic groups also live in diverse locations, ranging from remote areas with limited infrastructure to areas much closer to roads, cities, and towns. Some groups—for example, the H'Mong and La Hu—live high on hillsides, where access to any road is limited. Across the project region, there is a wide variety of economic development. Some of the project provinces, such as Dien Bien and Lai Chau, have low levels of economic development, mostly due to their distance from larger economic centers and a lack of infrastructure.
- **Planning and implementation of project interventions** must recognize the differences between social and cultural characteristics as

### Key Factors of Success

**Project design** included principles of community-driven development.

**Participatory planning methods** enhanced women's participation in income-generating activities.

**Ethnic minority languages** were used in trainings and in communications materials.

**Using commune facilitators** with ethnic language skills to support each project commune led to improved communications with beneficiaries.

**Planning and implementation of project interventions** recognized social and cultural differences between the different ethnic groups involved in the project.

**A programmatic approach** supported the principles of a community-driven development approach, participatory planning with enhanced women's participation, and the use of ethnic minority languages in trainings and communication materials. It also supported income-generating opportunities for ethnic minorities by facilitating a transition from a state-subsidized economy to one of market-oriented producers, promoted the local culture of ethnic minorities, and the empowerment of ethnic minority communities through ownership and management of the project investments and local infrastructure development.

well as other features of the various ethnic groups. In livelihood development activities, ethnic groups such as the Muong, Dzao, and Thai responded well to commercial opportunities due to a combination of their closer integration with the Kinh people, their use of the Kinh language, and their more adjacent location to link roads and main towns. Other ethnic groups, such as the Nhang and Cong, live in more remote areas where the potential for socioeconomic development is limited due to their social, economic, and physical isolation.

- **Improved communication through the use of ethnic languages.** Low literacy is a prevalent feature of all ethnic groups, especially among the older members. Communication is also constrained because only a few ethnic groups

have their own written language. Ensuring that all beneficiaries have the opportunity to participate in project activities has required the use of several communication methods. Using commune facilitators with ethnic language skills to support each project commune led to improved communications with beneficiaries. Other methods used village leaders and village meetings to inform beneficiaries of project information. Project survey data shows that leaflets, radio, and television are much less effective ways of communicating with beneficiaries.

- **Success of women-only farmer groups.** Developing women-only farmer groups around traditional farming activities was successful. With project support, women commercialized traditional farming activities, such as pig production and vegetable production. This result was consistent across most of the ethnic groups in the project. The women's groups responded well to working together, sharing information, and expanding their farming activities. Income from the farming activities was used to support the education of children and for vital time-saving home improvements.
- **Empowerment and participation in planning and project activities.** The final selection of investment priorities and decisions were made

through village-based meetings by the project beneficiaries. This community-driven development approach, in which village meetings are facilitated by commune officials, achieved very high levels of ethnic minority satisfaction. However, there is still room for improvement in community planning, particularly for women. In addition, the main features that underpin the community-driven development process were regarded as successful. Factors that have contributed to increased participation include the transparency of investment budget information and the quality of meeting facilitation. However, language remains the main constraint to increased participation, especially for women.

Increased rates of participation in project activities by both men and women occurred over the first three years of the project, reaching about 80 percent by the end of the third year. This correlates with the increased awareness by the beneficiaries about the project and its activities. Through the use of village meetings and regular communication by commune facilitators and associated information campaigns, beneficiaries became more aware of the value of the project and more able to participate in its activities.

### Key Results

**1. District socio-economic development.** Over 426kms of road and 2,287m of bridges had been built or rehabilitated improving physical connection for remote and disconnected villages; over 8,220 ha of rice field had been irrigated; over 11,480 households had improved access to domestic water and a number of market places had been constructed to help improved the trade activities for villagers' agricultural products. This helped increase the number of traders coming to the villages to buy and sell

agricultural products and other inputs, thus improving the farmers' access to better market.

**2. Commune development budgets.** 623,950 households have benefitted from over 18,170 sub-projects and over 90,000 households received support to improve their livelihoods and incomes. 59% of the Common Interest Groups started raising livestock raising and have completed the first production cycle with successive production cycles have been

funded by the CIG members' reinvestment of their profits showing initial signs of sustainability.

**3. Capacity building for central and local officials and the strengthening of community planning.** Training courses in group management, group financial management, natural disaster management and asset safeguarding for farmers have been provided to over 75,000 people of whom 83.6% were from ethnic minority groups and 32.1% were women.



## 2.8. Philippines—Educational Policy Reform Working for Indigenous Peoples

### 2.8.1 Introduction

The National Program Support for Basic Education (NPSBE) in the Philippines reinforced the Filipino government's efforts to reform the education sector, including attempts to enhance community participation and improve educational achievements. An Indigenous Peoples Planning Framework (IPPF) was developed that included several proactive measures to support the participation of indigenous peoples in the management of local schools and to improve education services in indigenous communities.

The principles and elements of the project's IPPF were instrumental in facilitating the development of a national education policy framework for

### Project at a Glance

The project was designed to improve quality and equity in learning outcomes in basic education for all Filipinos.

**Components:** (1) strengthen school-based management; (2) improve effectiveness of teaching; (3) enhance quality; and (4) promote equity through standards, assessments, and the support of effective resource mobilization.

**Financing:** US\$200 million (World Bank).

**Duration:** 2007–12.

indigenous peoples. The framework, adopted in 2011, continues to be institutionalized through its implementation and development of supplemental guidelines and programs, with similar efforts currently being undertaken in other sectors. For example, the Department of Health issued an indigenous peoples health policy through a memorandum circular, and the Social Welfare and Development Department is in the process of preparing a department-wide policy on indigenous peoples. These initiatives were partly triggered by positive experiences in applying the World Bank's Policy on Indigenous Peoples (OP 4.10) for the World Bank-financed KALAHÍ-CIDSS (*Kapit-Bisig Laban sa Kahirapan* or Comprehensive Integrated Delivery of Social Service) and Social Welfare and Development Reform projects.

### 2.8.2 Project Description

The project development objective was to improve quality and equity in learning outcomes in basic education for all Filipinos. The project assisted the Department of Education (DepED) in implementing sector reforms through financing priority items under four components drawn from the Basic Education Sector Reform Agenda (BESRA) of the Philippines:

**1. Support for the development and implementation of school-based management in line with the Governance of Basic Education Act of 2001.** School-based management formed a central pillar of DepED's emphasis on decentralization and meaningful community participation, tar-

geting schools and their communities, encompassing individual parents; the parents, teachers, and community association; local government; the private sector, and nongovernmental organizations (NGOs).

**2. Support for improving teacher effectiveness through two major policy interventions:** (1) refining current work on teacher competency standards and applying them to performance appraisal, training needs, promotions, hiring practices, preservice training, and licensing; and (2) equitable distribution of teachers across schools through the application of the principle of improved teacher deployment, including a hardship allowance for teachers at remote or hard-to-staff schools.

**3. Support for a standards-based approach for addressing the growing disparities in both inputs and outcomes of basic education.** To mitigate the risk that school-based management could exacerbate inequities among communities because well-resourced communities are better placed to support school-level interventions, the project strengthened outcome monitoring and provided tailored support for the particular needs of poorer communities or poor-performing schools.

**4. Support for improving budget planning and management as well as resource mobilization.** Integrated demand-side financing into the DepED's budget was aimed at improving the effectiveness of existing interventions and promoting strategies where schools took initiatives to provide access and encourage retention for needy or vulnerable children as part of school improvement planning.

The Australian Agency for International Development (AusAID) provided grant funding for a parallel project administered by the World Bank in support of the outcome of NPSBE. The Basic Education Reforms Project (SPHERE) provided funding for policy formulation and its application for the delivery of demand-side interventions (e.g., school feeding programs), public/private partnerships (e.g., government assistance to students and teachers in private education), school-based management grants for school improvement plans targeting disadvantaged elementary schools, and

construction of classrooms in underserved areas of southern Philippines.

### 2.8.3 Indigenous Peoples in the Philippines

There are indigenous peoples living in most areas of the Philippines, but the majority live in Mindanao (about 60 percent) and North-Central Luzon (about 30 percent). There are no accurate census data regarding the total number of indigenous peoples, but estimates are around 9 million (out of a total population of 90 million), distributed among 110 ethno-linguistic groups.<sup>19</sup> The 1987 constitution adopted the term "indigenous cultural communities," and in 1997, the term "indigenous peoples" was added, so that the official term today is "indigenous cultural communities/indigenous peoples."

The Philippines has a well-established and proactive approach to issues relating to indigenous peoples. The Indigenous Peoples Rights Act was enacted into law in 1997 and the National Commission on Indigenous Peoples (NCIP) was created the same year. The NCIP is an independent commission under the Office of the President that appoints seven members representing indigenous peoples from different ethnographic areas. The commission is responsible for the formulation and implementation of policies, plans, and programs to promote and protect the rights and well-being of indigenous peoples.

The Indigenous Peoples Rights Act provides indigenous peoples with customary rights to their ancestral domains and stipulates that they have the right to participate in decision making concerning all matters potentially affecting their lives. With regard to education, Section 28 provides:

"the State shall, through the NCIP, provide a complete, adequate, and integrated system of education, relevant to the needs of the children and young people of indigenous cultural communities/indigenous peoples."

<sup>19</sup> See NCIP's website for more information on the Indigenous Peoples Rights Act and indigenous peoples in the Philippines: <http://www.ncip.gov.ph>.



Section 30 asserts:

“State shall provide equal access to various cultural opportunities to the indigenous cultural communities/indigenous peoples through the educational system, public or private cultural entities, scholarships, grants, and other incentives without prejudice to their right to establish and control their educational systems and institutions by providing education in their own language, in a manner appropriate to their cultural methods of teaching and learning. Indigenous children/youth shall have the right to all levels and forms of education of the State.”

#### 2.8.4 The Process of Social Assessment and Consultation

The government’s reform process involved a series of consultative workshops with a range of stakeholders at all levels, supported by the World

Bank. The preparation of NPSBE comprised a social assessment and consultation process with indigenous communities and NCIP. The stakeholders’ views were systematically analyzed and further consolidated as part of preparatory studies. The study findings were used in formal communications and consultations with a broad range of stakeholders, including local government officials; teachers; parent, teacher, and community associations; student organizations; indigenous peoples’ organizations; agencies for corporate social responsibility; and civil society organizations. Some of the consultations, including those with local indigenous peoples’ representatives, focused on the specific measures for indigenous peoples included in the IPPF. The DepEd incorporated feedback from these consultations into the Bank-financed project design as well as the reform program.

Based on the consultation reports, there was overall acceptance of the national reform agenda,

the World Bank-financed NPSBE, and the IPPF. The participants expressed appreciation for the consultative process and strongly recommended that similar consultations be carried out throughout project implementation. The IPPF and a social marketing and change management plan<sup>20</sup> were formulated to ensure broad participation during project implementation.

The consultations and social assessment revealed that poor achievement and high drop-out rates among indigenous peoples prevail for a number of reasons, including the high cost of education; curricula that is not adequately relevant to real life experience; a lack of teachers or poor performance by them, including an inability to handle the particular issues and needs of indigenous peoples; inaccessible and inadequate physical facilities and instructional materials; incomplete schools in remote areas (only grades 1–3 or 1–4); and difficulty in learning due to the prevalent use of a second language and what is perceived as harsh disciplinary methods that are counter to indigenous cultures.

Key recommendations identified during project preparation concerning indigenous peoples and their priorities as they relate to education include:

- Provide instruction with the primary aim of increasing the capacity of indigenous children for national and global understanding and participation while allowing them to preserve and take pride in their indigenous cultural heritage and identity.
- Allow indigenous peoples to take active roles in identifying what children should learn and to participate in designing and implementing curricula.
- Use indigenous resources for teaching-learning processes, including using tribal elders and leaders as “living libraries” and resource persons.
- Adopt culture-based content and learning modes, including indigenous learning systems,

and prepare curriculum guides and instructional materials for teachers based on the particular context of a given indigenous group.

- Hire and train teachers from indigenous communities.
- Use local languages when teaching.
- Facilitate the provision of appropriate facilities, equipment, and materials.
- Conduct continuing research and documentation; establish and maintain databases on indigenous knowledge and advancement.
- Adopt flexible schedules to provide for subjects that directly include content about indigenous peoples and use a sliding school calendar to reflect the circumstances and socioeconomic conditions of specific indigenous communities.
- Develop and maintain a separate budget for the indigenization of curricula to ensure the sustainability of support.

#### 2.8.5 Key Project Design Aspects

The project addressed many of these issues in its design and as input into the national reform agenda, which addressed both quality and equity and which sought to enhance learning outcomes, especially for poor and disadvantaged groups such as indigenous peoples. The mechanisms to ensure participation of indigenous peoples and to address their particular concerns were provided in the IPPF, which was designed to comply with the Indigenous Peoples Rights Act as well as the World Bank’s policy on indigenous peoples. The overarching strategy of the IPPF was to mainstream indigenous peoples needs and priorities into various aspects of basic education reform. Specifically, the IPPF outlined the mechanisms for the participation of indigenous peoples during project implementation, including through participatory assessments and consultations, leading to the preparation of Indigenous Peoples Plans for participating schools with students from indigenous communities.

The project was designed to improve access and success for poor and disadvantaged students by making the system more responsive to their needs and by mobilizing the resources of parents, communities, and local governments in

<sup>20</sup> Social marketing is an approach used to develop activities aimed at changing or maintaining people’s behavior for the benefit of individuals and society as a whole. Change management is the application of a structured process and set of tools for leading the people side of change to achieve a desired outcome.

partnership with schools and learning centers. The school-based management approach allowed local stakeholders to participate in setting priorities within school improvement plans and to monitor outcomes, thus enhancing social accountability. Such stakeholder participation renders basic education more responsive to the needs of disadvantaged groups, such as indigenous peoples. This involves options for enhanced alternative learning systems<sup>21</sup> adapted to the specific contexts of local schools and their student populations. Local stakeholders are expected to build collective responsibility for harnessing local resources, not only for education, but also for other related services, such as health, nutrition, and early childhood development. These participatory approaches demand new ways of thinking and more time and effort from school staff members who are more accustomed to acting on official DepEd orders.

Measures to manage these significant changes included capacity building for school heads and staff; development of participatory tools and mechanisms to ensure meaningful representation in school governing councils or Parent-Teacher-Community Associations as well as more responsive and equitable school improvement plans; social marketing activities to advocate for more responsive support from local governments through their mandated special education funds and internal revenue allotments; forums and information exchange activities to encourage feedback and critical analysis from various local stakeholders; the building of institutional linkages and networks with organized civil society organizations, including NGOs, private groups, and community-based organizations; and the enhancement of local reporting to highlight the importance of local stakeholder participation in monitoring for accountability.

<sup>21</sup> The alternative learning system is a ladderized, modular, nonformal education program in the Philippines for dropouts of elementary and secondary schools, out-of-school youth, nonreaders, working Filipinos, and even senior citizens. It is part of the education system of the Philippines but serves as an alternative to regular classroom studies that require students to attend on a daily basis. The alternative system allows students to choose schedules according to their preferences and constraints.

### 2.8.6 Implementation

The project supported the national education reform process for developing broad multisectoral participation in school-governing councils, including representation from civil society organizations and disadvantaged sectors such as the indigenous peoples. Operational guidelines were developed on member roles and responsibilities with the aim of preventing elites from dominating the councils. Participatory decision-making tools and processes were adopted and developed into operational manuals to assist with implementation in schools. The manuals ensured equity and social inclusion and contained specific references to indigenous peoples, people with disabilities/special needs, and gender equality.

Mobilization and capacity-building activities were conducted to develop competency among disadvantaged families and communities for participatory situation analysis, planning, budgeting, and resource mobilization. This was undertaken in coordination with other departmental units of local government, particularly those with responsibility for community-based activities. An inventory of potential partners, such as civil society organizations, was developed to identify opportunities for resource mobilization, external monitoring, and community mobilization.

School officials and staff participated in capacity-building activities to develop relevant and responsive participatory management competencies. School performance monitoring was also performed in a participatory fashion to promote transparency and social accountability among local stakeholders. Guidelines were developed for schools to report to their communities through a school report card as well as through school/community assemblies. School report cards included information on inputs against minimum service standards to encourage community advocacy for the equitable provision of resources and information on outcomes to ensure school-level accountability for the effective use of resources.



The monitoring and evaluation framework was designed to track social development outcomes of the project through a breakdown of performance indicators by gender, region, and education level. Categories of major disadvantaged groups (e.g., indigenous peoples, persons with disabilities, and students with special needs) were monitored through selected qualitative studies of the impact of the reforms on at-risk subgroups. Performance indicators also measured participation in school-based management and its effectiveness on a range of local activities and functions.<sup>22</sup>

These are all design and implementation features that improved participation and, subsequently, education outcomes for indigenous peoples. Other activities that were more directly targeted toward indigenous peoples included the development of programs for alternative learning systems, the

<sup>22</sup> Results for school-based management in general as well as school report cards, for instance, have been impressive with the nationwide roll-out. Additional analysis, however, must be undertaken to identify more specific project outcomes.

piloting of mother-tongue and multilingual education in 20 ethnic/dialect languages in 921 schools nationwide, and the development of materials for teaching and learning in the 12 main languages (Tagalog, Ilokano, Pangasinense, Kapampangan, Bikol, Cebuano, Hiligaynon, Waray, Maranao, Maguindanao, Yakan, and Chavacano). Some of these are the languages of indigenous peoples; others are regional languages spoken by indigenous peoples who speak two or more languages.

DepEd also supported the issuance of guidelines for the Philippines' Response to Indigenous Peoples' and Muslim Education Program. This program involves demand-driven funding to support indigenous peoples' educational needs. It has undertaken a baseline survey on the educational situation in indigenous and Muslim households in southern Philippines; a review of standards for the recognition and accreditation of private schools for indigenous peoples; the development of a national curriculum framework on indigenous peoples' education at the

kindergarten, elementary, and high school levels; and guidelines and standards for the development of indigenous learning materials.

A common constraint for providing educational services in areas with indigenous peoples is a lack of teachers, especially qualified ones. To address this challenge, an educational training plan was provided for teacher and education managers that specifically concerned education for indigenous peoples and allocation of hardship allowances in hard-to-staff schools. Training was provided for 2,557 kindergarten and first-grade teachers in mother-tongue and multilingual teaching methodologies. According to the implementation completion and results report, evidence suggests that the allocation of the hardship allowance provided to multi-grade teachers ensured that they remained in hardship posts.

These are all impressive achievements for an education project addressing indigenous peoples' issues as part of a broad reform program. However, these successes would not have been possible without the government's commitment and without the best-practice institutional set-up. During the implementation of NPSBE, a technical working group on indigenous peoples and Muslim education was established to support BESRA, the reform process, and NPSBE. The working group was initially constrained by a limited budget and lack of secretariat support, but due to recommendations from World Bank supervision missions, the DepEd provided the appropriate level of support.

The technical working group was instrumental in pushing for the National Indigenous Peoples Education Policy Framework (DepED Order No. 62), issued in December 2011. The policy framework was aimed at ensuring that indigenous peoples' basic education concerns and needs were taken into consideration as part of the implementation of BESRA. It stressed the principles of participation, inclusion, and empowerment, and it recognized that education could be a means to realize the human rights of and fundamental freedoms for indigenous peoples. In part, the policy framework was developed with support from NPSBE; it also built on some of the elements and principles of the project's IPPF.

The technical working group is also credited with increasing awareness within DepEd regarding the educational situation of indigenous peoples. It undertook an inventory of past and existing policies and programs on indigenous peoples' education and conducted a series of subnational and regional consultations with key educational stakeholders and indigenous peoples, which resulted in an education information system that included indigenous peoples disaggregated education data.

With the adoption of the policy framework, the Indigenous Peoples Education Office was established within DepEd to implement the framework and, beginning in 2013, a permanent indigenous peoples education program was included as a specific line item in the annual DepEd budget. The office has subsumed and institutionalized the thrust and objectives of the technical working group, which was previously an ad hoc and temporary body created to support BESRA. Currently, the office has an annual budget of US\$2.5 million.

The implementation completion and results report of NPSBE found that the project was satisfactorily carried out in accordance with the IPPF and the Indigenous Peoples Rights Act, and the achievements discussed above were also recognized. The World Bank project Implementation and Completion Report also noted strong support from and coordination with other donors. In July 2007, AusAID gave an AUD\$41 million trust fund (Basic Education Reforms Project or SPHERE) to support BESRA and complement NPSBE project activities. The World Bank administered the trust fund. Subsequently, all supervision missions were jointly conducted with AusAID; other donors, such as the German Federal Enterprise for International Cooperation, the Asian Development Bank, the Japan International Cooperation Agency, UNICEF, and USAID, also participated in select missions. This attests to the efforts made by the DepEd and the World Bank to implement the project in a participatory and inclusive way, which ultimately helped streamline donor interventions in the education sector in support of BESRA.

## Key Factors of Success

**The principles and elements of the Indigenous Peoples Planning Framework (IPPF)** helped facilitate the development of a national education policy for indigenous peoples.

**The timing was right to work** with the government in the process of education policy reform.

**The participatory social assessment and consultation** process and findings were used in formal communications and meetings with local government officials; parent, teacher, and community associations; indigenous peoples' organizations; and corporate responsibility agencies, leading to the incorporation of participation by indigenous peoples in the project design and their acceptance of the national reform agenda, the project, and the IPPF.

**Social marketing and change management** activities ensured broad participation in local school management during project implementation and the improvement of indigenous peoples' community education services.

**Government commitment and a best practice institutional set up for implementation** through the establishment of a technical working group on indigenous peoples and Muslim education increased awareness of issues affecting indigenous peoples within the education department.

**Joint donor funding and supervision missions** were conducted.

## 2.8.7 Lessons Learned

NPSBE assisted the Government of the Philippines in moving toward a more participatory educational system through particular measures and arrangements for improving educational outcomes of indigenous peoples and other marginalized communities. The project came at an opportune time, when the government was in the process of reforming its education policies to enhance civil society and local community involvement and to make education more equitable and efficient. These objectives were a good fit with the aims and principles of the World Bank's indigenous peoples' policy and general development goals. When such alignment exists, the Bank can provide useful

support and assist in pulling together other donors in support of common goals.

### Key lessons learned include:

- **Continued efforts during implementation of the project and its IPPF were essential to the project's positive outcomes for indigenous peoples.** The IPPF included sound best practices principles and elements for providing culturally appropriate benefits to indigenous peoples and for the active participation of their representatives. However, it did not provide much detail about how these principles and elements were to be implemented. This necessitated the active participation of the World Bank's task team and the establishment of ownership and institutional arrangements with DepEd to figure out details during project implementation. Achieving the results discussed in this case study required significant time and resources, a continued dialogue between the World Bank and DepEd, and a good working relationship between the World Bank task teams, the DepEd, and NCIP.
- **Sound institutional arrangements for implementing the IPPF and related activities were instrumental in achieving good outcomes.** The IPPF provided a flexible and collegial instrument to promote the inclusion of indigenous peoples, but this instrument had to be translated into clear action plans within the context of the institutional mandate and organizational realities. The implementation of an IPPF or an Indigenous Peoples Plan requires ownership and the designation of an internal entity or focal team with full authority and an adequate budget. For NPSBE, the establishment of the technical working group on indigenous peoples was instrumental in the development of the National Indigenous Peoples Education Policy Framework. It improved and institutionalized attention to the particular needs and priorities of indigenous peoples.
- **The establishment of the Indigenous Peoples Education Office has further strengthened these efforts.** The office has led the development of specific supplemental policies and guidelines on various issues, including the curriculum for indigenous peoples and the recognition of private learning institutions serving indigenous peoples. The national policy framework and the establishment of the special office for indigenous peo-





ples have established a space for continuous dialogue and cooperation between the government, indigenous peoples, and other stakeholders in the education sector. The office for indigenous peoples has become an important entry point for indigenous peoples to engage with the DepED. For example, the office receives complaints from indigenous peoples concerning issues such as discrimination in schools and requests from indigenous communities wanting to establish private schools. These ongoing issues can now be more easily identified, prioritized, and resolved within the context of improved and advancing indigenous education.

- **Budget support projects provide strategic opportunities to mainstream project-specific safeguards for indigenous peoples into broader sectoral agendas that pro-actively address issues and concerns pertinent to indigenous peoples.** The project was the first World Bank-financed education project to be mainstreamed into a country system for implementation. The nature of the project—sector reform—and the type of financing instrument—budget support—were enabling factors in moving the IPPF from being

a World Bank project safeguards instrument to a sector-wide policy. The project illustrates how key objectives and elements of the Bank's policy on indigenous peoples can support achievements that go well beyond the scope of a particular project, providing long-lasting benefits to indigenous peoples through direct support to indigenous communities and policy reforms that recognize their particular issues and concerns.

- **Active involvement of indigenous peoples' organizations and communities improved project outcomes, informed policy reforms, and built broad support for policy reforms.** The project supported the active involvement of NCIP and consultations with indigenous peoples' organizations and communities to inform—along with targeted social analysis—project preparation and implementation. This helped the push for national policy reforms on particular issues, needs, and priorities of indigenous peoples. The concrete design features and implementation activities have been formulated and implemented with indigenous peoples' representatives, and their support for the project and the national education reform process is strong.

## 3. Conclusions and Recommendations

### 3.1 Key Elements of Successful Projects

This report discusses good practices and lessons learned concerning indigenous peoples' development as illustrated in a number of Bank-financed projects that have had positive impacts on indigenous peoples on land rights and management, economic development and sustainability, governance and institutional strengthening, and public policy and country systems.

While issues and good practices concerning indigenous peoples' development tend to be project specific due to the particular circumstances of specific indigenous peoples and to country contexts, the case studies identify a number of key factors for sustainable indigenous peoples' development that can be applied to other similar cases or situations:

1. The development of culturally appropriate project designs based on a well-designed social assessment that includes an institutional and stakeholder analysis, consultations, and the active participation of indigenous peoples' communities and organizations in project preparation.
2. Participatory arrangements in project design and implementation tailored to the specific political, social, and cultural contexts of indigenous organizations and communities. This is essential factor enables indigenous

representatives to participate on an equal footing with government agencies in regard to all aspects of the project, and it usually enhances their understanding, involvement, and ownership of project activities.

3. The legalization and management of ancestral lands and natural resources is critical to development for most indigenous peoples who commonly conceive of land as a sacred collective possession critical to their cultural and economic survival, not as property that can be bought and sold as a commodity. When their land is gone, so is the basis for their existence as distinct peoples. By contrast, when secure tenure to communal territories exists, it is easier to achieve development objectives.
4. Strong forms of governance and social organization enable indigenous communities to mobilize and act. Building social capital has been identified as an integral component of social and economic development for indigenous peoples because it enables them to plan and manage their own development initiatives. Several of the case studies identify institutional strengthening of indigenous peoples' organizations and institutions as a good practice.
5. When governments have clear, enforceable policies and legal frameworks that protect the rights of indigenous peoples, or when they have enacted sectoral policies—on education, health, and territories, as examples—that clearly benefit indigenous peoples, project outcomes are enhanced and bring broader and longer-term

benefits. Good practices for policy reforms include awareness raising, assessing past and existing policies, and conducting extensive consultations with indigenous peoples and other relevant stakeholders.

6. Indigenous peoples seek improvement to their economic and social well-being, just like other population groups. But, because indigenous peoples are commonly marginalized and often exhibit distinct socioeconomic and cultural characteristics, projects supporting economic development for indigenous peoples should be tailored to particular circumstances. The case studies identify good practices through ethno-development, development with identity in appropriate contexts, participatory approaches, and tailored investments.

### 3.2 Recommendations

The case studies discussed in this report present a sample of good practices and lessons learned from Bank-financed projects for effective implementation of OP 4.10 and for the sustainable development of indigenous peoples. This preliminary effort is intended to support a broader plan and long-term effort to improve the socioeconomic circumstances of indigenous peoples and their participation in development through better Bank-financed projects and support to developing countries and indigenous peoples' communities and organizations. To advance these goals, the following actions are recommended:

- Expand the identification and documentation of case studies to provide more in-depth discussions of good practices and lessons learned concerning indigenous peoples' development. This would, *inter alia*, support the ongoing Global Dialogue and Engagement Process with indigenous peoples; aid in the development of specific models, strategies, and approaches for sustainable development for indigenous peoples, and inform the development and delivery of training for Bank staff and borrower implementing agencies on indigenous peoples' development and the application of the Bank's policy on indigenous peoples.

- More in-depth analysis and the broad dissemination of these and other cases could identify additional issues and lead to an increased understanding of factors affecting the successful outcomes for indigenous peoples in development programs and projects, enabling better adaptation to different contexts. This could include:
  - Assessing indigenous peoples' issues in the larger context of social inclusion and vulnerability (e.g., in community-driven development projects targeting indigenous communities among other communities).
  - Questions might include: What are the best institutional arrangements? How best can space be created for indigenous peoples? How can conflicts with other communities be avoided? How can conflicts that do arise be solved?
  - Identifying entry points and leverage to ensure that indigenous peoples benefit from development policies, programs, and projects.
  - Assessing political economy and other factors that influence and inform the actions of government and other stakeholders concerning indigenous peoples development or development in areas with indigenous peoples.
- Prepare training material based on specific case studies included in this report concerning indigenous peoples' development and the application of the Bank's policy on indigenous peoples.



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