

# **Implementation of the World Bank's Indigenous Peoples Policy**

## **A Learning Review (FY 2006-2008)**

August 2011

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## ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
AFR	Africa Region
BW	Business Warehouse
EAP	East Asia and the Pacific Region
EA	Environmental Assessment
EBRD	European Bank for Reconstruction and Development
ECA	Europe and Central Asia Region
EIR	Extractive Industries Review
EIB	European Investment Bank
FY	Fiscal Year
FPIC	Free, Prior and Informed Consent
GEF	Global Environment Facility
IBRD	International Bank for Reconstruction and Development
IEG	Independent Evaluation Group
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFI	International Financial Institution
ILO	International Labor Organization
IPP	Indigenous Peoples Plan
IPDP	Indigenous Peoples Development Plan
IPPF	Indigenous Peoples Planning Framework
ISDS	Integrated Safeguards Data Sheet
LCR	Latin America and the Caribbean Region
MNA	Middle East and North Africa Region
OD	Operational Directive
OED	Operations Evaluation Department
OMS	Operational Manual Statement
OP/BP	Operational Policy/Bank Procedures
PAD	Project Appraisal Document
PID	Project Information Document
SA	Social Assessment
SAR	South Asia Region
UN	United Nations
WB	World Bank

## Table of Contents

Executive Summary .....	vi
I. Introduction.....	1
A. Background .....	1
B. Objectives .....	3
C. Methodology .....	3
D. Validity and Reliability of the Data.....	5
1. Data Management .....	5
2. Applying OD 4.20 instead of OP 4.10 .....	5
3. Distribution of IPPs and IPPFs .....	6
E. Overview of the Application of the Indigenous Peoples Policy: 1992-2008 .....	6
II. Implementation of the Indigenous Peoples Policy: FY 2006-2008 .....	10
A. Coverage and Application of the Policy .....	10
1. Projects Triggering the Policy.....	10
2. Self-standing Indigenous Peoples Projects .....	10
3. Geographical Distribution.....	11
4. Sectoral Distribution .....	11
5. Proportion of “Do No Harm” vs. “Do Good” Projects .....	12
6. Projects that Could Have Triggered the Policy .....	14
B. IPP Compliance with Policy Requirements.....	15
1. Overall Compliance by Sector and Region.....	16
2. Overall Compliance by Criterion .....	17
3. Screening.....	18
4. Social Assessment.....	19
5. Consultation, Participation, Community Support .....	22
6. Design of the IPP’s Action Plan.....	24
7. Special Considerations .....	26
C. The Budget for IPPs .....	27
D. IPPF Compliance with Policy Requirements .....	28
1. Distribution of IPPFs by Sector and Region .....	29
2. Overall Compliance by Sector and Region.....	29
3. Overall Compliance by Criterion .....	30
4. Identification of Potential Impacts .....	31
5. Plans for Social Assessment and Consultation .....	31
6. Provisions for Screening, Evaluation of Effects, and Preparation of IPPFs .....	32
E. Self-standing Indigenous Peoples Projects versus Projects with Indigenous Peoples Components .....	33

F.	Projects Funded by the Global Environment Facility .....	33
G.	Comparative Analysis of the Application of OD 4.20 vs. OP 4.10.....	34
III.	Conclusions and Recommendations .....	38
A.	Conclusions .....	38
B.	Recommendations .....	40
	References .....	42

**Annexes**

Annex 1.	Operational Manual Statement 2.34: Tribal People in Bank-Financed Projects Issued February 1982 .....	44
Annex 2.	Operational Directive 4.20 – Indigenous Peoples .....	0
Annex 3.	Operational Policy 4.10 – Indigenous Peoples.....	7
Annex 4.	Previous Indigenous Peoples Portfolio Reviews.....	0
Annex 5.	Summary of the Working Paper on the Implementation of OD 4.20 from 1992 to 20043	
Annex 6.	Methodological Approach of the 2006-2008 Portfolio Review .....	0
Annex 7.	Score Card for IPPs.....	11
Annex 8.	Score Card for IPPFs.....	16
Annex 9.	Status of Policy Provisions for Free, Prior and Informed Consent in International Financial Institutions.....	19

## EXECUTIVE SUMMARY

1. The present report provides the background, objectives, activities and outcomes of the portfolio review of projects triggering the World Bank's Operational Policy (OP) 4.10 during Fiscal years (FY) 2006-2008 (i.e., the first three years during which the revised policy was in effect). This review is limited to the project design stage and initial implementation phase of these projects. The report describes the methodological process followed and presents the results of a desk review of 132 projects approved during that period. It presents the results of the analyses of the implementation of the World Bank's Indigenous Peoples Policy and the conclusions and recommendations that have ensued from the portfolio review. The review is intended for World Bank management and staff to learn from the first three years of implementation of OP 4.10.

2. The overall goal of the portfolio review is to identify Bank-financed projects involving Indigenous Peoples and analyze them in terms of compliance with the Indigenous Peoples Policy. The portfolio review developed a Fact Sheet for each individual project triggering OP 4.10, summarizing not only basic project information but also providing room for an eventual field assessment. It identifies policy instrument used (Indigenous Peoples Plan [IPP] or Indigenous Peoples Planning Framework [IPPF]) and assesses the degree of application of the provisions of the Indigenous Peoples Policy.

3. From July 2005 to June 2008, 132 projects triggered OP 4.10, equivalent to about 12 percent of the total number of all projects approved by the World Bank during the same period. A positive finding to be noted is that, during this period, 15 operations were self-standing Indigenous Peoples projects, compared to only 12 projects during the entire 1992-2004 period. This demonstrates that the Bank is increasingly recognizing and addressing the specific needs of Indigenous Peoples in the projects it finances.

4. In slightly more than half of the projects reviewed, an IPP was prepared, whereas the remainder of projects prepared an IPPF (including those IPPFs that had been labeled as IPPs). The confusion regarding these two instruments may have contributed to the omission in about half of all IPPFs of provisions for the subsequent preparation of IPPs for subprojects as required by the policy.

5. Of the 132 projects triggering OP 4.10, the Latin America and the Caribbean region (LCR) led other regions, with 55 projects representing 41 percent of the total, followed by East Asia and the Pacific (EAP), South Asia (SAR), and Sub-Saharan Africa (AFR). Projects in the Europe and Central Asia (ECA) region and the Middle East and North Africa (MNA) region did not trigger OP 4.10. This review concludes that there is scope for improvement in all the regions, both in terms of triggering the policy, once there is evidence that distinct, vulnerable, social and cultural groups, meeting the criteria of OP 4.10 (para. 4) are present, and ensuring quality in complying with the policy provisions.

6. Agriculture and Rural Development projects have the highest proportion of projects applying OP 4.10, accounting for 37 projects or 28 percent of projects triggering the policy, followed, in descending order, by Education, Health, Transport, Urban Development and Environment, and other sectors.

7. Looking at the average IPP compliance scores across regions based on the 18 criteria of policy requirements, the score for LCR was the highest (76 corresponding to 24 IPPs), followed by SAR, EAP and AFR. In contrast, the scores by criteria and sector show that, in general, Environment and Agriculture and Rural Development scored better than the Human Development, Social Development and Energy and Mining and Transport sectors. Given the

anticipated increase in the share of Energy and Transport projects greater emphasis should be given to strengthening the quality of social assessments, consultations leading to broad community support, and the preparation of IPPs and IPPFs for projects in these sectors. The review found no notable differences in performance of Global Environment Facility (GEF) projects with the other projects in the portfolio.

8. While generally speaking the review of projects triggering OP 4.10 shows a significant increase in the quality of project design compared to earlier projects that triggered OD 4.20, the review also found considerable differences in quality among projects. The review highlights areas that require further improvement in order to ensure full compliance with the policy. The best compliance scores were observed with respect to the following criteria: inclusion of specific activities for Indigenous Peoples in the plan of action, screening, and free, prior and informed consultation. In the few cases where resettlement of Indigenous Peoples was an issue, the projects avoided such resettlement. Moderate compliance score criteria included evidence of broad community support, the inclusion of specific ethnically disaggregated monitoring data, and dissemination of information in appropriate language, form and manner. At the lower end of the ranking were: agreement on benefit sharing of Indigenous Peoples' knowledge and cultural resources, the inclusion of a conflict resolution mechanism, and, when applicable, consideration of Indigenous Peoples' rights to lands and resources. Where comparable indicators exist, the findings in general were similar for both IPPs and IPPFs.

9. On consultation and broad community support, the findings of this review indicated that the projects affecting or targeting Indigenous Peoples are increasingly extending the concept of consultation upstream to the project design phase, thus expanding the earlier concept of "informed participation" for the purpose of project implementation. This also indicates that the design of many projects, including those that are community-driven, is more likely to benefit from indigenous knowledge, preferences or priorities, which are often the key to community "ownership" and ensure that projects are socio-culturally compatible and sustainable.

10. Demand driven projects by definition have broad community support of the respective communities. However, beneficiary participation in the design of the program is also crucial, in order to ensure that the services provided are indeed responding to the priorities of the Indigenous Peoples' communities. Projects that offer services perceived as not relevant by the communities will often result in acceptance of the services (because it is the only option provided) but might be counterproductive. While in practice many projects apply the concept of broad community support, they need to document it to facilitate verification of compliance with the policy requirement.

11. Another area that deserved more attention in the IPP is the systematic analysis of the potential long-term impacts of project activities on Indigenous Peoples' rights, particularly those related to lands, and natural and cultural resources.

12. An issue of particular concern to a variety of parties is free, prior and informed consent. Therefore, for illustrative purposes, this report has summarized the recent developments in international normative frameworks regarding this concept.

13. In addition, the report proposes specific measures to improve policy implementation, among them:

- Enhancing the knowledge of operational staff regarding the specific provisions of OP 4.10, which, while retaining many elements of the earlier 1991 policy, introduces new concepts and procedures.

- Preparing country socio-economic profiles on Indigenous Peoples (where this information is limited), including mapping, in order to assist staff in screening projects for possible positive or negative impacts on Indigenous Peoples and provide basic socio-economic information on potential project areas.
- Establishing mechanisms for country-specific dialogue among borrowers, Indigenous Peoples and the Bank to assist, among other things, in the preparation of country profiles on Indigenous Peoples and to maintain a constructive relationship that would facilitate project based consultation, participation and broad community support. Obviously, the above requires that field offices are adequately provided both with social specialists and the corresponding resources.
- Noting that many projects targeting or impacting Indigenous Peoples do not address issues related to land and resource rights, which are important to the wellbeing of Indigenous Peoples, the Bank should pay special attention to identifying and addressing these issues.
- Whether the Bank policy maintains the current principle of free, prior and informed consultation or adopts in the future the principle of free, prior and informed consent, the challenge is to operationalize the principle so that task teams are supported to translate them into practice.
- Key to preparing a good IPP is a well formulated action plan, in which objectives, activities, budget, institutional responsibilities and monitoring indicators are clearly stated. Regional operational guidelines should be prepared, focusing on areas where improvements are needed, especially regarding land and resource rights, broad community support, benefit sharing and the establishment of grievance mechanisms.
- There is a great need to streamline the information system in order to ensure that Bank staff assigned to the management of databases are familiar with the procedural requirements of the policy and its different instruments. The official filing system needs to distinguish among the two OP 4.10 instruments: IPP and IPPF. In situations where the entire project is considered an IPP, a summary of how the project complies with OP 4.10 should be presented as part of the Project Appraisal Document (PAD).



## I. INTRODUCTION

### A. Background

1. The World Bank was the first multilateral development bank to introduce an Indigenous Peoples Policy. The World Bank's first policy on Indigenous Peoples was adopted in 1982 as Operational Manual Statement (OMS 2.34, see Annex 1). The policy focused on numerous areas including: (a) the recognition and protection of Indigenous Peoples' land rights; (b) the provision of health, education, and other services to Indigenous Peoples; (c) the strengthening of government agencies responsible for protecting indigenous lands and providing services to Indigenous Peoples; and (d) the preparation of special components within World Bank-financed projects to address the needs of Indigenous Peoples. By 1987, the World Bank had begun linking its Indigenous Peoples and resettlement policies to its new environmental policies. Soon after, the World Bank's Environmental Assessment (EA) policy (OD 4.01) was approved in 1989 and the first Indigenous Peoples specialists were recruited to work in the World Bank. The EA policy became the umbrella safeguard for these policies and it includes physical, biological, socio-economic and cultural heritage aspects.

2. In 1991, the World Bank approved a new Indigenous Peoples Policy (OD 4.20, see Annex 2). Indigenous Peoples specialists developed this policy in close collaboration with specialists from the International Labor Organization (ILO) that used the ILO Convention 169 as a framework. OD 4.20 extended the definition of Indigenous Peoples to include a wider array of peoples and groups than those indicated in OMS 2.34. The main criterion for this new definition included the maintenance of social and cultural identities distinctive from those of the national societies in which these peoples live. This definition also highlighted the fact that most Indigenous Peoples have close attachments to their ancestral lands and, if their lands are not recognized and adequately protected, they often remain disadvantaged in the developmental processes. OD 4.20 also highlighted the need for the "informed participation" of Indigenous Peoples in the decision-making of development projects rather than the need to only strengthen the indigenous governmental agencies. Under OD 4.20, the World Bank-financed projects that affected Indigenous Peoples required special Indigenous Peoples Development Plans (IPDPs). These plans ensured that Indigenous Peoples would participate in and benefit from World Bank-financed operations

3. The Operational Policy/Bank Procedures (OP/BP 4.10, see Annex 3) on Indigenous Peoples, endorsed by the World Bank's Board of Executive Directors on May 10, 2005, has retained the policy requirements of OD 4.20 that Bank-financed projects are designed not only to avoid adverse impacts but equally important, to provide culturally appropriate benefits. The World Bank Indigenous Peoples Policy recognizes, among other things, that the distinct identities and cultures of Indigenous Peoples remain inextricably linked to the lands they inhabit and the natural resources they depend upon to survive. The policy establishes processing requirements: screening, social assessment, consultation with communities involved, preparation of plan or framework, and disclosure. It also requires the borrower to seek broad community support of Indigenous Peoples through a process of free, prior and informed consultation before deciding to develop any project that targets or affects Indigenous Peoples.

4. Moreover, the new version of the policy also introduces greater flexibility into project processing requirements by: (a) specifying that the level of detail is proportional to the complexity of the proposed project and commensurate with the nature and scale of the proposed

project's potential effects; and (b) proposing a planning framework for projects that involve preparation and implementation of annual investment programs and multiple subprojects (instead of an up-front plan for projects with specific investments defined ahead of project approval). It is important to note that the policy changes the terminology from Indigenous Peoples Development Plan (IPDP) to Indigenous Peoples Plan (IPP) and Indigenous Peoples Policy Framework (IPPF).

5. OP/BP 4.10 strengthens requirements in the following areas:

- Reflecting Board discussions on the Extractive Industries Review (EIR) on August 3, 2004 and the Management Response to the EIR, the revised policy affords project-affected Indigenous Peoples a stronger voice through a process of free, prior and informed consultation. The Bank will provide project financing only where free, prior and informed consultation results in broad community support;
- The Bank will not agree to physical relocation of Indigenous Peoples communities' if they have not provided their broad support for it; and
- Commercial development of Indigenous Peoples' cultural resources and knowledge is conditioned upon their prior agreement to such development.

6. The policy revision included consultations within and outside the Bank. Some of the above mentioned changes addressed concerns of Indigenous Peoples and nongovernmental organizations (NGOs). However, there are four issues on which the revised policy did not fully meet the expectations of some external stakeholders (such as some umbrella Indigenous Peoples' organizations, as well as human rights advocacy NGOs):

- *Recognition of self-identification as the principal criterion for determining indigenous status.* The policy gives greater weight to self identification criterion but does not call for it as a principal criterion because it is difficult to apply in practice.
- *Recognition of the right of free, prior and informed consent of Indigenous Peoples regarding development projects which affect them.* The policy requires the borrower to conduct free, prior and informed consultation and to seek their broad community support in deciding whether to proceed with the project.
- *The full recognition of customary land rights of Indigenous Peoples.* In projects where activities are contingent on establishing legally recognized rights to Indigenous Peoples' lands and territories, the policy requires the borrower to set forth an action plan for the recognition of such rights.
- *Prohibition of physical relocation of Indigenous Peoples.* The policy does not prohibit physical relocation but requires the borrower to explore alternative project designs to avoid physical relocation, and when not feasible, to seek broad support of the affected communities as part of the free, prior and informed consultation process.

7. The Bank now has more than two decades of experience implementing both its original and current policy. There have been several efforts within the Bank to evaluate the implementation of the policy. The most comprehensive worldwide portfolio reviews of Indigenous Peoples projects have been prepared by the Independent Evaluation Group, IEG (former Operations Evaluation Department, OED, 2005, see a short summary in Annex 4) in conjunction with the policy revision, and especially the working paper on implementation of OD

4.20 from 1992-2004 prepared by the Social Development Department of the Bank (see Annex 5 for a summary of this document).

8. At the time of endorsement of OP 4.10 by the World Bank Board of Executive Directors, Management agreed to undertake a review of the implementation of the policy after the first three years. This report is an effort to respond to this agreement to review the application of the policy for fiscal years (FY) 2006-2008. It includes: (a) the background, objectives, activities and outcomes of the portfolio review, including the conceptual and methodological process followed; (b) the results of a desk review of 132 projects that trigger OP 4.10 (and others that should have triggered the policy), as well as conclusions and recommendations; (c) a short discussion on the specific issue of free, prior and informed consultation as the center of the discussions surrounding the approval of OP 4.10 in light of the increasing endorsement by international and national legal frameworks of the principle of free, prior and informed consent.

## **B. Objectives**

9. The overall goal of this Indigenous Peoples portfolio review is to identify Bank-financed projects involving Indigenous Peoples and analyze them in terms of compliance with the Indigenous Peoples Policy prior to project approval. Particularly, the review aims to:

- Identify and assess the extent to which OP 4.10 was triggered in Bank projects (scope and relevance);
- Analyze the application of OP 4.10 in World Bank projects involving Indigenous Peoples, in terms of their compliance with the different requirements of the policy during project preparation;
- Discuss the operationalization of the concepts of “free, prior and informed consultation” and “broad community support” and their level of application;
- Analyze lessons learned, challenges and opportunities;
- Recommend actions to improve the application of the Indigenous Peoples Policy by region and by sector.

10. The review is intended to help Bank management and staff learn from the first three years of implementation of OP 4.10. To the extent possible, these findings, conclusions and recommendations will be compared with previous evaluations and reviews, particularly the 2003 OED evaluation and the 2005 review carried out by the Social Development Department.

## **C. Methodology**

11. For purposes of this desk review, a methodology was developed (see Annex 6) which starts with a Fact Sheet for every project triggering OP 4.10, summarizing not only basic project information but also providing room for information about field implementation. It identifies which policy instrument was used (IPP or IPPF) and the degree of application of the provisions of the Indigenous Peoples Policy.

12. Adapting the methodology of the 2005 Social Development Department working paper on implementation of OD 4.20, the current review has formulated a framework that ranks separately all available IPPs and IPPFs. The framework for IPPs consists of 18 criteria that derive

from the Indigenous Peoples Policy. The 18 criteria used to evaluate the IPPs are grouped in the five categories mentioned below (see Annex 6, Attachment 2, for the complete list of criteria):

- Screening
- Social Assessment
- Consultation, participation, community support
- IPP
- Special considerations.

13. A three-point rank order system is used to rank all IPPs. All available IPPs are reviewed and assigned 0, 0.5 or 1 for each of the criteria. The sum of these points provides the IPP with a total score and rank. The maximum score assigned to an IPP is 18 (see Annex 7). However, in cases when not all of the criteria are relevant (questions 16, 17, 18 are not applicable for every project), ranking is based only on the applicable criteria.

14. To evaluate IPPFs, a similar framework has been created. In this case, the basic set of criteria is (see specific criteria in Annex 6, Attachment 4):

- Identification of potential effects
- Plans for social assessment and consultation
- Provisions for screening, evaluation of effects, and preparation of IPPs.

15. In addition, the review analyzes whether the application of the IPPF, as opposed to the IPP, was the appropriate instrument, and whether in all relevant cases the IPPF did include provisions for the preparation of IPPs for subprojects or components to be decided after project approval.

16. Finally, in order to expand the portfolio analysis to projects being prepared or implemented that did not trigger the policy but are located in areas where general knowledge indicates the presence of Indigenous Peoples, on the advice of Bank social scientists with regional expertise, a purposive sample of projects in the Africa (AFR), East Asia and the Pacific (EAP), Latin America and the Caribbean (LCR) and South Asia (SAR) regions was selected for a desk review, based on the criteria below:

- Is there a high possibility that Indigenous Peoples are present in, or have collective attachment to, project lands?
- Are there any Bank projects in the project area that have triggered OP 4.10?
- Did a Bank social specialist carry out a screening for the presence of Indigenous Peoples?
- Did the Regional Safeguard Unit agree with the Task Team's decision not to trigger the policy?
- What is the justification given in the Project Concept Note and/or Project Appraisal Document (PAD) for not triggering the policy?

## **D. Validity and Reliability of the Data**

17. The desk review found 132<sup>1</sup> projects that triggered OP 4.10. These projects were obtained from the SAP and Business Warehouse (BW) databases in the World Bank system, which contained Concept Reviews having taken place after July 1<sup>st</sup> 2005 that triggered the safeguard policy. The primary sources of information for the desk review included the following documents: PAD, drafts and latest version of the Integrated Safeguards Data Sheet (ISDS), IPP and/or IPPF, Social Assessment, EA in cases where the Social Assessment is included in the EA, Project Information Document (PID), Project Brief for GEF projects, Project Paper for Additional Financing projects, Notes on Safeguards, emails filed in the databases, Aide Memoires, and Back to Office Reports. In addition to SAP and BW, these documents were extracted from the Bank's internal databases, which include the following: Operations Portal, *InfoShop*, Image Bank and IRIS. Table 1 summarizes both the regional and sectoral distribution of projects triggering OP 4.10. The review covers not only the official project preparation documents, but whenever available in the databases, project implementation documents such as implementation supervision reports, mid-term evaluations and implementation completion reports.

18. The findings detailed in this report are based on the analysis and interpretation of the information found in the above sources of information. In cases of limited documentation or lack of clarity about the contents, the review team carried out more intensive searches and contacted members of the task teams for additional information/clarification. To learn more about in-country disclosure of the IPP/IPPF, the majority of Task Team Leaders and/or Social Specialists of the projects were contacted to request this information.

### **1. Data Management**

19. There is no single repository of information regarding policy compliance. Project documents are stored in the Operations Portal, Image Bank, IRIS, or *InfoShop*. The initial phase for this portfolio review was done with lists of projects pulled out from SAP and BW, even though these lists are not updated frequently. For those projects in the SAP/BW list that did not have information about the policies being triggered, the next step (i.e., to identify additional projects that triggered the policy) was to locate the PAD.

20. Another complication for the analysis of policy compliance is that the World Bank's *InfoShop* does not distinguish between IPPF and IPP and thus classifies different instruments as IPP. The fact that an IPPF is being incorrectly labeled and disclosed as IPP could lead to the erroneous assumption that all policy requirements have been met when in fact an IPP might need to be prepared during the implementation stage.

### **2. Applying OD 4.20 instead of OP 4.10**

21. For some projects which fall under the new policy, the contents and terminology of the previous OD 4.20 continue to be used. Some still refer to "informed participation" instead of "free, prior and informed consultation." Others assume that the policy is triggered only when there are potential adverse effects instead of the presence of Indigenous Peoples in project lands,

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<sup>1</sup> Among the 132 projects, 16 projects have been excluded from the more detailed review due to insufficient information. These projects are: Indonesia (P096813), Papua New Guinea (P102792), Philippines (P106443), Bolivia (P106449), Bolivia (P109057), Brazil (P101359), Honduras (P102474), Honduras (P103094), Panama (P105555), Andean Countries (P09824), Bangladesh (P110281), India (P095901), Nepal (P103979), Nepal (P113002), Central African Republic (P113221), World (P100198).

as stated by the revised policy (OP 4.10). A special case are those projects with additional or supplemental funding, which use the Indigenous Peoples Development Plan (IPDP), when they should have adopted the new instrument (either IPP or IPPF), according to the revised policy. One example of a project that triggers OP 4.10 but uses the old instrument (IPDP) is India's Andhra Pradesh Rural Poverty Reduction, Additional Financing (P104724).

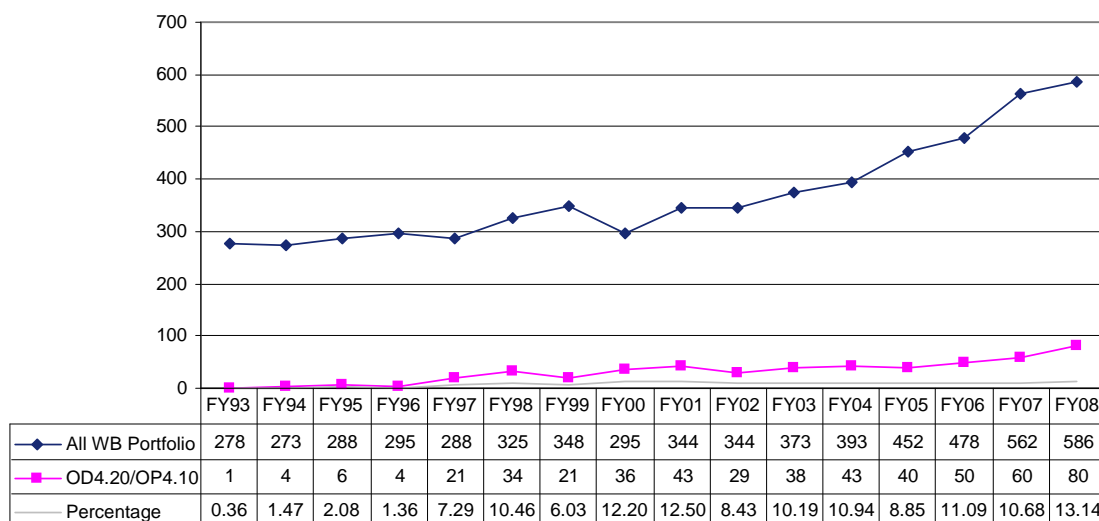
### **3. *Distribution of IPPs and IPPFs***

22. Almost half (57 of 132) of the projects have prepared IPPFs (usually on the basis of their being demand-driven projects). The project review indicates that in only 28 cases, the IPPFs stated the requirement of preparing IPPs during project implementation, once Indigenous Peoples' presence in, or attachment to, project lands had been corroborated. This of course has to be assessed in the context of the short time since these projects were approved, hence evidence of IPPs being prepared may be limited. Given that demand-driven projects usually finance small community subprojects, the need for IPPs for these subprojects is usually questioned by operational staff. Therefore, additional guidance is being prepared to ensure policy compliance in these cases (see World Bank, *Indigenous Peoples Guidebook*, forthcoming). The key challenge is to ensure that the preparation of subproject proposals meets key policy requirements such as good socio-economic diagnostics, a participatory approach whereby communities are consulted and provide support for the subproject, as well as a detailed action plan, including monitoring and evaluation indicators. Among the cases where an IPPF has led to the preparation of IPPs are those of Argentina's Essential Health Functions (P090993), Vietnam's Rural Distribution Project (P099211), and Mexico's Savings and Rural Finance – Additional Finance (P103491).

### **E. Overview of the Application of the Indigenous Peoples Policy: 1992-2008**

23. A review of the implementation of the Indigenous Peoples Policy (see Figure 1) shows, first, that from FY93 to FY08 (July 1992 to June 30, 2008), a total of 510 projects (including active and closed) triggered the Bank's Policy on Indigenous Peoples (OD 4.20 or OP 4.10). Second, the data shows first a significant gradual progression followed by slower growth and a relative stabilization in the application of the policy. Since the project cycle spans several years, it is not surprising to have peaks and valleys over a 15 year period. Notwithstanding these variations, it is clear that, from FY00 to FY08, about 10 percent of projects (a range between 8 and 13 percent) have triggered the Indigenous Peoples Policy each year.

**Figure 1. Comparison of Total World Bank Portfolio and Projects Triggering Indigenous Peoples Policy (OD 4.20 and OP 4.10) Approved Projects between FY93 and FY08 Closed and Active (n=510)**



24. Several factors could explain the gradual upward trend. The progressive application of the policy could have come about because of broader knowledge and awareness among Bank task teams about the policy; greater internal capacity to monitor and supervise policy implementation; increasing pressure from Indigenous Peoples or NGOs on the World Bank and borrowing governments; the rapidly evolving international and national policy framework at the United Nations (UN) in the borrowing countries (especially in Latin America) and in the private sector (as evidenced by the increasing number of major financial institutions that have adopted the Equator Principles); or a combination of these factors.

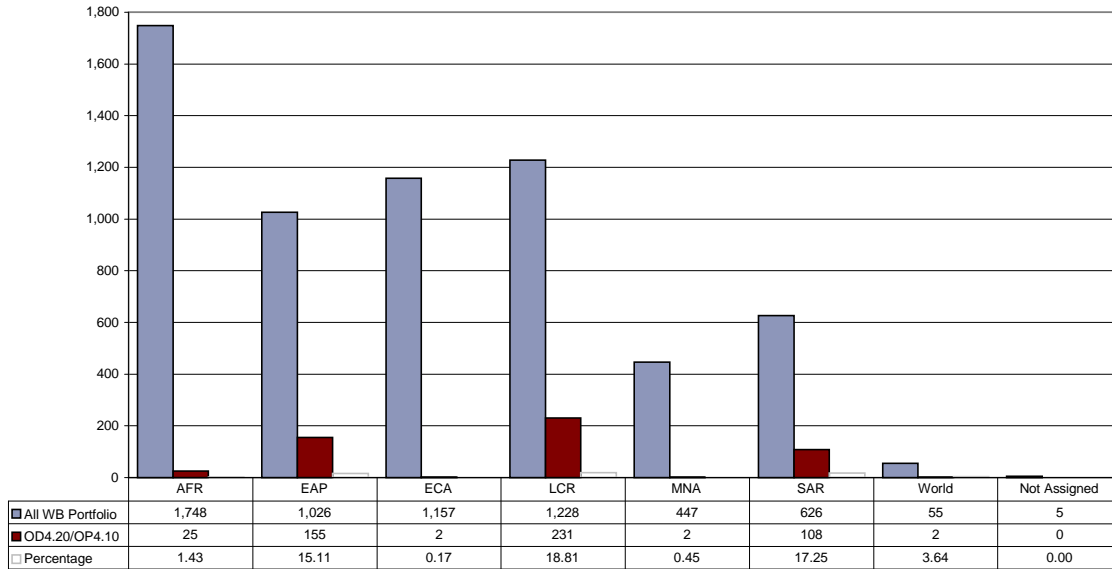
25. Some of the limiting factors of this data set are that: (a) there is no distinction between projects that focus entirely on Indigenous Peoples and those that have a small component that focuses on Indigenous Peoples; (b) it does not reveal any information about the quality of the project design; and (c) it lacks information about the type of policy instrument that has been applied (i.e., whether it is an IPDP, IPP or IPPF).

26. Key questions that cannot be addressed by the review include: Has there been an increase in effectiveness in the project's implementation of measures to address Indigenous Peoples Policy issues? How has the quality of projects changed over time as a consequence of its application? What are the challenges that have been confronted to apply the policy and how have they been overcome?

27. A regional comparison of 525 approved projects that triggered the Indigenous Peoples Policy, including closed and currently active projects during FY93 to FY08, as well as 15 in the early FY09 pipeline (Figure 2) shows that the LCR region contains the highest number of projects (231 projects, equivalent to 19 percent of the total portfolio for the region) followed by the EAP region, with 155 projects or 15 percent, and the SAR region, with 108 projects or 17 percent. The data also shows that the Indigenous Peoples Policy has been applied in a much smaller percentage

in AFR (25 projects), Middle East and North Africa (MNA, 2 projects)<sup>2</sup> and Europe and Central Asia (ECA, 2 projects)<sup>3</sup> regions.

**Figure 2. Comparison of Total World Bank Portfolio and Projects Triggering Indigenous Peoples Policy (OD 4.20 and OP 4.10) Approved Projects between FY93 and FY09\* by Region (n= 525)**



\* FY09 includes active and pipeline projects.

28. The sectoral distribution of the projects that trigger the Indigenous Peoples Policy approved from FY93 to FY08 (Figure 3) indicates that the vast majority of projects triggering the policy belong to the broad sectors of Sustainable Development<sup>4</sup> and Human Development.<sup>5</sup> Specifically, Agriculture and Rural Development shows the highest proportion of projects triggering the policy (33 percent), followed by Health (14 percent), Education (11 percent) and Environment (11 percent). The predominance of the Agriculture and Rural Development sector reflects the fact that the criteria for the identification of Indigenous Peoples remain easier to apply in rural areas. The Energy and Mining and Transport sectors are triggering the policy to a lesser degree (Transport, 10 percent, and Energy and Mining, 5 percent).

<sup>2</sup> Two projects in the Arab Republic of Egypt: P005153 Matruh Resource Management (1993) and P077281 Matruh Resource Management (2003).

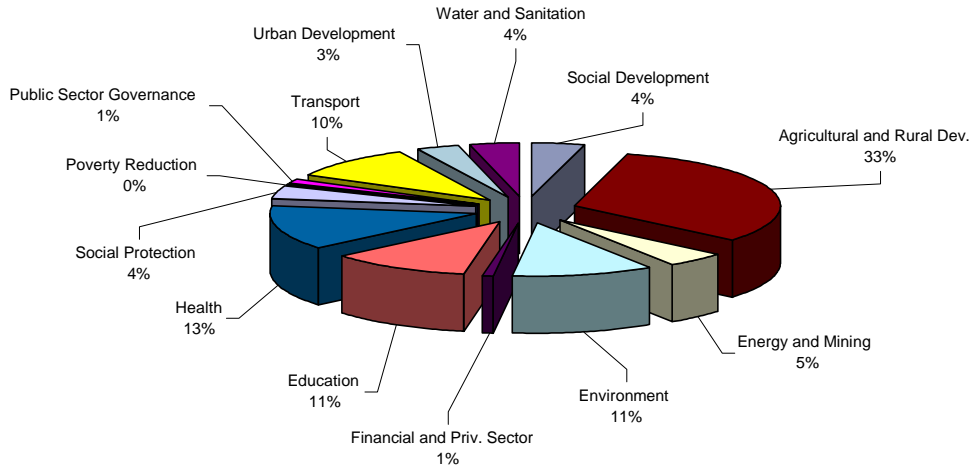
<sup>3</sup> Russian Federation, P068366 Fire Management in High Biodiversity Value Forests of Amur-Sikhote-Alin Ecoregions and Tajikistan, P067610 Lake Sarez Risk Mitigation.

<sup>4</sup> Sustainable Development Network (SDN) encompasses the following sectors: social development, environment, transport, water, agriculture and rural development, energy and mining, and urban development.

<sup>5</sup> Human Development Network (HD) includes the following sectors: education, health and social protection.



**Figure 3. Projects Triggering Indigenous Peoples Policy (OD 4.20 and OP 4.10) by Sector  
Closed and Active Projects (n=525)**



29. The comparative analysis on the application of OD 4.20 and OP 4.10 is taken a step further in section II.G of this report.

## II. IMPLEMENTATION OF THE INDIGENOUS PEOPLES POLICY: FY 2006-2008

### A. Coverage and Application of the Policy

#### 1. *Projects Triggering the Policy*

30. As shown below (Table 1), from July 2005 to June 30, 2008, excluding 16 projects with insufficient data, 132 projects triggered OP 4.10. This represents about 12 percent of the total number of all projects approved by the World Bank during the same period. It was already highlighted (Figure 1) that, while the total number of projects in the portfolio has increased from 478 in FY06 to 586 in FY08 (almost 23 percent), those triggering the Indigenous Peoples Policy (both OD 4.20 and OP 4.10) have increased from 50 to 80 (about 60 percent) in the same three-year period.

<b>Table 1. Classification of Projects Applying OD 4.10 By Region and Sector</b>									
<b>MAJOR SECTOR/REGION</b>	<b>AFR</b>	<b>EAP</b>	<b>ECA</b>	<b>LCR</b>	<b>MNA</b>	<b>SAR</b>	<b>World</b>	<b>Grand Total</b>	<b>%</b>
Energy and Mining	0	2	0	1	0	1	0	4	3.03
Agriculture and Rural Development	3	9	0	13	0	12	0	37	28.03
Environment	0	1	0	5	0	3	1	10	7.58
Financial and Private Sector Development	0	0	0	1	0	0	0	1	0.76
Education	0	4	0	8	0	5	0	17	12.88
Global Communications/ Information Technology	0	0	0	0	0	0	0	0	0.00
Health, Nutrition and Population	2	6	0	5	0	2	0	15	11.36
Social Protection	0	1	0	4	0	0	0	5	3.79
Poverty Reduction	0	1	0	0	0	0	0	1	0.76
Public Sector Governance	0	0	0	2	0	0	0	2	1.52
Social Development	1	4	0	1	0	0	0	6	4.55
Transport	1	5	0	4	0	4	0	14	10.61
Urban Development	0	6	0	4	0	1	0	11	8.33
Water	1	0	0	7	0	1	0	9	6.82
<b>Grand Total</b>	<b>8</b>	<b>39</b>	<b>0</b>	<b>55</b>	<b>0</b>	<b>29</b>	<b>1</b>	<b>132</b>	<b>100%</b>

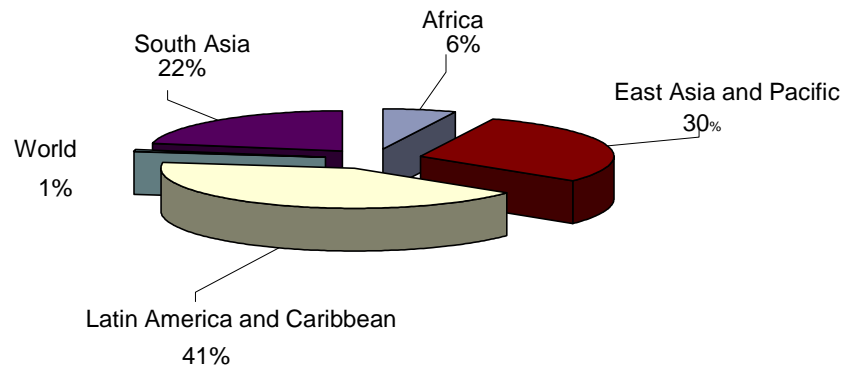
#### 2. *Self-standing Indigenous Peoples Projects*

31. Even more important is the finding that during the FY05-08 period 15 projects were specifically earmarked for Indigenous Peoples, compared to only 12 projects during the entire FY93-04 period. Possible explanations for this very significant increase are: (a) explicit language in the policy stating that the policy applies not only to projects where safeguards are required (do no harm) but also to projects that are intended to benefit Indigenous Peoples (do good); and (b) the increasing demand for “proactive” projects specifically targeted at Indigenous Peoples, likely a result of greater awareness of governments as to the specific needs and demands of Indigenous Peoples.

### 3. *Geographical Distribution*

32. Of the 132 projects included in the desk review, Figure 4 shows that LCR leads other regions in terms of projects triggering OP 4.10, given that it represents 41 percent of the total. The other regions which follow in descending order are: EAP (30 percent), SAR (22 percent), and AFR (6 percent). While these percentages do not mirror the actual distribution of the indigenous population around the world, since they represent larger numbers in SAR and EAP compared to LCR, the predominance of LCR projects that trigger the Indigenous Peoples Policy reflects the high international profile, as well as the increasing voice and roles of indigenous leaders in Latin American affairs.

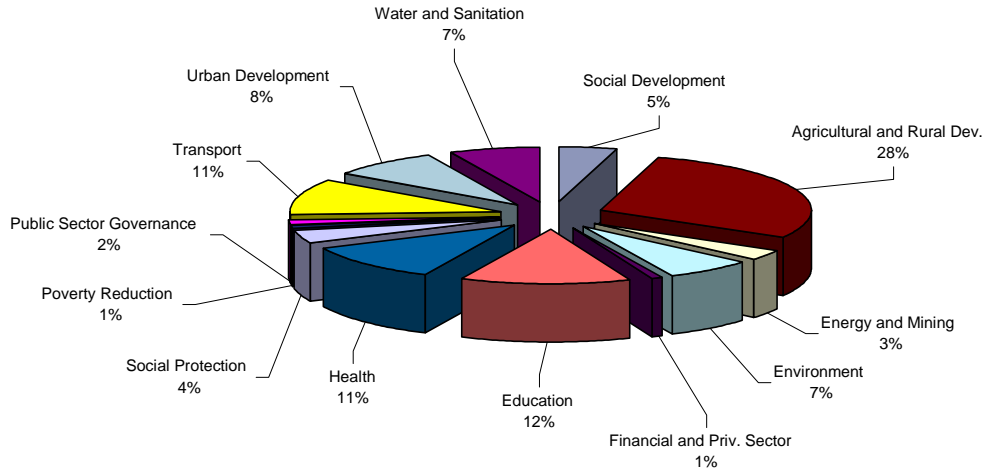
**Figure 4. Distribution of Projects Triggering the Indigenous Peoples Policy, by Region, FY06-09 (n=132)**



### 4. *Sectoral Distribution*

33. Figure 5 clearly illustrates the predominance of Agriculture and Rural Development, followed by Human Development and related sectors. Agriculture and Rural Development accounts for 28 percent of projects triggering the policy and, in descending order, Education (12 percent), Health (11 percent), Transport (11 percent), Urban Development (8 percent) and Environment (7 percent), followed by the other sectors. As noted, before, since the Bank's criteria for the definition of Indigenous Peoples focuses on rural dwellers, it is not surprising that Agriculture and Rural Development shows the greatest proportion of projects triggering the policy.

**Figure 5. Distribution of Projects Triggering the Indigenous Peoples Policy, by Sector, FY06-08 (n=132)**



### 5. *Proportion of “Do No Harm” vs. “Do Good” Projects*

34. In order to approximate the distribution of projects in the “do good” versus the “do no harm” sectors (Table 2), all projects have been grouped into six categories: (a) Agriculture and Rural Development; (b) Human Development (which includes the sectors of: Education, Health, Nutrition and Population, and Social Protection); (c) Social Development; (d) Energy and Mining and Transport; (e) Environment; and (f) Other sectors (Urban Development, Water, Public Sector Governance, and Financial and Private Sector Development). In doing so, it was assumed that the projects in the Energy and Mining and Transport sectors roughly coincide with those projects that raise safeguards issues which require measures to avoid or mitigate potentially negative impacts on Indigenous Peoples.<sup>6</sup>

35. Over the FY93-08 period, of the 525 active projects that triggered the policy (Table 2, columns 1-4), Agriculture and Rural Development, combined with Human Development, represented about two thirds (about 30 percent each) of all active projects, while Energy and Mining and Transport represented less than one-sixth of active projects (about 15 percent). Even allowing for some minor shifts of “do good” or “do no harm” projects between sector groups, this finding clearly demonstrates that the “do good” projects far outnumber the “do no harm” projects, roughly by a ratio of 5 to 1.

36. Table 2 also shows to what extent the three groups of projects triggered the policy over time. It indicates that for most sectors the proportion of projects triggering the policy remains relatively constant since 1993, except for the Human Development and Environment sectors, both of which show a reduction in the proportion of pipeline projects compared with active ones.

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<sup>6</sup> This rough grouping is only an approximation of the division between the projects that trigger the policy because safeguards are required (do no harm projects) and those that are intended to proactively benefit Indigenous Peoples (do good projects). Ultimately the “do no harm” projects should result in “do good” if IPPs are well designed and implemented.

**Table 2. Proportion of Projects Triggering the Policy during the Periods Corresponding to the OD 4.20, the OP 4.10 and the Current Pipeline, by Sector**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sectors	OD 4.20 (Active)	%	OP 4.10 (Active)	%	OP 4.10 (Pipeline)	%	Total WB Pipeline	%
<b>Agricultural and Rural Dev.</b>	67	36	38	29	31	34	162	13
<b>Human Development*</b>	48	26	38	29	18	20	231	18
<b>Social Development</b>	6	3	6	5	4	4	22	2
<b>Energy and Mining and Transport</b>	32	17	18	14	15	16	323	25
<b>Environment</b>	21	11	9	7	8	9	142	11
<b>Other**</b>	11	6	23	17	16	17	410	32
<b>Total</b>	185	100	132****	100	92	100	1290***	100

\* Human Development, includes the sectors of: Education, Health, Nutrition and Population, and Social Protection

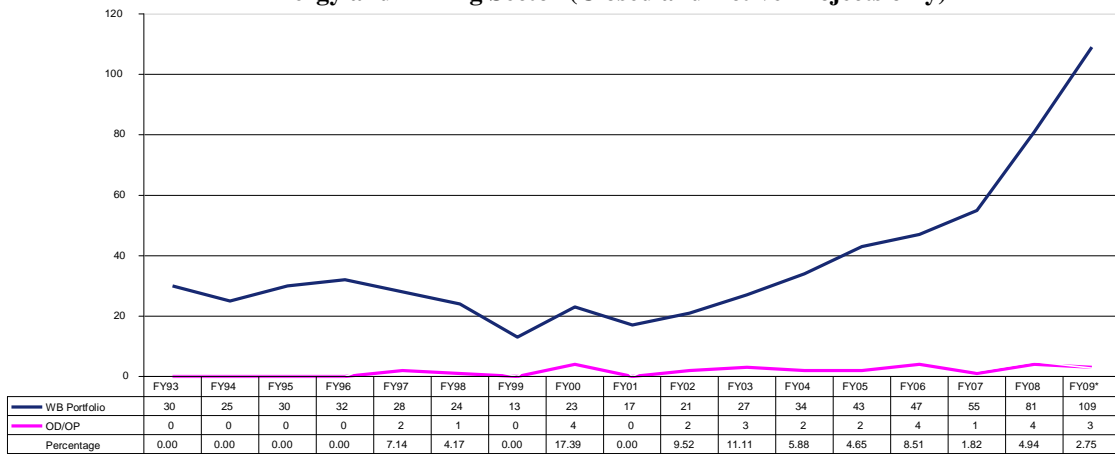
\*\* Other, includes the sectors of: Urban Development, Water, Public Sector Governance and Financial, Private Sector Development and Poverty Reduction, Global Information & Communication, Other, Gender and Development, Economic Policy, Financial Management, Operational Services, Sector Board, and Not Applicable

\*\*\* Includes EAP, AFR, MNA, OTHER, ECA, SAR

\*\*\*\* Includes a worldwide project

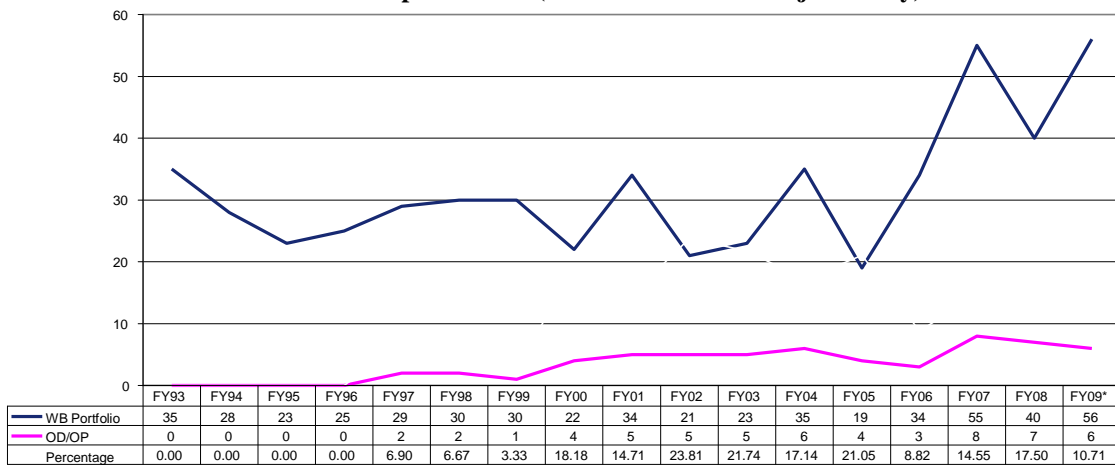
37. Table 2 also compares the percentage of projects in the Bank's entire pipeline and the percentage of projects that trigger the policy by sector (columns 5-8). This indicates that for the Human Development sectors, the percentage of projects triggering the policy about (20 percent) is comparable to the percentage of these projects in the overall Bank pipeline (18 percent). In contrast, the proportion of projects triggering the policy in Agriculture and Rural Development (about 34 percent) is almost three times higher than the proportion of these projects in the Bank's pipeline (13 percent); while the proportion of Energy and Mining and Transport projects in the Bank's pipeline that trigger the policy is lower (16 percent) than the proportion of the projects in the Bank's pipeline (25 percent). This is consistent with the declining trend of projects triggering the policy in the Energy and Mining and Transport sectors, i.e., from a high of about 17 (Energy and Mining) and 18 percent (Transport) in FY00 to slightly less than 3 and 11 percent, respectively, in FY08 (see Figures 6 and 7).

**Figure 6. Comparison of World Bank Projects and Projects Triggering Indigenous Peoples Policy in Energy and Mining Sector (Closed and Active Projects only)**



Note: Projects in FY09 include active as well as pipeline projects.

**Figure 7. Comparison of World Bank Projects and Projects Triggering Indigenous Peoples Policy in Transport Sector (Closed and Active Projects Only)**



Note: Projects in FY09 include active as well as pipeline projects.

## 6. *Projects that Could Have Triggered the Policy*

38. Based on the available information, a cursory review of the projects not included in the list of 132 projects analyzed for this report, indicates the need for further research in order to assess whether some projects in areas where Indigenous Peoples are present in, or have attachment to, project lands, did in fact fail to trigger the policy. In each region of the Bank there are cases that need further review.

39. Following the advice of key Bank social scientists with regional expertise, a screening of 12 projects in AFR, EAP, LCR and SAR was selected for a desk review, based on the criteria previously mentioned in the methodology section of this report. The basic criterion used was a high possibility that Indigenous Peoples are present in, or have collective attachment to, project lands. A case in point is that of Avian Flu and Human Influenza projects, which have triggered the policy in Vietnam (P101608), Laos (P100081), and Cambodia (P100084) but not in relatively

similar projects in Indonesia (P103854), Nepal (P100342) or the Democratic Republic of Congo (P105743) and Cameroon (P0105910), countries that also have Indigenous Peoples in rural areas targeted by these operations.

40. Results from the screening of projects in LCR that did not trigger the policy indicate that, in the majority of cases reviewed, Indigenous Peoples were not present in, or did not have collective attachment to, project lands. In EAP, there are two projects, one in China's Water Sector (P095315) and another in Vietnam's Agriculture and Rural Development Sector (P0100916) which could have triggered the policy due to the presence of Indigenous Peoples in the project area but did not, arguing that these groups were being served by other official programs specifically designed for them. In addition, this review found that SAR is the region with more projects (five) which could have triggered the policy because Indigenous Peoples were present in, or had collective attachment to, project lands, and where the explanations for not triggering the policy needed further elaboration. In conclusion, there is some evidence to suggest that better screening is necessary in order to determine whether OP 4.10 should be triggered or not.

## **B. IPP Compliance with Policy Requirements**

41. Under OP 4.10, when Indigenous Peoples are present in, or have collective attachment to, project lands, an IPP should be prepared on the basis of a social assessment and in consultation with the communities involved.

42. To facilitate and systematize the desk analysis of the available project documentation, an Indigenous Peoples Policy Review Fact Sheet was prepared for all projects with an IPP (see Annex 6, Attachments 1 and 2). The Fact Sheet contains basic project information and 18 criteria to evaluate policy compliance during project preparation. The rankings given by the review team are shown in a scorecard (Annex 7).<sup>7</sup> The Fact Sheet also contains additional, broader, questions to be addressed when evaluating project implementation.

43. The distribution of IPPs (presented in Table 3 below) shows that the majority (24 of 59) are in LCR, followed by SAR and EAP (with 17 and 16 IPPs, respectively). In terms of Bank sectors, Agriculture and Rural Development has the highest number (20) followed by Education (9), Health Nutrition and Population (7), and other sectors with smaller numbers.

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<sup>7</sup> The process of assigning a ranking was iterative and consisted of five steps: (1) ranking by an analyst, (2) review by a supervisor, (3) separate verification by a second supervisor, (4) first team revision, and (5) second team verification.

**Table 3. Distribution of Projects of 59 IPPs, by Region and Sector**

<b>SECTOR/REGION</b>	<b>AFR</b>	<b>EAP</b>	<b>ECA</b>	<b>LCR</b>	<b>MNA</b>	<b>SAR</b>	<b>World</b>	<b>Grand Total</b>	<b>%</b>
Agriculture and Rural Development	1	5	0	5	0	9	0	20	33.90
Environment	0	1	0	4	0	0	0	5	8.47
Education	0	1	0	5	0	3	0	9	15.25
Health, Nutrition and Population	0	2	0	3	0	2	0	7	11.86
Social Protection	0	1	0	2	0	0	0	3	5.08
Social Development	1	2	0	0	0	0	0	3	5.08
Transport	0	1	0	2	0	2	0	5	8.47
Energy and Mining	0	2	0	0	0	0	0	2	3.39
Urban Development	0	1	0	1	0	0	0	2	3.39
Water	0	0	0	1	0	1	0	2	3.39
Public Sector Governance	0	0	0	1	0	0	0	1	1.69
Financial and Private Sector Development	0	0	0	0	0	0	0	0	0.00
Poverty Reduction	0	0	0	0	0	0	0	0	0.00
<b>Grand Total</b>	<b>2</b>	<b>16</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>59</b>	<b>100%</b>

### ***1. Overall Compliance by Sector and Region***

44. Combining the compliance scores for all 18 policy requirement criteria, calculating the scores by criteria and sector (Table 4), shows that, in general, both the Environment (5 IPPs with an average score of 75) and Agriculture and Rural Development sectors (20 IPPs with an average score of 69) did slightly better than Human Development (19 IPPs with an average score of 66), Social Development (3 IPPs with a score of 66) and Energy and Mining and Transport (7 projects, with a score of 67). Across regions, the score for LCR was the highest (score of 76, corresponding to 24 IPPs), followed by SAR, EAP and AFR. In interpreting these results, it should be noted that the limited number of projects in the Social Development sector (3 out of a total of 59) did not include any project in SAR or LCR (the regions with good performance in other sectors), making this finding of limited value.



**Table 4. Rating OP 4.10 Compliance of 59 IPPs By Region and Sector 1**

	AFR	EAP	LCR	SAR	Compliance by Sector
Sector/Region	Score (# of projects)	Score (# of projects)	Score (# of projects)	Score (# of projects)	Average Score (# of projects)
<b>Agriculture and Rural Development</b>	47 (1)	75 (5)	78 (5)	77 (9)	69 (20)
<b>Human Development*</b>	NA	53 (4)	81 (10)	65 (5)	66 (19)
<b>Social Development</b>	68 (1)	66 (2)	NA	NA	66 (3)
<b>Energy and Mining and Transport</b>	NA	70 (3)	74 (2)	58 (2)	67 (7)
<b>Environment</b>	NA	72 (1)	77 (4)	NA	75 (5)
<b>Other**</b>	NA	75 (1)	72 (3)	76 (1)	74 (5)
<b>Compliance by Region</b>	58 (2)	69 (16)	76 (24)	69 (17)	

\* Human Development, includes the sectors of: Education, Health, Nutrition and Population, and Social Protection

\*\* Other, includes the sectors of: Urban Development, Water, Public Sector Governance and Financial, Private Sector Development and Poverty Reduction, Global Information & Communication, Other, Gender and Development, Economic Policy, Financial Management, Operational Services, Sector Board, and Not Applicable

1. The numbers in parenthesis are the numbers of projects. Compliance is calculated with the coefficients of 18 criteria located in Annex 7 (Score Card for IPPs).

## **2. Overall Compliance by Criterion**

45. When calculating the overall scores by sets of criteria and ranking them in order of compliance (Table 5), the sets of criteria that best complied with the policy include: screening (score of 91), social assessment, as well as consultation, participation, and community support (average scores of 74). Following this, in descending order, are the sets of criteria under IPP (average score of 72) and special considerations (average score of 54). However these broader groupings obscure significant differences in scores of criteria in the same set, as is the case of the consultation and participation group, where consultation scored relatively high but evidence of broad community support scored low. The same happens in the set on the quality of the implementation plan, where the criteria related to the inclusion of socio-culturally relevant activities scored relatively well, as opposed to the criteria related to the inclusion of conflict resolution mechanisms or monitoring indicators disaggregated by ethnicity.

46. The projects reviewed are complying well in terms of identification of activities to benefit Indigenous Peoples (score of 93), followed by screening (score of 91), activities being culturally appropriate (score of 87), free, prior and informed consultation (score of 80), and involuntary resettlement (score of 79, for those projects where this issue is relevant). However, these projects were relatively weak in specific monitoring indicators (score of 65 points), in-country disclosure of the IPP (score of 63), benefit sharing/consent in commercial development of natural and cultural resources, when applicable (score of 44), existence of a complaint/grievance

mechanism (score of 42), and recognition of land and resource rights, when applicable (score of only 40).

**Table 5. Score of 18 Compliance Criteria for 59 IPPs, by Set of Criteria**

<b>Criteria</b>	<b>Score</b>	<b>Average</b>
<b>Screening</b>		
1. Have all IP groups in project area been identified (is screening by the Bank adequate)?	91	91
<b>Social Assessment</b>		
2. Has a social assessment been done (Is baseline data given)?	75	74
3. Has the legal framework been described?	72	
4. Have benefits/ adverse impacts to IP groups been identified?	74	
<b>Consultation, Participation, Community Support</b>		
5. Have IP been involved in free, prior and informed consultation at the project implementation stage? Are there any records of consultation?	80	74
6. Does the project have verifiable broad community support (and how has it dealt with the issue of community representation)?	66	
7. Is there a framework for consultation with IPs during the project implementation?	76	
<b>Indigenous Peoples Plan</b>		
8. Is there a specific action plan (implementation schedule)?	74	72
9. Does the IPP include activities that benefit IP?	93	
10. Are activities culturally appropriate?	87	
11. Have institutional arrangements for IPP been described?	79	
12. Is there a separate budget earmarked for IPP?	75	
13. Are there specific monitoring indicators?	65	
14. Has a complaint/conflict resolution mechanism been outlined?	42	
15. Was the Indigenous Peoples Plan or Framework (IPP/IPPF) disclosed in <i>Infoshop</i> and in Country in an appropriate form, manner and language?	63	
<b>Special Considerations</b>		
16. If applicable, what considerations have been given to the recognition of the rights to lands and natural resources of IPs?	40	54
17. If applicable, what considerations have been given to the IP sharing of benefits in the commercial development of natural and cultural resources?	44	
18. Does the project involve the physical relocation of IPs (and have they formally agreed to it)?	79	

### **3. Screening**

47. The policy requires screening to determine whether Indigenous Peoples are present in, or have collective attachment to, project lands. Since the purpose of the screening process is to decide whether or not the policy applies, by definition, for all projects included in the review of IPPs, the screening accomplished its purpose. Moreover, screening is crucial in countries or regions which have no precedent of triggering the Indigenous Peoples Policy, as is the case of some countries in AFR.

**Box 1. Indigenous Peoples in the Africa Region.** Applying OP 4.10 in the Sub-Saharan African context poses significant challenges, the most important of which is determining to whom the policy applies. Many countries in the region are multi-ethnic, with tribal and local affiliations often cutting across geographical boundaries and national identities. Due to migration of peoples and attendant assimilation from inter-marriage, plus centuries of colonialism, the notions of “place” and “group identity” are often unclear. As a result, governments in the region, as well as local groups themselves, have become highly sensitive to applying and using the term Indigenous Peoples. Meanwhile, there are parallel efforts at the global level to officially recognize distinct, vulnerable social and cultural groups. These efforts, while meeting international definitions of Indigenous Peoples, have been difficult to apply in AFR due to increasing disagreements between government and local populations, especially grassroots social organizations and their advocates who support a more inclusive view. In the past, the Bank’s Indigenous Peoples Policy has been applied to some of the most marginalized and vulnerable social and cultural groups who date back to pre-colonial times. Bank-financed projects provided social services and livelihood support to groups with relatively small populations who traditionally, and in a few cases still, live by foraging (hunting, gathering, and fishing) and whose claims to land have been routinely rejected by neighboring groups (adapted from World Bank 2011).

48. While screening is an essential condition for triggering the policy, the quality of information on Indigenous Peoples is not consistent across projects. While all but ten projects received a score of 1, for these ten projects the information provided was extremely general. In some projects the screening process was based on detailed information and had included a formal process of discussion with government about the presence in, or attachment to land of Indigenous Peoples in project areas (for example in Argentina’s Maternal-Child Mortality Project, P095515). However, for other projects the decision on whether the policy applied was based on scant information, informal data gathering, or lack of supporting evidence.

**Box 2. Appropriate Screening Leading the Way to Comprehensive Social Assessment: Vietnam Rural Distribution Project (P099211).** This energy distribution project consists of a defined set of physical works predetermined in the PAD for execution during the first year and additional works to be decided upon after project approval. Hence the IPP for this project not only addresses the issues related to the well-defined projects but also IPPF consistent orientation for future subprojects, including a template of the comprehensive screening format used for the first year projects. The screening of Indigenous Peoples potentially affected includes a detailed description of the demographic, economic, social, cultural and political characteristics of the different ethnic groups in the project area, thus setting the stage for an inclusive and participatory social assessment and subsequent action plan for impact mitigation and benefit enhancement. The quality of the screening process for the first year projects and the measures included in the IPP to ensure appropriate screening and assessment in subsequent projects provide an excellent basis for adequate treatment of impacts throughout the entire project.

#### **4. Social Assessment**

49. The existing policy requires that the IPP be based on a social assessment carried out by the borrower. This set of criteria includes those related to the quality of the social assessment, description of the legal framework and identification of benefits and adverse impacts. Performance of this set of criteria was average (74 points).

- **Quality of Social Assessments.** In 35 out of 59 projects (59 percent), the social assessment was considered satisfactory, in 19 projects the requirement was partially met, and in 5 projects the social assessment was missing or did not meet the minimum standards established in OP 4.10, Annex A. While the best social assessments incorporated discussions and insights from focus groups and consultations carried out

specifically for the assessment, the relatively inadequate social assessments were not specific to the affected Indigenous Peoples, as mandated by the policy, but rather general socio-economic descriptions or poverty analysis in the project area. Examples of excellent social assessments include: Vietnam's Northern Upland Health Support (P082672) and Nepal's Irrigation and Water Resources Management (P099296). Examples of projects that presented weak social assessments (based on available information) include Indonesia's National Program for Community Empowerment (P105002) and Colombia's Second Student Loan Support Project (P105164).

**Box 3. Indigenous and Gender Specific Social Assessment and Project Design: Nepal Education for All Additional Financing (P107558).** The objectives of this national education program include reducing female illiteracy and eliminating gender disparity in education. Among many other activities, the program supports literacy programs for adult women targeted to Indigenous Peoples and Dalits. The program was designed on the basis of a 5 year Vulnerable Community Development Plan to offer inclusive education for disadvantaged ethnic and linguistic minorities, women and Dalits. Literacy rates are as low as 3.2 percent among Dalit women compared to a 50 percent national average. An extensive social assessment was carried out to understand the major barriers to education, including geographic, political and linguistic obstacles (more than 92 languages are spoken in the country) and gender based social stratification and violence. Based on this comprehensive social assessment and in line with the country's advanced legal framework on indigenous rights, the program also promotes a bilingual curriculum representative of the ethnolinguistic composition of the country, the hiring of female teachers speaking the local language, home to school transition programs, monitoring systems disaggregated by gender, ethnicity and caste, and the empowerment of local communities through block grants and capacity building. The design of the program benefited from ample and well documented consultations with many stakeholders including indigenous communities, and curriculum revision as well as other aspects of the program are conducted in a comprehensive consultation process representative of the cultural, ethnic and religious diversity in the country.

- ***Description of the legal framework.*** Of the 59 projects, 39 (66 percent) provided an adequate description of the legal framework, while 13 (22 percent) did not include the issue at all. Compliance is significantly better in LCR (21 out of 24 projects), reflecting the more advanced state of legal frameworks across the region. However, a common shortcoming in addressing the legal issues, whether in the section on the legal framework or later on in the IPP, is the lack of correspondence between the legal rights of Indigenous Peoples and project design. In many cases the description of indigenous legislation is very general and is not fully consistent with the specific situation of Indigenous Peoples in the project area, for instance regarding land and natural resources, an issue of importance to Indigenous Peoples.
- A good example of a legal framework description that specifically relates to the project's situation is the Colombia Student Loan Program (P105164), whereas in the same country the Rural Production Partnership Program (P104567) did not include any reference to the legal framework regarding Indigenous Peoples (which is extensive in Colombia and highly relevant to this project). Another example in Asia is the Laos Avian Flu Risk Mitigation project, (P100081) which provides a good legal framework for the project as a whole but does not address specific issues regarding Indigenous Peoples. Cases such as the Pro-Routes Project (P101745) in the Democratic Republic of Congo only mention the historical exclusion of Indigenous Peoples.
- These findings indicate that while most projects include a description of the legal framework, in cases where Indigenous Peoples' rights are directly relevant to the project,

often there is limited or no linking of the national legislation to the specific issues related to Indigenous Peoples in the project area, hence the analysis of the legal framework is not effectively brought to bear on project design. Of course not all projects require consideration of indigenous rights in project design: for example in the Laos Avian Flu Risk Mitigation project (P100081), while there is a good description of the legal framework, there is little need for indigenous rights issues to be addressed in project design, given the nature of the project. However, given the fact that there are cases of projects such as land tenure regularization, basic education or natural resource management that affect indigenous rights, the failure to incorporate legal issues in the design of the project is of significant concern.

**Box 4. Legal Framework and Its Implications for Project Design: Colombia Antioquia Secondary Education Project (P052608).** Among the countries in Latin America, Colombia's legislation on Indigenous Peoples is among the most comprehensive and advanced when compared to international standards, such as ILO Convention 169. The legal framework is very specific on the rights of Indigenous Peoples to "ethno education," also known as bilingual intercultural education. Whereas most efforts to support bilingual intercultural education are targeted at the primary level only, the IPP for this project (which supports secondary education for the entire department of Antioquia) is unique in that it addressed indigenous and Afro descendant rights and demands at the level of secondary education, taking into consideration the "livelihood plans" that most of the 89 Indigenous Peoples have developed as guidance for the self development of their communities. The design of the project benefited from a very comprehensive participatory process, including the network of indigenous authorities on ethno education. Feedback from these consultations resulted in the program focusing on the development of curriculum and flexible pedagogical models, itinerant teacher training, strategies to facilitate access of indigenous youth to higher education, conditional cash transfers, improvement of school facilities and outreach to community leaders for them to actively participate in the monitoring and social control of the education programs in their communities.

- **Identification of benefits and adverse impacts.** Impact analysis was done well in 29 or about half of the 59 projects, and only partially in another 29. Only one project did not identify potential impacts at all. A common shortcoming among the partially complying "do good" or proactive projects was that no negative impacts on Indigenous Peoples were mentioned, even though in all of them some negative impacts – albeit minor – should have been identified. This omission is particularly striking in projects that mention risk factors which, by definition, would generate negative impacts if risks materialize and jeopardize the successful outcome of the project. For example, in projects for rural water supply, elite capturing of benefits, changes in water rights or new tariffs may have significant adverse impacts. The same holds true for projects in the health area, when issues of traditional knowledge or healing practices are not recognized as important in an intercultural approach necessary for social acceptance and project viability. According to the information available, an example of an IPP that did not meet this criterion is the one for Mongolia's Sustainable Livelihoods (P096439) because it apparently assumes that all impacts are positive.
- Another finding is that while projects may consider short-term positive or negative impacts, they usually failed to consider the long-term impacts that project interventions could have on the livelihood, social organization and cultural integrity of Indigenous Peoples, such as road improvement projects that may open up remote areas and increase pressure on indigenous lands and resources. These indirect or long-term impacts have not been addressed in cases such as China's Guiyang Transport Project (P093963). Failing to

identify these long-term or indirect impacts reduces the likelihood that the project will include specific activities or measures to prevent or mitigate these potential impacts.

**Box 5. Absence of Direct, Indirect and Long Term Impact Analysis: Burundi Agriculture Rehabilitation and Sustainable Land Management - Supplemental Loan (PRASAB) (P110940).** While the supplemental project did introduce a new component specifically for the small but discriminated against Batwa ethnic group, the brief IPP indicates that the project will provide positive benefits as it would bring them out of extreme poverty. However, without an action plan, evidence of consultation, and a description of how the project would be tailored to the specific needs of the Batwa, the project may not achieve its objectives. If the project promotes the same kinds of services as would be provided to the dominant population groups, the argument for an IPP is defeated.

## **5. Consultation, Participation, Community Support**

50. This set of criteria includes the engagement of Indigenous Peoples in free, prior and informed consultation, evidence of broad community support, and the establishment of a framework for consultation during project implementation.

- **Free, prior, and informed consultation.** Of 59 projects, 41 scored well on this criterion, although often without reference to the exact terminology of the policy. In those cases that did not use the specific terminology of free, prior and informed consultation and broad community support, to the degree that the documentation contained equivalent language and complied with the essence of the policy, these projects were included as compliant with the policy requirement. The compliant projects included a detailed description of the consultation process, had used appropriate methods, and clearly identified interlocutors and representatives. As free, prior and informed consultation is a new concept introduced by OP 4.10, the subject has invited much controversy. Therefore, the fact that its compliance is substantially achieved in many projects is encouraging. This appears to indicate that the projects affecting or targeting Indigenous Peoples are increasingly extending the concept of consultation upstream to the project design phase, thus expanding the earlier concept of “informed participation” required by the previous policy. This also indicates that the design of many projects, including those that are community demand-driven, is more likely to benefit from indigenous knowledge, preferences or priorities, which are often the key to community “ownership” and ensure that projects are socio-culturally appropriate and sustainable. Some of the projects that were very specific on free, prior and informed consultation include the Guajira Water and Sanitation Project in Colombia (P065965), the Health Sector Reform Program in Bolivia (P074212), the Sustainable Natural Resource Management Program in Argentina (P100806), and the Mizoram Roads – Additional Financing in India (see Box 6 below).

**Box 6. Free, Prior and Informed Consultation and Broad Community Support in Road Infrastructure: India Mizoram Roads – Additional Financing (P105775).** The design of this program, located entirely in Mizo tribal areas, benefited from an extensive baseline survey covering 100 percent of the affected people and a socio-economic survey on a sample of 25 percent of all households. The survey was designed with the help of the village councils and facilitated subsequent consultations at the village and individual level (100 percent coverage). The participants in these consultations identified the positive and negative impacts of the project, including customary rights issues, on the basis of which significant design changes were made. The extensive communication and participation process and the resulting changes in project planning ensured broad support for the road and commitment among affected people to continue their positive participation throughout project implementation. An important component of the project is the establishment of a grievance redress committee designed to respond in a timely and efficient fashion. Since the completion of the land acquisition and resettlement is a precondition for road construction, achieving broad community support also prevented delays in the start up of the physical works.

- ***Broad Community Support.*** While free, prior and informed consultation (even if not using the exact terminology) was fully addressed in 69 percent of IPPs, all but 10 percent of IPPs (including projects with a score of 1 and 0.5) at least partially addressed the issue. However, broad community support was evidenced in only 27 projects or less than half of all projects (46 percent). Including the projects that partially complied with this criterion, the overall score of both criteria indicates a score of 80 percent for free, prior and informed consultation but only a score of 66 percent for broad community support.
- The desk review did not find clear and well documented examples of broad community support. However, it must be noted that it is hard to measure community support with the available information. In cases of conflicting claims, it is also difficult to decide who the legitimate representatives of a community are. The score of 0.5 or 1 was based on the records of consultation and a higher score was given to those projects that have a demand-driven component. Mexico's Sacred Orchids of Chiapas (P098732, see Box 7 below) is a good example of broad community support because the agreements with the community during the workshops are documented as well as the problems perceived by the community and the measures to solve them. Another example of community support is found in India's Elementary Education (P102547), where Indigenous Peoples are in charge of mobilizing the community (enrolling students, participating in meetings, etc.) which is a sign of interest in and support for the project. The previously mentioned India Mizoram Roads project is also a good example since participatory planning ensured broad agreement in favor of the project. Finally, a well documented example of broad community support is Nepal's Poverty Alleviation Fund (P105860), which contains a substantial number of community agreements.
- While demand-driven projects by definition have broad community support when communities apply for project activities, their participation in the design of the program is also crucial in order to ensure that the services provided are indeed responding to the priorities of the indigenous communities. Projects that offer services perceived as not relevant will often result in acceptance of the services (because it is the only option provided), but might be counterproductive, as in the example often used in development literature of latrines that end up being used as storage space. As stated before, in some projects broad community support might have been achieved but a lack of evidence in project documentation accounts for their low scores. This finding suggests that, while there is an issue of insufficient documentation of broad community support as required by the policy, the performance of this criterion may in practice be much higher. In the

experience of other agencies, and as a few of the projects included in this review suggest, in practice free, prior and informed consultation resulting in broad community support may be similar to free, prior and informed consent. Annex 9 provides an overview of the status of policy provisions of selected International Financial Institutions on this issue.

**Box 7. Broad Community Support based on Cultural and Religious Values: Mexico Sacred Orchids of Chiapas: Cultural and Religious Values in Conservation Project (P098732).** This GEF financed conservation and local livelihood improvement project aimed to reduce pressure on endangered forest species in eco-regions of global importance while supporting the local communities' capacity for the sustainable use of non-timber forest products. The project would increase the sustainability of bromeliad protection and harvesting for ceremonial use and support the sustainable production of other products for local use and for marketing via a fair trade network involving local, national and international religious organizations. Extensive screening and social assessment in these traditionally culturally strong and cohesive communities were the foundation for broad consultation and participation of community organizations and key leaders in project design. However, the demand-driven nature of the project risked exacerbating divisions among community members. One of the challenges in implementing the project was to enhance community cohesion and broad community support in a region of political and social strife and with a host of institutions involved in the implementation of the project.

- **Consultation plans during implementation.** As is to be expected, compliance with this criterion highly correlates with free, prior and informed consultation compliance. In fact, 38 of 59 projects complied fully, 14 partially and in seven projects this requirement was not met, resulting in an overall score of 76, which is a higher than average result.

## 6. *Design of the IPP's Action Plan*

51. This set of criteria addresses the quality of the IPP action plan during implementation and includes: (a) the existence of a specific plan with an implementation schedule; (b) inclusion in the plan of specific activities to benefit Indigenous Peoples; (c) the socio-cultural appropriateness of these activities; (d) a description of the institutional arrangements for the implementation of the IPP; (e) the inclusion of a separate budget earmarked for the implementation of the IPP; (f) the design of specific monitoring indicators (disaggregated by ethnicity); (g) the inclusion of a grievance mechanism; and (h) disclosure of the IPP in the *Imagebank* and in-country in an appropriate form, manner and language. While this set of criteria has an overall average score, there are significant discrepancies between different criteria in this set, as is the case of the set of criteria on consultation and participation, where consultation scored relatively high but evidence of broad community support scored low. Similarly, the criteria on the quality of the implementation plan show good scores on the inclusion of socio-culturally relevant activities, but low scores on the criteria related to the inclusion of grievance mechanisms and the establishment of monitoring indicators disaggregated by ethnicity.

- **Action plans, budget, and institutional responsibilities.** While some IPPs are very short and lack detailed information on activities to be undertaken, others are exhaustive. The short documents often fail to meet the basic requirements of the policy. Given that the degree of compliance with these three criteria was generally consistent among IPPs, their performance is grouped together for purposes of this summary. In slightly over half of the projects all three criteria were treated well. As expected, all 15 projects specifically earmarked for Indigenous Peoples had a full score on all 3 criteria. In only one case the timeline for the action plan was not very detailed, and in five other cases the institutional arrangements were not specific enough. Hence, excluding the 15 projects exclusively



dedicated to Indigenous Peoples, the proportion of projects that did well on all three criteria drops to 16 projects or 36 percent. In 4 projects, or 8 percent, the score was 0. Of most concern is the lack of information on institutional arrangements down to the community level.

- In many IPPs, national and regional government agencies are listed as the entities responsible for the execution of the project; however, the way in which they would interact at the community level is seldom specified. Given the importance of these relationships for generating trust, buy-in and commitment from the communities, and ensuring project viability and sustainability, this issue is a key aspect of an IPP. The best case examples of good IPPs which detail action plans, budgets and institutional responsibilities are found in Nepal (P110463), India (P104724), Vietnam (P099211), Bolivia (P101206) and Paraguay (P082026). Available information shows that the weaker cases with key sections missing, such as an action plan, budget breakdown, implementation schedule, institutional arrangements, etc., are in China's Guiyang Transport Project (P093963) and Mongolia's Sustainable Livelihoods Project II (P096439).
- ***Project activities to benefit Indigenous Peoples.*** As expected, the majority of project IPPs (51 of 59) described specific benefits for indigenous communities. Among the few projects (8) that did not specifically address beneficial project activities for indigenous communities are the China Guiyang Transport Project (P093963) and Colombia's Second Student Loan program (P105164). These projects, however, included Indigenous Peoples among a broader group of intended beneficiaries or affected people.
- ***Cultural appropriateness of project activities.*** In 18 of the 51 projects that identified specific activities for Indigenous Peoples, mention of the socio-cultural appropriateness of such measures was vague. In these cases it seems that the project's benefits or impacts would be the same as for other population groups, as in the case of several health or water supply projects where benefits to Indigenous Peoples were limited to improving their access to benefits available to other sectors of the population in the project area. Not identifying the social and cultural factors that determine exclusion from benefits leads to omission of activities in the project design that would help overcome such exclusion, for example, by hiring local outreach personnel conversant in the local language and customs, or building capacity at the community level to increase management and negotiation skills. The recognition of traditional knowledge and practices related to human health is another area that contributes to culturally appropriate interventions.

**Box 8. Activities Tailored to the Social and Cultural Conditions of the Beneficiaries: Guatemala Maternal and Infant Health and Nutrition (P077756).** This program entirely targeted at indigenous communities starts from the premise that intercultural understanding of western and Mayan views and practices on health and nutrition is an essential condition to reverse the negative perceptions of maternal and child health services, and create demand for culturally appropriate services to improve the situation of chronic malnutrition and the dismal state of maternal and child health in indigenous communities. The social assessment not only included an overview of health and nutrition related indicators, but also a focus group based evaluation of perceptions, values, obstacles and expectations of the target population regarding nutrition and health. One of the outcomes of this process was the inclusion in the program of specific components to promote community based culturally sensitive awareness and empowerment and to generate demand for health and nutrition services, supported by institutional strengthening of government services and a comprehensive monitoring, evaluation and audit system. While the project should have recognized and addressed the potentially negative impacts of the program on farming systems and food security (for

instance, by increasing local people's dependence on food imports) and the role of effective traditional practices in an intercultural approach to health and nutrition, its emphasis on community culture and organization as the driving force behind project demand and acceptance was very positive.

- **Monitoring indicators.** While it is standard practice to have a monitoring and evaluation system for all Bank-financed projects, very few projects include monitoring indicators specifically designed to measure project performance regarding Indigenous Peoples or provide disaggregated data by ethnicity or social group, as appropriate. A good example of addressing this issue is provided by India's Andhra Pradesh Rural Poverty Reduction – Additional Financing (P104724) because it includes monitoring indicators by tribal group. The monitoring criterion achieved an overall performance score of only 65 (over 100), with 21 of 59 projects addressing this requirement in a satisfactory way. An additional weakness (although not included as an issue for purposes of the ranking system), is that in projects that do provide disaggregated data, these data often refer to process rather than outcomes or results.
- **Grievance mechanism.** Only 20 IPPs referred to the existence or creation of a grievance or conflict resolution mechanism specifically designed for Indigenous Peoples. In 9 IPPs a conflict resolution mechanism was mentioned without providing much detail, while in the remaining 30 IPPs there was no mention of it. Bank projects with potential adverse impacts usually include a grievance redress procedure; however, IPPs need to refer to them and show their cultural relevance to Indigenous Peoples.
- **Appropriate disclosure of IPP.** All projects complied with the requirement of public disclosure in-country and at the Bank's InfoShop, In-country disclosure was usually in the official language of the borrower country. The review found evidence of 15 cases (or one fourth of the total) where in-country disclosure was done in an appropriate form, manner or language so as to be culturally appropriate for Indigenous Peoples.

## 7. *Special Considerations*

52. There are several special considerations specified in OP 4.10:

- **Rights to land and natural resources.** The issue of rights to land, water or other natural resources was assessed to be applicable in 34 of the 59 IPPs. In these projects, the policy mandates that an action plan be put in place, with measures to safeguard or promote the rights of Indigenous Peoples to lands, territories and water resources. However, only 8 among these 34 addressed the issue adequately, while 15 projects did not. This finding should be placed in the context of the broader political considerations that are often linked to land and resource rights claims over which the Bank usually has limited, if any, leverage. The projects that addressed this issue appropriately include the cases of Honduras' Road Reconstruction and Improvement II (P109058) and India's Rural Poverty Reduction (P104724). In a transportation project, China (P093963), for which the issue should be significant, land tenure of Indigenous Peoples was not addressed.
- **Agreement and sharing of benefits in the case of commercial development of resources.** There are 16 projects for which the issue of commercial development of natural resources or of cultural resources was relevant. However, in 5 projects this issue was not mentioned. In Argentina, one project did address the issue very well (P100806

Sustainable Natural Resource Management) whereas another project (P108742 Indigenous Communities) did not.

- ***Involuntary resettlement and prior agreement.*** Only one of the 19 projects which triggered the Involuntary Resettlement policy anticipated the involuntary resettlement of Indigenous Peoples (Honduras, Road Reconstruction and Improvement II, P109058). All other 18 projects required only minor relocation or land acquisition of a few families to make way for small community infrastructure, such as rural water systems, or relocation of dwellings or small roadside stands further away from the road that was to be rehabilitated. In all cases where such localized and minor resettlement or land acquisition were mentioned as a possibility, due reference was made to the resettlement plan including the requirement of broad community support as part of the free, prior and informed consultation process.

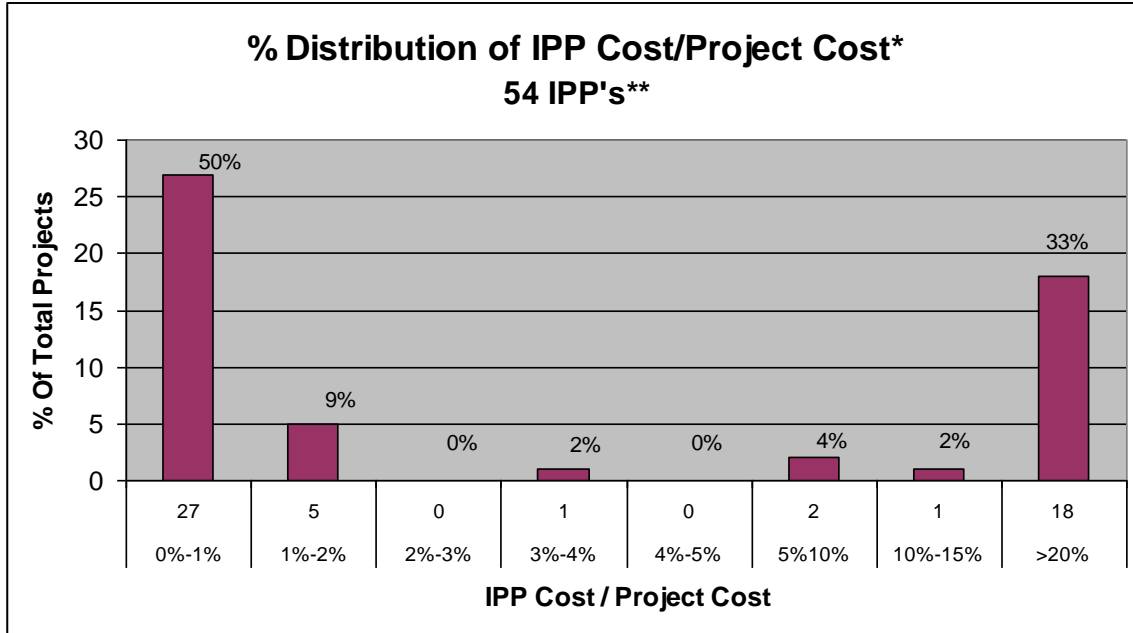
### **C. The Budget for IPPs**

53. The IPP cost to project cost ratio (Figure 8) ranges from 0 to 1 percent in 27 projects to over 20 percent in 18 projects out of a total of 54 IPPs. In the latter case, there are 15 projects that are considered IPPs in their entirety, and for which the cost is therefore 100 percent. The remaining nine projects have IPP cost to project cost ratios of 1 to 15 percent. In sum, the budget allocated for Indigenous Peoples is significant only in self-standing Indigenous Peoples projects' IPPs (only three projects, excluding those for which the entire project is considered an IPP, allocated more than 20 percent to the IPP); thus the IPP cost to project cost ratios were below 5 percent in 33 of the 54 projects.<sup>8</sup> Many budgets are indicative and tend to be finalized during project implementation. Moreover, there are some cases, particularly in demand-driven community projects, where budget costs are not stated at the outset but are anticipated to cover the costs of those subprojects that have been proposed by the communities and approved by the implementing agencies. Finally, in many of the projects reviewed, Indigenous Peoples are included as part of the beneficiaries and it is not possible to determine the resources reaching them, except in cases where there are estimates of the proportion of Indigenous Peoples participating in project benefits. This section illustrates the importance of having monitoring indicators disaggregated by ethnicity.

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<sup>8</sup> The comparable IPDP cost to project cost ratio for projects triggering OD 4.20 from FY93 to FY04 was below 5 percent in 60 percent of the projects analyzed.

**Figure 8. IPP Costs vs. Project Costs**



\*Note: For Additional Financing/Supplemental Projects, the Total Cost of the project is the result of the Total Cost of the Additional Financing plus the Total Cost of the project that requested additional financing.

\*\*5 projects (India P094360, Indonesia P098308, Indonesia P105002, India P102547, India P105775 have designated money for Indigenous Peoples although the amount is not clear so these projects were not included in the % Distribution of IPP Cost/Project Cost graph.

\*\*\*The whole project is considered an IPP for 15 projects.

#### **D. IPPF Compliance with Policy Requirements**

54. According to OP 4.10, in cases of projects involving the preparation and implementation of annual investment programs or multiple subprojects (such as community-driven development projects, social funds and sector investment operations), and when screening indicates that Indigenous Peoples are likely to be present in, or have collective attachment to, project lands, an IPPF should be prepared. As in the case of IPPs, to facilitate and systematize the desk analysis, an Indigenous Peoples Policy Review Fact Sheet was prepared for all 57 projects with an IPPF (see Annex 6, Attachments 3 and 4). The Fact Sheet contains basic project information and 7 criteria to evaluate policy compliance during project preparation. It includes a description of the 7 criteria and the indicators used to assess compliance with the policy as the basis for the elaboration of the scorecard with the rankings given by the review team (as shown in Annex 7).<sup>9</sup> The Fact Sheet also contains additional, broader, questions to be addressed when evaluating project implementation. As stated earlier, in order to differentiate between the projects including an IPP and those including an IPPF, these instruments have been analyzed separately.

<sup>9</sup> The process of assigning a ranking was iterative and consisted of five steps: (1) ranking by the analyst, (2) review by the supervisor, (3) separate verification by a second supervisor, (4) first team revision, and (5) second team verification.

## 1. *Distribution of IPPFs by Sector and Region*

55. Of the 57 projects that had prepared an IPPF (Table 6), LCR leads other regions, with 24 IPPFs, representing about 43 percent of the total. The other regions, which follow in descending order are: EAP (20), SAR (8), and AFR (5). Agriculture and Rural Development projects have the highest proportion of projects with IPPFs (14), followed by Health and Nutrition (9 projects), Urban Development and Water and Sanitation (6 projects each). Energy and Mining and Transport have a combined number of 7 projects, representing about 12 percent of the entire portfolio of projects with IPPFs.

<b>Table 6. Distribution of IPPFs, by Region and Sector</b>									
<b>SECTOR/REGION</b>	<b>AFR</b>	<b>EAP</b>	<b>ECA</b>	<b>LCR</b>	<b>MNA</b>	<b>SAR</b>	<b>World</b>	<b>Grand Total</b>	<b>%</b>
Social Development	0	2	0	0	0	0	0	2	3.5
Agricultural and Rural Dev.	1	4	0	7	0	2	0	14	24.6
Energy and Mining	0	0	0	1	0	1	0	2	3.5
Environment	0	0	0		0	1	0	1	1.8
Financial and Priv. Sector	0	0	0	1	0	0	0	1	1.8
Education	0	1	0	2	0	2	0	5	8.8
Health and Nutrition	2	5	0	2	0	0	0	9	15.8
Social Protection	0	0	0	1	0	0	0	1	1.8
Poverty Reduction	0	1	0	0	0	0	0	1	1.8
Public Sector Governance	0	3	0	1	0	0	0	4	7.0
Transport	1	0	0	3	0	1	0	5	8.8
Urban Development	0	4	0	1	0	1	0	6	10.5
Water and Sanitation	1	0	0	5	0	0	0	6	10.5
Global Information & Comm.	0	0	0	0	0	0	0	0	0.0
Other	0	0	0	0	0	0	0	0	0.0
Gender and Development	0	0	0	0	0	0	0	0	0.0
Economic Policy	0	0	0	0	0	0	0	0	0.0
Financial Management	0	0	0	0	0	0	0	0	0.0
Operational Services	0	0	0	0	0	0	0	0	0.0
Sector Board Not Applicable	0	0	0	0	0	0	0	0	0.0
<b>Grand Total</b>	<b>5</b>	<b>20</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>57</b>	<b>100%</b>

## 2. *Overall Compliance by Sector and Region*

56. Combining the IPPF compliance scores for all 7 policy requirement criteria, calculating the scores by criteria and sector (Table 7), shows that, in general, the Agriculture and Rural Development sector (14 IPPFs) scored better (an average score of 82) than Human Development (15 IPPFs with an average score of 70). The Energy and Mining and Transport sectors scored almost equally (7 projects, with 69 points) whereas Social Development (2 IPPFs with a score of 43) and Environment (1 IPPF with a score of 36) had the lowest scores. Across regions, the score for AFR was the highest (79, corresponding to 5 IPPFs), followed by LCR (76, corresponding to 24 IPPFs). Disregarding the low number of projects in some of the region/sector combinations, these scores are roughly consistent with the scores observed for the IPPs (see Table 4).

**Table 7. OP 4.10 Compliance of 57 IPPFs By Region and Sector 1**

	<b>AFR</b>	<b>EAP</b>	<b>LCR</b>	<b>SAR</b>	<b>Compliance by Sector</b>
<b>Sector/Region</b>	Score (# of projects)	Score (# of projects)	Score (# of projects)	Score (# of projects)	Average Score (# of projects)
<b>Agriculture and Rural Development</b>	79 (1)	79 (4)	75 (7)	93 (2)	82 (14)
<b>Human Development*</b>	68 (2)	67 (6)	79 (5)	65 (2)	70 (15)
<b>Social Development</b>	NA	43 (2)	NA	NA	43 (2)
<b>Energy and Mining and Transport</b>	71 (1)	50 (3)	66 (4)	90 (2)	69 (7)
<b>Environment</b>	NA	NA	NA	36 (1)	36 (1)
<b>Other**</b>	100 (1)	65 (5)	82 (8)	71 (1)	80 (18)
<b>Compliance by Region</b>	79 (5)	61 (20)	76 (24)	71 (8)	

\*Human Development, includes the sectors of: Education, Health, Nutrition and Population, and Social Protection

\*\*Other, includes the sectors of: Urban Development, Water and Sanitation, Public Sector Governance, Financial Management, Financial and Priv. Sector, Poverty Reduction, Global Information & Communication, Gender and Development, Economic Policy, Operational Services and Other.

1. The numbers in parenthesis are the numbers of projects. Compliance is calculated with the coefficients of 7 criteria found in Annex 8 (Score Card for IPPFs).

### **3. Overall Compliance by Criterion**

57. When calculating the overall scores by set of criteria and ranking them in order of compliance (Table 8), the criterion that had the best rate of compliance was the existence of plans for social assessment and consultations (average of 78 points).

58. The rankings of individual criteria include, in descending order: the existence or requirement of a framework for free, prior and informed consultation already implemented or to be implemented in the IPPs for subprojects (88 points), and screening by the Bank (85 points), which makes sense since on the basis of this decision the policy has been triggered (projects that did not have a score of 1 only had very general information and a pro-forma IPPF). The lowest scores belonged to specific monitoring arrangements (64 points) and disclosure arrangements for IPPs to be prepared under the IPPF (58 points). These findings are consistent with those of the IPP review, namely that screening and identification of impacts scored above average whereas the lowest scores pertained to appropriate disclosure arrangements, requirements for social assessments and provisions for specific monitoring of activities for Indigenous Peoples.

**Table 8. Score of Seven Compliance Criteria for 57 IPPFs, by Set of Criteria**

Criterion	Score	Average
<b>Types of programs or subprojects and their potential effects</b>		
1. What are the potential positive and adverse effects of the proposed programs or subprojects on Indigenous Peoples?	70	70
<b>Plans for Social Assessment and Consultation</b>		
2. Is there a plan for carrying out a social assessment for such programs or subprojects?	68	78
3. Is there a framework for ensuring free, prior and informed consultation with the affected Indigenous Peoples' communities during project preparation and implementation?	88	
<b>Provision for Screening, evaluation of effects and preparation of IPPs</b>		
4. Is Screening by the Bank adequate?	85	70
5. Is there an adequate description of the institutional arrangements for screening project-supported activities, evaluating their effects on Indigenous Peoples, preparing IPPs, and addressing any grievances?	71	
6. Are there any specific monitoring arrangements regarding Indigenous Peoples (disaggregated by ethnicity)?	64	
7. Are there any disclosure arrangements for IPPs to be prepared under the IPPF?	58	

#### **4. Identification of Potential Impacts**

59. Consistent with the finding for IPPs, while positive effects are almost always anticipated, adverse effects are only identified in projects triggering the safeguards aspects of the policy and seldom identified in the proactive projects. As in the case of IPPs, even proactive projects or self-standing Indigenous Peoples projects could have negative impacts, albeit minor, that should be identified for further elaboration during the subsequent social assessment and IPP.

#### **5. Plans for Social Assessment and Consultation**

60. The following are the results for plans for social assessment and consultation:

- **Plans for Social Assessment.** About half of all IPPFs (51 percent or 29 out of 57) had satisfactory provisions for the implementation of social assessments of indigenous communities. In another 33 percent of IPPFs, the need for either social diagnostics, ethnographic studies or social impact analysis was stated but no detailed guidelines were provided on how to meet policy requirements, while in 9 out of 57 IPPFs no provisions were made for social assessments of indigenous communities (see provisions in Annex A of OP 4.10). The low score regarding the preparation of social assessments may be based on the fact that some IPPFs for demand-driven community development projects (particularly those that had several phases or required additional financing) had already provided relatively detailed information in social assessments carried out during earlier phases of the project, hence reducing the need for additional social assessments at the subproject level.
- **Framework for free, prior and informed consultation.** Although the exact terminology is seldom used, about 80 percent of IPPFs mention the need for consultation. However,

often no details are provided as to the nature of the consultations, i.e., free, prior and informed consultation, and the means for verification. Also in most cases broad community support is not addressed. Despite these shortcomings, the relatively high score for this criterion could be explained by the fact that many of the projects requiring an IPPF are demand-driven, hence, by definition these projects are participatory in the implementation stage (albeit not often at the design stage).

## **6. Provisions for Screening, Evaluation of Effects, and Preparation of IPPFs**

61. These are the results for the provisions for screening, evaluation and preparation of IPPFs:

- **Screening provisions.** Since the purpose of the screening process is to decide whether or not the policy applies, by definition, for all projects included in the IPPF review, the screening accomplished its purpose. While screening at the IPPF stage is preliminary and should be more detailed when preparing IPPs, the quality of this activity varies from one case to another, which sometimes could be explained by the nature of the project and the fact that, when subprojects are actually approved and implemented, impacts may turn out to be minimal or absent. In some projects the screening process is based on detailed information about the presence in, or attachment of Indigenous Peoples to the project area, while in other projects very general information is provided and an IPPF prepared in the unlikely eventuality that Indigenous Peoples would be affected. For example in the Indonesia Bermutu Education Project (P097104), the entire IPPF had only 3 pages of very general description, whereas the screening for the Kenya Water and Sanitation Services Improvement Project (P096367) was very detailed, leading into an exhaustive IPPF closely resembling an IPP. However, regarding the provisions for screening at the subproject level, the performance of the IPPFs scored considerably lower.
- **Description of the institutional arrangements.** One of the most important functions of the IPPF is to provide guidelines regarding the preparation of IPPs during the process of further preparation of the project itself, to define institutional responsibilities for the preparation of social assessments, evaluation of benefits and impacts of specific project activities, and the preparation of IPPs, including consultation requirements and grievance redress mechanisms. In fact, only 28 of 57 projects mentioned the subsequent preparation of an IPP. Even in projects for which the specific subcomponents are not known before project approval, mention should be made of the need to prepare an IPP in case Indigenous Peoples are identified as being affected by the project, and guidelines for an IPP should be included using as a model the IPP outline in OP 4.10, Annex B.
- **Monitoring arrangements.** Over half (29 of 57 IPPFs) proposed relatively adequate monitoring arrangements (disaggregated by ethnicity), while almost 20 per cent did not address the issue at all. Given that this is an issue more specifically relevant at the IPP level, low compliance with this criterion should not be as much of a concern compared with other criteria.
- **Disclosure arrangements for IPPs.** While the majority (47) of all IPPFs mentioned the issue of information disclosure arrangements for the eventual case of IPPs being prepared during project implementation, 10 IPPFs did not address the issue at all.



## E. Self-standing Indigenous Peoples Projects versus Projects with Indigenous Peoples Components

62. In disaggregating the 15 projects that were entirely designed to benefit Indigenous Peoples, versus the 44 projects in which Indigenous Peoples were only part of the beneficiaries or affected people, Table 9 below indicates that the performance of the self-standing Indigenous Peoples projects was substantially better. Fully 67 percent of the self-standing Indigenous Peoples projects had scores in the highest quartile, versus 49 percent of those where IPPs were components. While these results are to be expected, the fact that stand-alone Indigenous Peoples projects scored significantly better than the rest indicates that there is room for improvement in the projects that trigger the policy but are not exclusively for Indigenous Peoples.

**Table 9. Ranking of Scores for IPPs (12 Criteria)**

Ranking/IPP	Total		IPP as Components		Self-Standing IP Projects	
	59	%	44	%	15	%
Score 0-3.25	2	3.39	2	4.55	0	0
Score 3.50-6.25	6	10.17	5	11.36	1	6.67
Score 6.50-9.25	22	37.29	18	40.91	4	26.67
Score 9.50-12	29	49.15	19	43.18	10	66.67
		100%		100%		100%

## F. Projects Funded by the Global Environment Facility

63. Seven GEF projects were covered by this review, out of a total of 34 biodiversity projects and a total of 109 active GEF projects for which the World Bank is the implementing agency.<sup>10</sup> Hence, only 6 percent of all World Bank projects financed by GEF and 21 percent of the World Bank's biodiversity projects financed by GEF triggered OP 4.10 during FY06-08. Of the seven GEF funded projects included in this review, five projects are included in the list of projects<sup>11</sup> for which a Fact Sheet was prepared in order to score the performance for compliance with the policy. The list of GEF projects that triggered OP 4.10 by FY approval date is given in Table 10 below:

**Table 10. Global Environment Facility Projects Triggering OP 4.10**

Fiscal Year	Project
2007	<ol style="list-style-type: none"> <li>1. Argentina (P108742) Sustainable Indigenous Communities in High Valleys North of Iruya</li> <li>2. Pacific Islands (P0984234) Sustainable Energy Finance</li> </ol>
2008	<ol style="list-style-type: none"> <li>1. Indonesia (P098308) Conservation of Aketajawe-Lolobata</li> <li>2. Mexico (P098732) Sacred Orchids of Chiapas</li> <li>3. Andean Countries (P098248) Adaptation to the Impact of Rapid Glacier Retreat in the Tropical Andes</li> <li>4. World (P100198) Critical Ecosystem Partnership Fund 2</li> <li>5. China (P105229) Mainstreaming Climate Change Adaptation</li> </ol>

64. As for the performance of the five GEF projects that had a Fact Sheet, in terms of compliance with OP 4.10, two projects scored higher than the average of all projects reviewed, China Mainstreaming Climate Change Adaptation (P105229), with a score of 84 and 13<sup>th</sup> on the

<sup>10</sup> The figure of 109 is derived from the GEF project database at thegef.org.

<sup>11</sup> Two GEF projects (World, P100198, and Andean Countries, P098248) that triggered the policy do not have a Fact Sheet for this review because there is not enough information in the system for the review.

list of 57, followed by Mexico Sacred Orchids of Chiapas (P098732) with a score of 76 and a ranking of 26 (see Box 7). GEF projects that scored below average are Indonesia's Partnership for Conservation Management of Aketajawe-Lolobata National Park (P098308), scoring 72 and ranked 38<sup>th</sup>, followed by Argentina's Sustainable Indigenous Communities Project (P108742) with a score of 68 and rank of 43. The criteria that performed best include community consultation and socio-culturally appropriate activities. Average scores were obtained for broad community support and provisions on consultation during project implementation, whereas the lowest scoring criteria were those related to provisions regarding conflict resolution, commercial development of natural and cultural resources, and land and resource rights.

65. These findings indicate that the performance of GEF projects in complying with OP 4.10 is not significantly different from the non-GEF projects reviewed for this report. They are also consistent with a 2008 review of Bank projects in biodiversity conservation,<sup>12</sup> which among other issues, compared GEF financed biodiversity projects with other World Bank financed biodiversity projects and found that the performance of GEF projects versus the overall Bank portfolio was not significantly different. It also found that issues of most concern were related to land and resource rights and full engagement of Indigenous Peoples throughout the project cycle.

**Box 9. Eleven Recommendations for Improving Indigenous Participation in Biodiversity Conservation<sup>13</sup>**

1. Create indigenous-led conservation areas
2. Assign indigenous land rights
3. Cooperatively map community assets
4. Promote full participation
5. Respect organizational structure of Indigenous Peoples
6. Create cooperative governance
7. Develop flexibility of rules and processes
8. Provide adequate time for consultation and community decision making
9. Strengthen cultural integrity
10. Increase income generating activities
11. Utilize culturally appropriate indicators

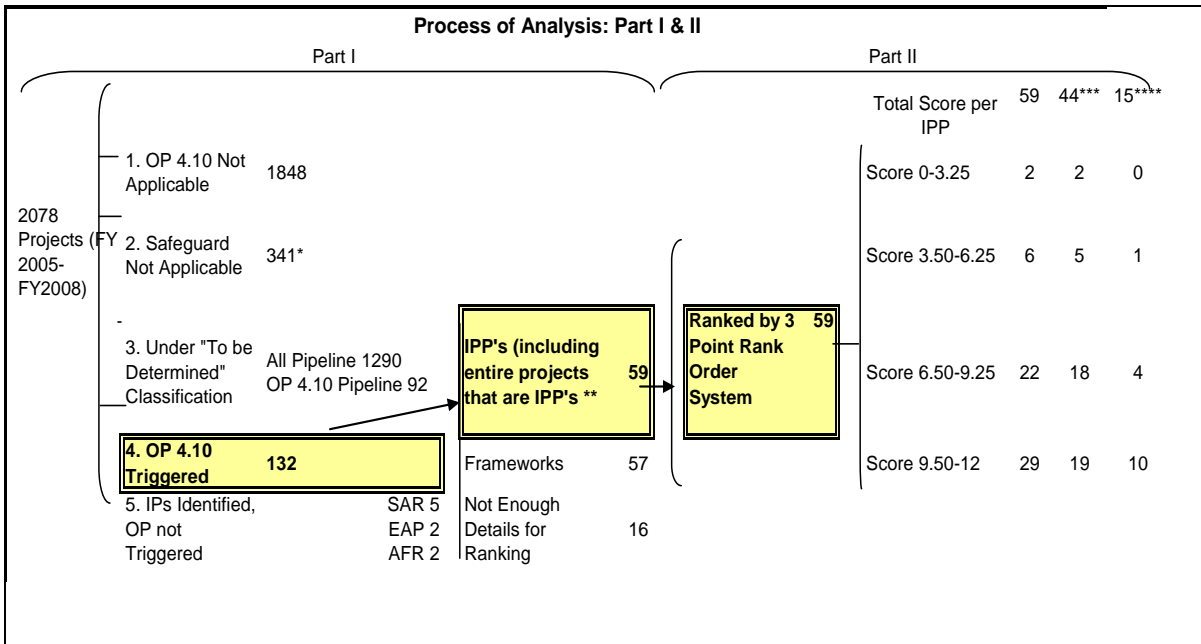
**G. Comparative Analysis of the Application of OD 4.20 vs. OP 4.10**

66. The process of analysis followed in this portfolio review is presented below (Figure 9). In Part I, it shows that from a total Bank portfolio of 2,078 projects, it is determined that 132 projects had triggered OP 4.10 and, therefore, prepared the corresponding instrument (IPP or IPPF). Under Part II, it shows the ranking of IPPs (59 total, 44 as components and 15 as self-standing projects for indigenous communities). For comparative purposes, the process followed in the 2005 working paper on the implementation of OD 4.20 is also included (Figure 10).

<sup>12</sup> Sobrevila, C., The Role of Indigenous Peoples in Biodiversity Conservation, The World Bank, May 2008.

<sup>13</sup> Ibidem.

**Figure 9. Process of Analysis of the Implementation of OP 4.10**



**Note:**

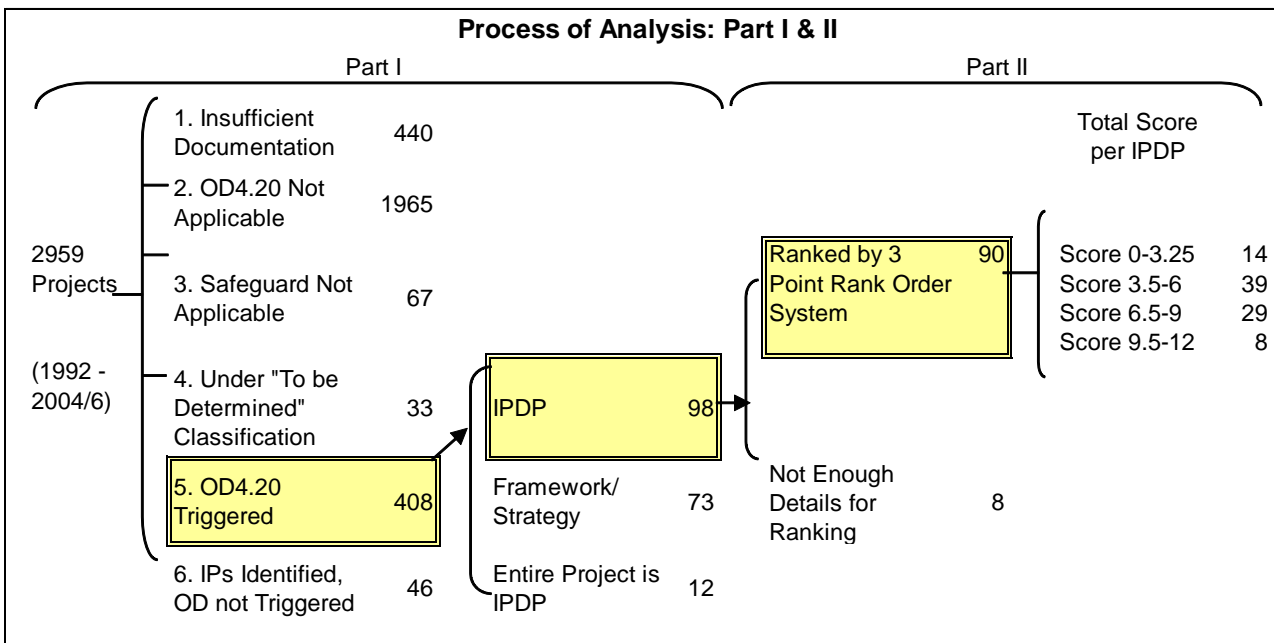
\*EA not required

\*\* 15 projects considered IPP's

\*\*\* 44 projects with indigenous components

\*\*\*\* 15 projects designed specifically for Indigenous Peoples

**Figure 10. Process of Analysis of the Implementation of OD 4.20**



67. In order to assess changes in performance over time, a comparison was made of the performance of the 59 projects that generated an IPP during FY05-08 with the 90 projects that generated an IPDP during the FY93-04 period (Table 11). The 18 criteria under the present analysis were reduced to 12, eliminating 3 criteria and combining 4 sets of indicators into 2. Obviously this provides a rough comparison, given that the ranking is subject to some interpretation of the criteria, which may have been somewhat different between the present and the previous study.

**Table 11. Comparison of Ranking Scores for IPPs  
(Only Projects with Indigenous Peoples Components)**

	OD 4.20		OP 4.10	
	Number	Percent	Number	Percent
Score 0-3.25	14	18.42	2	4.55
Score 3.50-6	39	51.32	5	11.36
Score 6.50-9	29	38.16	18	40.91
Score 9.50-12	8	10.53	19	43.18
<b>Total</b>	76	100%	44	100%

68. Even allowing for some variation in the way both studies evaluated the criteria to determine the score on each of the 12 indicators, it is clear that there has been a significant improvement in project performance: 59 percent of the current projects had a score of 9.50 to 12. (12 being the perfect score) and 37 percent of projects had a score between 6.50 and 9.25. This compares to 9 percent and 32 percent respectively in the previous evaluation. Underperforming projects with a score below 6.5 percent represented 14 percent in this evaluation versus 89 percent during the previous period. A number of factors probably contributed to this improvement: broad awareness and recognition of Indigenous Peoples' rights by borrower governments and stakeholders, improved knowledge of the policy by operational staff at the Bank, better screening, tighter reporting requirements, and the significant increase in projects earmarked specifically for Indigenous Peoples.

69. The evaluation of the application of OD 4.20, carried out by OED, used a different methodology. According to its report, only 58 percent (32 out of 55) were assessed to have applied the OD in a satisfactory manner. At the sectoral level, results for compliance with the policy were generally satisfactory in Human Development as well as in other sectors where the potential of adversely affecting Indigenous Peoples is relatively low. Project results for Indigenous Peoples were not as satisfactory in the Energy and Mining, Transport and Environment sectors (OED 2003b:1-2). Hence, this finding is consistent with the results of this review.

70. In contrast, the 2005 working paper using a methodology relatively to that used in this review, had the following main findings:

- Many IPDPs included a considerable amount of information. However, the activities were not presented in a sequential manner in order to reach the goals. This was because it was assumed that the IPDP preparation was conducted with the primary objective of "making the plan to comply with the Bank policy."
- Who prepared, and who endorsed the IPDP was not clearly indicated in Bank documentation. When expected benefits were presented, it was not clear whose opinion it

was. When specific actions were recommended, it was not clear if those recommendations were adopted for IPDP components.

- Under that framework, Indigenous Peoples were in many cases only involved as the party to be approached for information and/or opinions at consultation meetings.

71. Both of the above reviews provide valuable information regarding the implementation of OD 4.20. However, the methodology and the findings of the 2005 working paper were broadly consistent with the present report.

### III. CONCLUSIONS AND RECOMMENDATIONS

#### A. Conclusions

72. The findings of this portfolio review indicate that Bank-financed projects have made substantial progress in meeting the requirements of OP 4.10 on Indigenous Peoples. At the same time the review identifies issues amenable to improvement.

73. During the review period covering about three years from FY06 to FY08, 132 projects have triggered OP 4.10, about 12 percent of the total number of all projects approved by the World Bank during the same period and representing a slight average yearly increase compared to the previous three year period. The percentage of projects triggering the policy was highest in the LCR region, followed by SAR, EAP and AFR. Another important finding is that while the performance of GEF projects in terms of policy compliance is not significantly different from the non-GEF projects, only 21 percent of all World Bank biodiversity projects financed by GEF triggered OP 4.10.

74. One of the significant findings of the review is that there is a marked increase in the number of projects specifically earmarked for Indigenous Peoples, with 15 self-standing Indigenous Peoples projects during the three years covered by this review, as compared to only 12 projects during the entire FY92-04 period. This significant increase could result from a greater recognition and demand by governments and greater knowledge and awareness on the part of the Bank regarding the importance of recognizing the particular needs, rights and characteristics of Indigenous Peoples as warranting specific efforts. This trend towards increased attention to indigenous issues is consistent with the rapidly evolving international normative framework on Indigenous Peoples' rights, and the adoption, especially in Latin America, of national norms consistent with the international mandates.

75. Based on a cursory review of projects that could have triggered the policy but failed to do so, about 12 projects were identified as potentially affecting Indigenous Peoples, hence there is some evidence to suggest that there may be some shortcomings in the screening process in order to determine whether OP 4.10 should be triggered or not.

76. Among the projects triggering the policy, the proactive ('do good') projects which seek to benefit Indigenous Peoples outweigh the projects which raise safeguards ('do no harm') issues, by a ratio of 5 to 1. Regarding compliance with specific policy provisions, the data indicate that compliance was best among self-standing Indigenous Peoples projects, followed by projects with components or measures to proactively address the needs of Indigenous Peoples; projects with potential adverse effects on Indigenous Peoples showed a need for improvement. The fact that stand-alone Indigenous Peoples projects scored significantly better than those projects where IPPs are only a component indicates that there is room for improvement in the projects that trigger the policy but are not exclusively for Indigenous Peoples.

77. Many projects are designed to benefit broad categories of people such as the poor, rural dwellers, urban residents, school-age population, or mothers and infants, regardless of ethnicity. In those cases, Indigenous Peoples are part of the target population and, therefore, receive a share of the general budget. However, some projects triggering OP 4.10 have prepared special budgets earmarked for the implementation of an IPP. In the latter cases, except for self-standing Indigenous Peoples projects, over half the projects were allocating less than 2 percent of total project investment costs to the implementation of IPPs.

78. Across sectors, the IPP compliance scores for all 18 policy requirement criteria assessed were as follows: the Agriculture and Rural Development Sector scored better, followed by Transport, Energy and Mining, as well as Human Development, Environment and Social Development. The scores for projects with IPPFs are substantially the same as for those with IPPs. However, an additional weakness observed in the IPPFs is that less than half included provisions for the subsequent preparation of IPPs for subprojects to be determined after project approval, as required by the policy.

79. While the sectoral distribution of projects triggering the policy has remained similar over a 12-year period, the Energy and Mining and Transport sectors are anticipated to increase in importance in the lending program. Because of this emerging trend, there is a need for more careful screening of application of the policy in these projects, increased attention by Bank social staff and more effective implementation of grievance mechanisms at the local level.

80. Regardless of whether a project required an IPP or an IPPF, the analysis of compliance with the specific provisions of the policy indicates that projects scored best regarding the inclusion of specific and socio-culturally appropriate activities to benefit Indigenous Peoples, the avoidance of involuntary resettlement (in the few projects where this was an issue) and, surprisingly, consultation in project design and provisions for consultation during project implementation. However, while free, prior and informed consultation provisions – not necessarily using the exact terminology of the policy – scored relatively well, evidence of broad community support showed a lower level of compliance. Criteria that did less well include the quality of social assessments, inclusion of specific or disaggregated monitoring indicators, in-country disclosure of IPPs or IPPFs, and lastly the policy provisions regarding land and resource rights and the establishment of grievance mechanisms. In addition, while most projects did identify benefits for Indigenous Peoples, in many projects they did not address potentially negative impacts and especially not the long-term or indirect ones.

81. Of most concern is the weak compliance regarding the protection or promotion of rights to lands and resources and the establishment of a grievance mechanism. While projects did relatively well on describing the prevailing in-country legal framework on Indigenous Peoples, in some cases where this legal framework was immediately relevant to the project, the way in which these legal issues affected the project was not addressed, hence limiting the likelihood that project design would take these issues into consideration. While recognizing the politically sensitive nature of Indigenous Peoples' rights in many countries, it is of particular concern that projects that affect land and water rights and could have had a positive impact on protecting or promoting the application of these rights, did not consider measures to address the land and resource rights which are often the condition *sine qua non* for the long-term wellbeing and sustainability of Indigenous Peoples' societies and cultures.

82. While few projects used the terminology of free, prior and informed consultation, the project information provided evidence of consultation and participatory processes that were considered as complying with the policy; however in many cases, except for demand-driven projects, evidence of broad community support was limited, let alone verifiable information on the process by which community support was obtained. Given, on the one hand, the likelihood of an increasing number of projects that will require impact mitigation and, on the other hand, the importance of community support and appropriation necessary for the project's cost-efficiency and viability, this area will need improvement.

83. The difficulties encountered in obtaining project data for this review indicate that there is a need to improve the administration of project information. This problem is compounded by the

fact that the *InfoShop* does not distinguish between IPPs and IPPFs. In addition, there is confusion regarding the application of OP 4.10, in particular regarding the need for IPPFs to outline future IPPs.

84. Key lessons learned from the review process include: (a) giving systematic attention to the application of Indigenous Peoples Policy produces better projects designs and outcomes that both Bank staff and clients confirm is an issue of high relevance; (b) building on existing knowledge and experience, as demonstrated both by the use of previous portfolio reviews and consultations with Bank operational staff, is a condition for more consistent analysis; (c) a project Fact Sheet is useful to systematize the basic information for review; (d) specific examples are valuable to illustrate more general findings; and (e) it is important to focus on verifiable information while discussing a very complex and sensitive topic.

## **B. Recommendations**

85. Based on the summary conclusions, and subject to further discussion within the Bank and with external stakeholders, the following recommended actions are proposed:

- ***Increased knowledge of OP 4.10.*** Knowledge of Bank managers and staff should be expanded regarding the specific provisions of the revised Indigenous Peoples Policy, OP 4.10, which, while retaining many elements of the former version of the policy, also introduces new concepts and procedures. Knowledge sharing and training are especially important for: (a) the Human Development and Social Development sectors, where staff may not be aware that the policy also applies to “do-good” projects; (b) Energy and Mining and Transport projects, where greater emphasis needs to be placed on engagement with communities; (c) the AFR, EAP and SAR regions, where performance standards are lower and where there is evidence that selected projects should have triggered the policy but did not; (d) issues that are of importance to Indigenous Peoples, yet scored low in terms of compliance with policy provisions, including Indigenous Peoples’ land and resource rights, broad community support, grievance mechanisms, and in-country disclosure; and (e) implementation of the policy requirements in demand-driven projects.
- ***Country level dialogue with Indigenous Peoples.*** In order to ensure that Bank-financed projects not only meet the standards of the policy but also create ownership by affected Indigenous Peoples, country-based dialogue mechanisms need to be enhanced in order for Indigenous Peoples to assist the Bank in the preparation of country profiles on Indigenous Peoples, provide the Bank with information on new developments affecting their situation, provide feedback on country strategies and projects, and establish a constructive relationship that would facilitate project based consultation, participation and broad community support. The above requires that the regions, especially in their field offices, have adequate social development staff and corresponding budgets.
- ***Country level socio-economic profiles on Indigenous Peoples.*** In order to support staff in screening projects for possible positive or negative impacts on Indigenous Peoples and provide basic information as to the location, characteristics, collective rights, problems and issues facing Indigenous Peoples in potential project areas, the Bank should consider the preparation of country socio-economic profiles on Indigenous Peoples, including national mapping, in those countries which do not have these type of studies.



- ***Land and resource rights.*** Given that many projects targeting or impacting Indigenous Peoples do not address issues related to land and resource rights, which are important to the wellbeing of Indigenous Peoples, the Bank's safeguard compliance staff should pay special attention and assist task teams to identify and address these issues. In this regard, the policy requirement on the inclusion of the applicable legal framework should be brought to bear on the project design, especially if the project is impacting land and resource rights. Legal expertise should be engaged early in project preparation in order to ensure due diligence on the part of task teams when designing IPPs or IPPFs.
- ***Free, prior and informed consultation.*** Progress has been made in applying free, prior and informed consultation. Some of the projects included in this review demonstrate that with good social assessments and meaningful engagement, it is possible to reach agreement with indigenous communities. Guidance based on already existing good practice in the Bank and other institutions should be prepared for dissemination to task teams. Whether the Bank policy maintains the current principle of free, prior and informed consultation or adopts in the future the principle of free, prior and informed consent, the challenge is to operationalize the principle so that task teams are supported to translate them into practice.
- ***Preparation of social assessments.*** The coverage and quality of social assessments determine to a large degree the preparation and implementation of good IPPs. Therefore, Bank-financed projects need to prioritize improvement in knowledge and application of this tool by task teams, including Bank staff, local consultants and government staff. Social assessments should be participatory and set the basis for the application of the principle of free, prior and informed consultation leading to broad community support. With valid and reliable baseline data, the social assessment will also facilitate the establishment of an appropriate mechanism for monitoring and evaluation of the IPP.
- ***Importance of action plans.*** The key to a good IPP is a well formulated action plan, in which objectives, activities, budget, institutional responsibilities and monitoring indicators are clearly stated. On the basis of the findings of this report, of critical importance to the success of projects that involve Indigenous Peoples is the systematic provision, in the IPP and IPPF, of institutional strengthening and capacity building of indigenous organizations, both in basic managerial and technical skills, so that they can participate and benefit effectively from the project. The forthcoming Indigenous Peoples guidebook will provide an important tool to support application of OP 4.10 in project preparation and implementation. Given the regional differences in application of the policy, regional operational guidelines should be prepared, focusing on the specific characteristics of Indigenous Peoples in the region, and identification of areas where improvement is needed, including land and resource rights, broad community support, benefit sharing and the establishment of grievance mechanisms. This should include guidance on in-country disclosure of IPP and IPPF requirements and assistance to the borrower in this regard when needed.
- ***Information and data systems.*** Given the shortcomings of the Bank's information and data management systems, there should be an effort to streamline its information databases, ensuring that Bank staff who are assigned to their management are familiar with the procedural requirements of the policy and its different instruments. The official filing system needs to distinguish between the two OP 4.10 instruments: IPP and IPPF. In situations where the entire project is considered an IPP, a summary of how the project complies with OP 4.10 should be presented as part of the PAD.

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## **Annex 1. Operational Manual Statement 2.34: Tribal People in Bank-Financed Projects**

**Issued February 1982**

### **Introduction**

1. This OMS outlines Bank<sup>1</sup> policy and procedures with regard to those Bank-financed projects that may affect tribal people. Further background is provided in *Economic Development and Tribal Peoples: Human Ecologic Considerations*, World Bank (July 1981).

### ***Characteristics of Tribal People***

2. The term “tribal people” refers here to ethnic groups typically with stable, low-energy, sustained-yield economic systems, as exemplified by hunter-gatherers, shifting or semi-permanent farmers, herders, or fishermen. They exhibit in varying degrees many of the following characteristics:<sup>2</sup>

- a) geographically isolated or semi-isolated;
- b) un-aculturated or only partially acculturated into the societal norms of the dominant society;
- c) non-monetized, or only partially monetized; production largely for subsistence, and independent of the national economic system;
- d) ethnically distinct from the national society;
- e) non-literate and without a written language;
- f) linguistically distinct from the wider society;
- g) identifying closely with one particular territory;
- h) having an economic lifestyle largely dependent on the specific natural environment;
- i) possessing indigenous leadership but little or no national representation, and few, if any, political rights as individuals or collectively, partly because they do not participate in the political process;
- j) having loose tenure over their traditional lands, which for the most part is neither accepted by the dominant society nor accommodated by its courts; and having weak enforcement capabilities against encroachers, even when tribal areas have been delineated.

3. Partly as a result of these characteristics, most tribal people do not receive all the national or local social services – particularly health, communication, and education – normally available

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<sup>1</sup> The term “Bank” in this statement refers to both the World Bank and IDA.

<sup>2</sup> This OMS focuses on those tribal groups that are relatively isolated and less acculturated. It is not concerned with projects designed specifically for tribal people as the direct beneficiaries, but rather with other types of projects that impact on tribal people.

to other citizens. This lack reinforces tribal people's low national status and limits their capacity for change and adaptation to new circumstances.

4. Experience has shown that, unless special measures are adopted, tribal people are more likely to be harmed than helped by development projects that are intended for beneficiaries other than themselves. Therefore whenever tribal peoples may be affected, the design of projects should include measures or components necessary to safeguard their interests and, whenever feasible, to enhance their well-being. Sound project planning and design reduce the risk that tribal people will suffer from the project's consequences or disrupt its implementation. More positively, tribal people may offer opportunities to the wider society, especially by increasing the national society's knowledge of proven adaptation to and utilization of fragile and marginal environments.

### **General Policies**

5. As a general policy, the Bank will not assist development projects that knowingly involve encroachment on traditional territories being used or occupied by tribal people unless adequate safeguards are provided. In those cases where environmental and/or social changes promoted through development projects may create undesired effects for tribal people, the project should be designed so as to prevent or mitigate such effects. The Bank will assist projects *only* when satisfied that the Borrower or relevant government agency supports and can implement measures that will effectively safeguard the integrity and will-being of the tribal people. Measures at either extreme should be avoided; either those that perpetuate isolation from the national society and needed social services; or those promoting forced, accelerated acculturation unsuited to the future will-being of the affected tribal people. The Bank would not be prepared to assist with a project if it appears that the project sponsors had forcibly "cleared" the area of tribal people beforehand.

6. Some practical issues concerning tribal people are difficult to resolve. For example, how can the government harmonize its interest in the development of a rich ore body or a major hydro potential with the need to safeguard the rights of tribal people in the project area? These are matters for judgments guided by the principle that Bank assistance should help prevent or mitigate harm and provide adequate time and conditions for acculturation.

### **The Tribal Component in Development Projects**

7. Since successful acculturation is slow and gradual, development projects having tribal people in their zone of influence must provide time and conditions for acculturation. Such projects will require a tribal component or parallel program which includes:

- a) recognition, demarcation, and protection of tribal areas containing those resources required to sustain the tribal people's traditional means of livelihood;
- b) appropriate social services that are consonant with the tribe's acculturation status, especially including protection against diseases and maintenance of health;
- c) maintenance, to the extent desired by the tribe, of its cultural integrity and embodiments thereof;
- d) establishment of a forum for the participation of the tribal people in decisions affecting them and the adjudication and redress of grievances.

8. The design of an appropriate tribal component depends upon detailed, contemporary knowledge of the peoples to be affected. Tribal societies are complex and information gathered on a particular society may not necessarily be ascribable even to neighboring tribes. To the extent that project designers are unfamiliar with the affected tribal peoples, pre-investment studies will be necessary, employing qualified indigenists and related disciplines. The Bank, through its Office of Environmental Affairs, is prepared to assist in these endeavors.

### **The Project Cycle**

9. Consideration of tribal peoples likely to be affected by a project must be a continuing process throughout the project cycle.

10. The presence of tribal people should be identified in appropriate country sector work and regional reviews. During *project identification*, the approximate numbers, location, and degree of acculturation of tribal people in the general region of the project should be ascertained. The relevant government agency and its procedures, programs, legislation, and plans for such peoples should be determined. The status of demarcation and delimitation of tribal lands and their enforcement should be outlined. In certain cases (e.g. tribes in early stages of acculturation), an anthropological reconnaissance should be included in pre-feasibility studies. Pre-investment funds could be used for studies to inform the tribal people about the proposed project and obtain their views.

11. The tribal component (para. 7 and 8) is best designed before or during *project preparation*. This is based on information provided by the relevant government agency, from pre-feasibility and/or anthropological studies and site visits, including consultative procedures (para. 7c and 7d) necessary to ensure the participation of the affected people. The relevant government agency should be strengthened, as warranted, so that it can satisfactorily implement the tribal component. Demarcation of tribal areas should be completed during preparation. If the project area contains tribal peoples who have had limited or no contact with the national society, special care – particularly disease control- will be necessary. Land tenure and water rights may need special attention.

12. *Project appraisal* assesses the adequacy and appropriateness of the tribal component, the need for legislation concerning the relevant government agency and other aspects, and the capability of the designated agency to implement the component.

13. During *project implementation* and *Bank supervision*, the information and judgment with respect to the tribal component need to be updated and reassessed since they are often subject to change. To the extent Bank staff are less familiar with the tribal than with other components, specialist input in supervision may be necessary. In view of the special needs of the tribal people and the need to monitor progress by the relevant government agency, the supervision of this component may extend over a longer time period than the supervision of other components. To accommodate these needs, a specific monitoring and evaluation system may be necessary.

## **Annex 2. Operational Directive 4.20 – Indigenous Peoples**

This directive was prepared for the guidance of staff of the World Bank and is not necessarily a complete treatment of the subjects covered. Indigenous Peoples

### **Introduction**

1. This directive describes Bank<sup>1</sup> policies and processing procedures for projects that affect indigenous peoples. It sets out basic definitions, policy objectives, guidelines for the design and implementation of project provisions or components for indigenous peoples, and processing and documentation requirements.

2. The directive provides policy guidance to (a) ensure that indigenous people benefit from development projects, and (b) avoid or mitigate potentially adverse effects on indigenous people caused by Bank-assisted activities. Special action is required where Bank investments affect indigenous peoples, tribes, ethnic minorities, or other groups whose social and economic status restricts their capacity to assert their interests and rights in land and other productive resources.

### **Definitions**

3. The terms "indigenous peoples," "indigenous ethnic minorities," "tribal groups," and "scheduled tribes" describe social groups with a social and cultural identity distinct from the dominant society that makes them vulnerable to being disadvantaged in the development process. For the purposes of this directive, "indigenous peoples" is the term that will be used to refer to these groups.

4. Within their national constitutions, statutes, and relevant legislation, many of the Bank's borrower countries include specific definitional clauses and legal frameworks that provide a preliminary basis for identifying indigenous peoples.

5. Because of the varied and changing contexts in which indigenous peoples are found, no single definition can capture their diversity. Indigenous people are commonly among the poorest segments of a population. They engage in economic activities that range from shifting agriculture in or near forests to wage labor or even small-scale market-oriented activities. Indigenous peoples can be identified in particular geographical areas by the presence in varying degrees of the following characteristics:

- (a) a close attachment to ancestral territories and to the natural resources in these areas;
- (b) self-identification and identification by others as members of a distinct cultural group;
- (c) an indigenous language, often different from the national language;
- (d) presence of customary social and political institutions; and
- (e) primarily subsistence-oriented production.

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<sup>1</sup> "Bank" includes IDA, and "loans" include credits.

Task managers (TMs) must exercise judgment in determining the populations to which this directive applies and should make use of specialized anthropological and sociological experts throughout the project cycle.

### **Objective and Policy**

6. The Bank's broad objective towards indigenous people, as for all the people in its member countries, is to ensure that the development process fosters full respect for their dignity, human rights, and cultural uniqueness. More specifically, the objective at the center of this directive is to ensure that indigenous peoples do not suffer adverse effects during the development process, particularly from Bank-financed projects, and that they receive culturally compatible social and economic benefits.

7. How to approach indigenous peoples affected by development projects is a controversial issue. Debate is often phrased as a choice between two opposed positions. One pole is to insulate indigenous populations whose cultural and economic practices make it difficult for them to deal with powerful outside groups. The advantages of this approach are the special protections that are provided and the preservation of cultural distinctiveness; the costs are the benefits foregone from development programs. The other pole argues that indigenous people must be acculturated to dominant society values and economic activities so that they can participate in national development. Here the benefits can include improved social and economic opportunities, but the cost is often the gradual loss of cultural differences.

8. The Bank's policy is that the strategy for addressing the issues pertaining to indigenous peoples must be based on the *informed participation* of the indigenous people themselves. Thus, identifying local preferences through direct consultation, incorporation of indigenous knowledge into project approaches, and appropriate early use of experienced specialists are core activities for any project that affects indigenous peoples and their rights to natural and economic resources.

9. Cases will occur, especially when dealing with the most isolated groups, where adverse impacts are unavoidable and adequate mitigation plans have not been developed. In such situations, the Bank will not appraise projects until suitable plans are developed by the borrower and reviewed by the Bank. In other cases, indigenous people may wish to be and can be incorporated into the development process. In sum, a full range of positive actions by the borrower must ensure that indigenous people benefit from development investments.

### **Bank Role**

10. The Bank addresses issues on indigenous peoples through (a) country economic and sector work, (b) technical assistance, and (c) investment project components or provisions. Issues concerning indigenous peoples can arise in a variety of sectors that concern the Bank; those involving, for example, agriculture, road construction, forestry, hydropower, mining, tourism, education, and the environment should be carefully screened.<sup>2</sup> Issues related to indigenous peoples are commonly identified through the environmental assessment or social impact assessment processes, and appropriate measures should be taken under environmental mitigation actions (see OD 4.01, Environmental Assessment).

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<sup>2</sup> Displacement of indigenous people can be particularly damaging, and special efforts should be made to avoid it. See [OD 4.30, \*Involuntary Resettlement\*](#), for additional policy guidance on resettlement issues involving indigenous people.



11. *Country Economic and Sector Work.* Country departments should maintain information on trends in government policies and institutions that deal with indigenous peoples. Issues concerning indigenous peoples should be addressed explicitly in sector and subsector work and brought into the Bank-country dialogue. National development policy frameworks and institutions for indigenous peoples often need to be strengthened in order to create a stronger basis for designing and processing projects with components dealing with indigenous peoples.

12. *Technical Assistance.* Technical assistance to develop the borrower's abilities to address issues on indigenous peoples can be provided by the Bank. Technical assistance is normally given within the context of project preparation, but technical assistance may also be needed to strengthen the relevant government institutions or to support development initiatives taken by indigenous people themselves.

13. *Investment Projects.* For an investment project that affects indigenous peoples, the borrower should prepare an indigenous peoples development plan that is consistent with the Bank's policy. Any project that affects indigenous peoples is expected to include components or provisions that incorporate such a plan. When the bulk of the direct project beneficiaries are indigenous people, the Bank's concerns would be addressed by the project itself and the provisions of this OD would thus apply to the project in its entirety.

### **Indigenous Peoples Development Plan<sup>3</sup>**

#### *Prerequisites*

14. Prerequisites of a successful development plan for indigenous peoples are as follows:

(a) The key step in project design is the preparation of a culturally appropriate development plan based on full consideration of the options preferred by the indigenous people affected by the project.

(b) Studies should make all efforts to *anticipate adverse trends* likely to be induced by the project and develop the means to avoid or mitigate harm.<sup>4</sup>

(c) The institutions responsible for government interaction with indigenous peoples should possess the social, technical, and legal skills needed for carrying out the proposed development activities. Implementation arrangements should be kept simple. They should normally involve appropriate existing institutions, local organizations, and nongovernmental organizations (NGOs) with expertise in matters relating to indigenous peoples.

(d) Local patterns of social organization, religious beliefs, and resource use should be taken into account in the plan's design.

(e) Development activities should support production systems that are well adapted to the needs and environment of indigenous peoples, and should help production systems under stress to attain sustainable levels.

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<sup>3</sup> Regionally specific technical guidelines for preparing indigenous peoples components, and case studies of best practices, are available from the Regional environment divisions (REDs).

<sup>4</sup> For guidance on indigenous peoples and environmental assessment procedures, see OD 4.01, *Environmental Assessment*, and Chapter 7 of World Bank, *Environmental Assessment Sourcebook*, Technical Paper No. 139 (Washington, D.C., 1991).

(f) The plan should avoid creating or aggravating the dependency of indigenous people on project entities. Planning should encourage early handover of project management to local people. As needed, the plan should include general education and training in management skills for indigenous people from the onset of the project.

(g) Successful planning for indigenous peoples frequently requires long lead times, as well as arrangements for extended follow-up. Remote or neglected areas where little previous experience is available often require additional research and pilot programs to fine-tune development proposals.

(h) Where effective programs are already functioning, Bank support can take the form of incremental funding to strengthen them rather than the development of entirely new programs.

### *Contents*

15. The development plan should be prepared in tandem with the preparation of the main investment. In many cases, proper protection of the rights of indigenous people will require the implementation of special project components that may lie outside the primary project's objectives. These components can include activities related to health and nutrition, productive infrastructure, linguistic and cultural preservation, entitlement to natural resources, and education. The project component for indigenous peoples development should include the following elements, as needed:

(a) *Legal Framework.* The plan should contain an assessment of (i) the legal status of the groups covered by this OD, as reflected in the country's constitution, legislation, and subsidiary legislation (regulations, administrative orders, etc.); and (ii) the ability of such groups to obtain access to and effectively use the legal system to defend their rights. Particular attention should be given to the rights of indigenous peoples to use and develop the lands that they occupy, to be protected against illegal intruders, and to have access to natural resources (such as forests, wildlife, and water) vital to their subsistence and reproduction.

(b) *Baseline Data.* Baseline data should include (i) accurate, up-to-date maps and aerial photographs of the area of project influence and the areas inhabited by indigenous peoples; (ii) analysis of the social structure and income sources of the population; (iii) inventories of the resources that indigenous people use and technical data on their production systems; and (iv) the relationship of indigenous peoples to other local and national groups. It is particularly important that baseline studies capture the full range of production and marketing activities in which indigenous people are engaged. Site visits by qualified social and technical experts should verify and update secondary sources.

(c) *Land Tenure.* When local legislation needs strengthening, the Bank should offer to advise and assist the borrower in establishing legal recognition of the customary or traditional land tenure systems of indigenous peoples. Where the traditional lands of indigenous peoples have been brought by law into the domain of the state and where it is inappropriate to convert traditional rights into those of legal ownership, alternative arrangements should be implemented to grant long-term, renewable rights of custodianship and use to indigenous peoples. These steps should be taken before the initiation of other planning steps that may be contingent on recognized land titles.

(d) *Strategy for Local Participation.* Mechanisms should be devised and maintained for participation by indigenous people in decision making throughout project planning,

implementation, and evaluation. Many of the larger groups of indigenous people have their own representative organizations that provide effective channels for communicating local preferences. Traditional leaders occupy pivotal positions for mobilizing people and should be brought into the planning process, with due concern for ensuring genuine representation of the indigenous population.<sup>5</sup> No foolproof methods exist, however, to guarantee full local-level participation. Sociological and technical advice provided through the regional environment divisions (REDs) is often needed to develop mechanisms appropriate for the project area.

(e) *Technical Identification of Development or Mitigation Activities.* Technical proposals should proceed from on-site research by qualified professionals acceptable to the Bank. Detailed descriptions should be prepared and appraised for such proposed services as education, training, health, credit, and legal assistance. Technical descriptions should be included for the planned investments in productive infrastructure. Plans that draw upon indigenous knowledge are often more successful than those introducing entirely new principles and institutions. For example, the potential contribution of traditional health providers should be considered in planning delivery systems for health care.

(f) *Institutional Capacity.* The government institutions assigned responsibility for indigenous peoples are often weak. Assessing the track record, capabilities, and needs of those institutions is a fundamental requirement. Organizational issues that need to be addressed through Bank assistance are the (i) availability of funds for investments and field operations; (ii) adequacy of experienced professional staff; (iii) ability of Indigenous Peoples' own organizations, local administration authorities, and local NGOs to interact with specialized government institutions; (iv) ability of the executing agency to mobilize other agencies involved in the plan's implementation; and (v) adequacy of field presence.

(g) *Implementation Schedule.* Components should include an implementation schedule with benchmarks by which progress can be measured at appropriate intervals. Pilot programs are often needed to provide planning information for phasing the project component for indigenous peoples with the main investment. The plan should pursue the long-term sustainability of project activities subsequent to completion of disbursement.

(h) *Monitoring and Evaluation.*<sup>6</sup> Independent monitoring capacities are usually needed when the institutions responsible for indigenous populations have weak management histories. Monitoring by representatives of Indigenous Peoples' own organizations can be an efficient way for the project management to absorb the perspectives of indigenous beneficiaries and is encouraged by the Bank. Monitoring units should be staffed by experienced social science professionals, and reporting formats and schedules appropriate to the project's needs should be established. Monitoring and evaluation reports should be reviewed jointly by the senior management of the implementing agency and by the Bank. The evaluation reports should be made available to the public.

(i) *Cost Estimates and Financing Plan.* The plan should include detailed cost estimates for planned activities and investments. The estimates should be broken down into unit costs by project year and linked to a financing plan. Such programs as revolving credit funds that provide indigenous people with investment pools should indicate their accounting procedures and

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<sup>5</sup> See also "Community Involvement and the Role of Nongovernmental Organizations in Environmental Assessment" in World Bank, *Environmental Sourcebook*, Technical Paper No. 139 (Washington, D.C., 1991).

<sup>6</sup> 6. See [OD 10.70](#), *Project Monitoring and Evaluation*.

mechanisms for financial transfer and replenishment. It is usually helpful to have as high a share as possible of direct financial participation by the Bank in project components dealing with indigenous peoples.

## **Project Processing and Documentation**

### *Identification*

16. During project identification, the borrower should be informed of the Bank's policy for indigenous peoples. The approximate number of potentially affected people and their location should be determined and shown on maps of the project area. The legal status of any affected groups should also be discussed. TMs should ascertain the relevant government agencies, and their policies, procedures, programs, and plans for indigenous peoples affected by the proposed project (see para. 11 and 15(a)). TMs should also initiate anthropological studies necessary to identify local needs and preferences (see para. 15(b)). TMs, in consultation with the REDs, should signal indigenous peoples issues and the overall project strategy in the Initial Executive Project Summary (IEPS).

### *Preparation*

17. If it is agreed in the IEPS meeting that special action is needed, the indigenous peoples development plan or project component should be developed during project preparation. As necessary, the Bank should assist the borrower in preparing terms of reference and should provide specialized technical assistance (see para. 12). Early involvement of anthropologists and local NGOs with expertise in matters related to indigenous peoples is a useful way to identify mechanisms for effective participation and local development opportunities. In a project that involves the land rights of indigenous peoples, the Bank should work with the borrower to clarify the steps needed for putting land tenure on a regular footing as early as possible, since land disputes frequently lead to delays in executing measures that are contingent on proper land titles (see para. 15(c)).

### *Appraisal*

18. The plan for the development component for indigenous peoples should be submitted to the Bank along with the project's overall feasibility report, prior to project appraisal. Appraisal should assess the adequacy of the plan, the suitability of policies and legal frameworks, the capabilities of the agencies charged with implementing the plan, and the adequacy of the allocated technical, financial, and social resources. Appraisal teams should be satisfied that indigenous people have participated meaningfully in the development of the plan as described in para. 14(a) (also see para. 15(d)). It is particularly important to appraise proposals for regularizing land access and use.

### *Implementation and Supervision*

19. Supervision planning should make provisions for including the appropriate anthropological, legal, and technical skills in Bank supervision missions during project implementation (see para. 15(g) and (h), and **OD 13.05**, *Project Supervision*). Site visits by TMs and specialists are essential. Midterm and final evaluations should assess progress and recommend corrective actions when necessary.

### *Documentation*

20. The borrower's commitments for implementing the indigenous peoples development plan should be reflected in the loan documents; legal provisions should provide Bank staff with clear benchmarks that can be monitored during supervision. The Staff Appraisal Report and the Memorandum and Recommendation of the President should summarize the plan or project provisions.

## Annex 3. Operational Policy 4.10 – Indigenous Peoples

July, 2005

OP and BP 4.10 together replace OD 4.20, Indigenous Peoples, dated September 1991. These OP and BP apply to all projects for which a Project Concept Review takes place on or after July 1, 2005. Questions may be addressed to the Director, Social Development Department.

1. This policy<sup>1</sup> contributes to the Bank's<sup>2</sup> mission of poverty reduction and sustainable development by ensuring that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples. For all projects that are proposed for Bank financing and affect Indigenous Peoples,<sup>3</sup> the Bank requires the borrower to engage in a process of free, prior, and informed consultation.<sup>4</sup> The Bank provides project financing only where free, prior, and informed consultation results in broad community support to the project by the affected Indigenous Peoples.<sup>5</sup> Such Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples' communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and intergenerationally inclusive.

2. The Bank recognizes that the identities and cultures of Indigenous Peoples are inextricably linked to the lands on which they live and the natural resources on which they depend. These distinct circumstances expose Indigenous Peoples to different types of risks and levels of impacts from development projects, including loss of identity, culture, and customary livelihoods, as well as exposure to disease. Gender and intergenerational issues among Indigenous Peoples also are complex. As social groups with identities that are often distinct from dominant groups in their national societies, Indigenous Peoples are frequently among the most marginalized and vulnerable segments of the population. As a result, their economic, social, and legal status often limits their capacity to defend their interests in and rights to lands, territories, and other productive resources, and/or restricts their ability to participate in and benefit from development. At the same time, the Bank recognizes that Indigenous Peoples play a vital role in sustainable development and that their rights are increasingly being addressed under both domestic and international law.

3. *Identification.* Because of the varied and changing contexts in which Indigenous Peoples live and because there is no universally accepted definition of "Indigenous Peoples," this policy does not define the term. Indigenous Peoples may be referred to in different countries by such terms as "indigenous ethnic minorities," "aboriginals," "hill tribes," "minority nationalities," "scheduled tribes," or "tribal groups."

4. For purposes of this policy, the term “Indigenous Peoples” is used in a generic sense to refer to a distinct, vulnerable, social and cultural group<sup>6</sup> possessing the following characteristics in varying degrees:

- (a) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- (b) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories<sup>7</sup>
- (c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
- (d) an indigenous language, often different from the official language of the country or region.

A group that has lost "collective attachment to geographically distinct habitats or ancestral territories in the project area"; (paragraph 4 (b)) because of forced severance remains eligible for coverage under this policy.<sup>8</sup> Ascertaining whether a particular group is considered as “Indigenous Peoples” for the purpose of this policy may require a technical judgment (see paragraph 8).

5. *Use of Country Systems.* The Bank may decide to use a country’s systems to address environmental and social safeguard issues in a Bank-financed project that affects Indigenous Peoples. This decision is made in accordance with the requirements of the applicable Bank policy on country systems.<sup>9</sup>

### **Project Preparation**

6. A project proposed for Bank financing that affects Indigenous Peoples requires:
- (a) screening by the Bank to identify whether Indigenous Peoples are present in, or have collective attachment to, the project area (see paragraph 8);
  - (b) a social assessment by the borrower (see paragraph 9 and [Annex A](#));
  - (c) a process of free, prior, and informed consultation with the affected Indigenous Peoples’ communities at each stage of the project, and particularly during project preparation, to fully identify their views and ascertain their broad community support for the project (see paragraphs 10 and 11);
  - (d) the preparation of an Indigenous Peoples Plan (see paragraph 12 and [Annex B](#)) or an Indigenous Peoples Planning Framework (see paragraph 13 and [Annex C](#)); and
  - (e) disclosure of the draft Indigenous Peoples Plan or draft Indigenous Peoples Planning

Framework (see paragraph 15).

7. The level of detail necessary to meet the requirements specified in paragraph 6 (b), (c), and (d) is proportional to the complexity of the proposed project and commensurate with the nature and scale of the proposed project's potential effects on the Indigenous Peoples, whether adverse or positive.

#### *Screening*

8. Early in project preparation, the Bank undertakes a screening to determine whether Indigenous Peoples (see paragraph 4) are present in, or have collective attachment to, the project area.<sup>10</sup> In conducting this screening, the Bank seeks the technical judgment of qualified social scientists with expertise on the social and cultural groups in the project area. The Bank also consults the Indigenous Peoples concerned and the borrower. The Bank may follow the borrower's framework for identification of Indigenous Peoples during project screening, when that framework is consistent with this policy.

#### *Social Assessment*

9. *Analysis.* If, based on the screening, the Bank concludes that Indigenous Peoples are present in, or have collective attachment to, the project area, the borrower undertakes a social assessment to evaluate the project's potential positive and adverse effects on the Indigenous Peoples, and to examine project alternatives where adverse effects may be significant. The breadth, depth, and type of analysis in the social assessment are proportional to the nature and scale of the proposed project's potential effects on the Indigenous Peoples, whether such effects are positive or adverse (see [Annex A](#) for details). To carry out the social assessment, the borrower engages social scientists whose qualifications, experience, and terms of reference are acceptable to the Bank.

10. *Consultation and Participation.* Where the project affects Indigenous Peoples, the borrower engages in free, prior, and informed consultation with them. To ensure such consultation, the borrower:

(a) establishes an appropriate gender and intergenerationally inclusive framework that provides opportunities for consultation at each stage of project preparation and implementation among the borrower, the affected Indigenous Peoples' communities, the Indigenous Peoples Organizations (IPOs) if any, and other local civil society organizations (CSOs) identified by the affected Indigenous Peoples' communities;

(b) uses consultation methods<sup>11</sup> appropriate to the social and cultural values of the affected Indigenous Peoples' communities and their local conditions and, in designing these methods, gives special attention to the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits; and

(c) provides the affected Indigenous Peoples' communities with all relevant information about the project (including an assessment of potential adverse effects of the project on the affected Indigenous Peoples' communities) in a culturally appropriate manner at each stage of project



preparation and implementation.

11. In deciding whether to proceed with the project, the borrower ascertains, on the basis of the social assessment (see paragraph 9) and the free, prior, and informed consultation (see paragraph 10), whether the affected Indigenous Peoples' communities provide their broad support to the project. Where there is such support, the borrower prepares a detailed report that documents:

(a) the findings of the social assessment;

(b) the process of free, prior, and informed consultation with the affected Indigenous Peoples' communities;

(c) additional measures, including project design modification, that may be required to address adverse effects on the Indigenous Peoples and to provide them with culturally appropriate project benefits;

(d) recommendations for free, prior, and informed consultation with and participation by Indigenous Peoples' communities during project implementation, monitoring, and evaluation; and

(e) any formal agreements reached with Indigenous Peoples' communities and/or the IPOs.

The Bank reviews the process and the outcome of the consultation carried out by the borrower to satisfy itself that the affected Indigenous Peoples' communities have provided their broad support to the project. The Bank pays particular attention to the social assessment and to the record and outcome of the free, prior, and informed consultation with the affected Indigenous Peoples' communities as a basis for ascertaining whether there is such support. The Bank does not proceed further with project processing if it is unable to ascertain that such support exists.

#### *Indigenous Peoples Plan/Planning Framework*

12. *Indigenous Peoples Plan.* On the basis of the social assessment and in consultation with the affected Indigenous Peoples' communities, the borrower prepares an Indigenous Peoples Plan (IPP) that sets out the measures through which the borrower will ensure that (a) Indigenous Peoples affected by the project receive culturally appropriate social and economic benefits; and (b) when potential adverse effects on Indigenous Peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for (see [Annex B](#) for details). The IPP is prepared in a flexible and pragmatic manner,<sup>12</sup> and its level of detail varies depending on the specific project and the nature of effects to be addressed. The borrower integrates the IPP into the project design. When Indigenous Peoples are the sole or the overwhelming majority of direct project beneficiaries, the elements of an IPP should be included in the overall project design, and a separate IPP is not required. In such cases, the Project Appraisal Document (PAD) includes a brief summary of how the project complies with the policy, in particular the IPP requirements.

13. *Indigenous Peoples Planning Framework.* Some projects involve the preparation and implementation of annual investment programs or multiple subprojects.<sup>13</sup> In such cases, and when the Bank's screening indicates that Indigenous Peoples are likely to be present in, or have

collective attachment to, the project area, but their presence or collective attachment cannot be determined until the programs or subprojects are identified, the borrower prepares an Indigenous Peoples Planning Framework (IPPF). The IPPF provides for the screening and review of these programs or subprojects in a manner consistent with this policy (see [Annex C](#) for details). The borrower integrates the IPPF into the project design.

14. *Preparation of Program and Subproject IPPs.* If the screening of an individual program or subproject identified in the IPPF indicates that Indigenous Peoples are present in, or have collective attachment to, the area of the program or subproject, the borrower ensures that, before the individual program or subproject is implemented, a social assessment is carried out and an IPP is prepared in accordance with the requirements of this policy. The borrower provides each IPP to the Bank for review before the respective program or subproject is considered eligible for Bank financing.<sup>14</sup>

#### *Disclosure*

15. The borrower makes the social assessment report and draft IPP/IPPF available to the affected Indigenous Peoples' communities in an appropriate form, manner, and language.<sup>15</sup> Before project appraisal, the borrower sends the social assessment and draft IPP/IPPF to the Bank for review.<sup>16</sup> Once the Bank accepts the documents as providing an adequate basis for project appraisal, the Bank makes them available to the public in accordance with [The World Bank Policy on Disclosure of Information](#), and the borrower makes them available to the affected Indigenous Peoples' communities in the same manner as the earlier draft documents.

### **Special Considerations**

#### *Lands and Related Natural Resources*

16. Indigenous Peoples are closely tied to land, forests, water, wildlife, and other natural resources, and therefore special considerations apply if the project affects such ties. In this situation, when carrying out the social assessment and preparing the IPP/IPPF, the borrower pays particular attention to:

(a) the customary rights<sup>17</sup> of the Indigenous Peoples, both individual and collective, pertaining to lands or territories that they traditionally owned, or customarily used or occupied, and where access to natural resources is vital to the sustainability of their cultures and livelihoods;

(b) the need to protect such lands and resources against illegal intrusion or encroachment;

(c) the cultural and spiritual values that the Indigenous Peoples attribute to such lands and resources; and

(d) Indigenous Peoples' natural resources management practices and the long-term sustainability of such practices.

17. If the project involves (a) activities that are contingent on establishing legally recognized

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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, the IPP sets forth an action plan for the legal recognition of such ownership, occupation, or usage. Normally, the action plan is carried out before project implementation; in some cases, however, the action plan may need to be carried out concurrently with the project itself. Such legal recognition may take the following forms:

- (a) full legal recognition of existing customary land tenure systems of Indigenous Peoples; or
- (b) conversion of customary usage rights to communal and/or individual ownership rights.

If neither option is possible under domestic law, the IPP includes measures for legal recognition of perpetual or long-term renewable custodial or use rights.

#### *Commercial Development of Natural and Cultural Resources*

18. If the project involves the commercial development of natural resources (such as minerals, hydrocarbon resources, forests, water, or hunting/fishing grounds) on lands or territories that Indigenous Peoples traditionally owned, or customarily used or occupied, the borrower ensures that as part of the free, prior, and informed consultation process the affected communities are informed of (a) their rights to such resources under statutory and customary law; (b) the scope and nature of the proposed commercial development and the parties interested or involved in such development; and (c) the potential effects of such development on the Indigenous Peoples' livelihoods, environments, and use of such resources. The borrower includes in the IPP arrangements to enable the Indigenous Peoples to share equitably in the benefits<sup>18</sup> to be derived from such commercial development; at a minimum, the IPP arrangements must ensure that the Indigenous Peoples receive, in a culturally appropriate manner, benefits, compensation, and rights to due process at least equivalent to that to which any landowner with full legal title to the land would be entitled in the case of commercial development on their land.

19. If the project involves the commercial development of Indigenous Peoples' cultural resources and knowledge (for example, pharmacological or artistic), the borrower ensures that as part of the free, prior, and informed consultation process, the affected communities are informed of (a) their rights to such resources under statutory and customary law; (b) the scope and nature of the proposed commercial development and the parties interested or involved in such development; and (c) the potential effects of such development on Indigenous Peoples' livelihoods, environments, and use of such resources. Commercial development of the cultural resources and knowledge of these Indigenous Peoples is conditional upon their prior agreement to such development. The IPP reflects the nature and content of such agreements and includes arrangements to enable Indigenous Peoples to receive benefits in a culturally appropriate way and share equitably in the benefits to be derived from such commercial development.

#### *Physical Relocation of Indigenous Peoples*

20. Because physical relocation of Indigenous Peoples is particularly complex and may have significant adverse impacts on their identity, culture, and customary livelihoods, the Bank requires the borrower to explore alternative project designs to avoid physical relocation of Indigenous Peoples. In exceptional circumstances, when it is not feasible to avoid relocation, the

borrower will not carry out such relocation without obtaining broad support for it from the affected Indigenous Peoples' communities as part of the free, prior, and informed consultation process. In such cases, the borrower prepares a settlement plan in accordance with the requirements of [OP 4.12, \*Involuntary Resettlement\*](#), that is compatible with the Indigenous Peoples' cultural preferences, and includes a land-based resettlement strategy. As part of the resettlement plan, the borrower documents the results of the consultation process. Where possible, the resettlement plan should allow the affected Indigenous Peoples to return to the lands and territories they traditionally owned, or customarily used or occupied, if the reasons for their relocation cease to exist.

21. In many countries, the lands set aside as legally designated parks and protected areas may overlap with lands and territories that Indigenous Peoples traditionally owned, or customarily used or occupied. The Bank recognizes the significance of these rights of ownership, occupation, or usage, as well as the need for long-term sustainable management of critical ecosystems. Therefore, involuntary restrictions on Indigenous Peoples' access to legally designated parks and protected areas, in particular access to their sacred sites, should be avoided. In exceptional circumstances, where it is not feasible to avoid restricting access, the borrower prepares, with the free, prior, and informed consultation of the affected Indigenous Peoples' communities, a process framework in accordance with the provisions of OP 4.12. The process framework provides guidelines for preparation, during project implementation, of individual parks and protected areas' management plan, and ensures that the Indigenous Peoples participate in the design, implementation, monitoring, and evaluation of the management plan, and share equitably in the benefits of the parks and protected areas. The management plan should give priority to collaborative arrangements that enable the Indigenous, as the custodians of the resources, to continue to use them in an ecologically sustainable manner.

### **Indigenous Peoples and Development**

22. In furtherance of the objectives of this policy, the Bank may, at a member country's request, support the country in its development planning and poverty reduction strategies by providing financial assistance for a variety of initiatives designed to:

(a) strengthen local legislation, as needed, to establish legal recognition of the customary or traditional land tenure systems of Indigenous Peoples;

(b) make the development process more inclusive of Indigenous Peoples by incorporating their perspectives in the design of development programs and poverty reduction strategies, and providing them with opportunities to benefit more fully from development programs through policy and legal reforms, capacity building, and free, prior, and informed consultation and participation;

(c) support the development priorities of Indigenous Peoples through programs (such as community-driven development programs and locally managed social funds) developed by governments in cooperation with Indigenous Peoples;

(d) address the gender<sup>19</sup> and intergenerational issues that exist among many Indigenous Peoples, including the special needs of indigenous women, youth, and children;

- (e) prepare participatory profiles of Indigenous Peoples to document their culture, demographic structure, gender and intergenerational relations and social organization, institutions, production systems, religious beliefs, and resource use patterns;
- (f) strengthen the capacity of Indigenous Peoples' communities and IPOs to prepare, implement, monitor, and evaluate development programs;
- (g) strengthen the capacity of government agencies responsible for providing development services to Indigenous Peoples;
- (h) protect indigenous knowledge, including by strengthening intellectual property rights; and
- (i) facilitate partnerships among the government, IPOs, CSOs, and the private sector to promote Indigenous Peoples' development programs.

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1. This policy should be read together with other relevant Bank policies, including *Environmental Assessment* ([OP 4.01](#)), *Natural Habitats* ([OP 4.04](#)), *Pest Management* ([OP 4.09](#)), *Physical Cultural Resources* ([OP/BP 4.11](#)), *Involuntary Resettlement* ([OP 4.12](#)), *Forests* ([OP 4.36](#)), and *Safety of Dams* ([OP 4.37](#)).
  2. "Bank" includes IBRD and IDA; "loans" includes IBRD loans, IDA credits, IDA grants, IBRD and IDA guarantees, and Project Preparation Facility (PPF) advances, but does not include development policy loans, credits, or grants. For social aspects of development policy operations, see [OP 8.60](#), *Development Policy Lending*, paragraph 10. The term "borrower" includes, wherever the context requires, the recipient of an IDA grant, the guarantor of an IBRD loan, and the project implementing agency, if it is different from the borrower.
  3. This policy applies to all components of the project that affect Indigenous Peoples, regardless of the source of financing.
  4. "Free, prior, and informed consultation with the affected Indigenous Peoples' communities" refers to a culturally appropriate and collective decision-making process subsequent to meaningful and good faith consultation and informed participation regarding the preparation and implementation of the project. It does not constitute a veto right for individuals or groups (see paragraph 10).
  5. For details on "broad community support to the project by the affected Indigenous Peoples," see paragraph 11.
  6. The policy does not set an *a priori* minimum numerical threshold since groups of Indigenous Peoples may be very small in number and their size may make them more vulnerable.
  7. "Collective attachment" means that for generations there has been a physical presence in and economic ties to lands and territories traditionally owned, or customarily used or occupied, by the group concerned, including areas that hold special significance for it, such as sacred sites. "Collective attachment" also refers to the attachment of transhumant/nomadic groups to the territory they use on a seasonal or cyclical basis.
  8. "Forced severance" refers to loss of collective attachment to geographically distinct habitats or ancestral territories occurring within the concerned group members' lifetime because of conflict, government resettlement programs, dispossession from their lands,
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- natural calamities, or incorporation of such territories into an urban area. For purposes of this policy, “urban area” normally means a city or a large town, and takes into account all of the following characteristics, no single one of which is definitive: (a) the legal designation of the area as urban under domestic law; (b) high population density; and (c) high proportion of nonagricultural economic activities relative to agricultural activities.
9. The currently applicable Bank policy is [OP/BP 4.00](#), *Piloting the Use of Borrower Systems to Address Environmental and Social Safeguard Issues in Bank-Supported Projects*. Applicable only to pilot projects using borrower systems, the policy includes requirements that such systems be designed to meet the policy objectives and adhere to the operational principles related to Indigenous Peoples identified in OP 4.00 (see [Table A1.E](#)).
  10. The screening may be carried out independently or as part of a project environmental assessment (see [OP 4.01](#), *Environmental Assessment*, paragraphs 3, 8).
  11. Such consultation methods (including using indigenous languages, allowing time for consensus building, and selecting appropriate venues) facilitate the articulation by Indigenous Peoples of their views and preferences. The “Indigenous Peoples Guidebook” (forthcoming) will provide good practice guidance on this and other matters.
  12. When non-Indigenous Peoples live in the same area with Indigenous Peoples, the IPP should attempt to avoid creating unnecessary inequities for other poor and marginal social groups.
  13. Such projects include community-driven development projects, social funds, sector investment operations, and financial intermediary loans.
  14. If the Bank considers the IPPF to be adequate for the purpose, however, the Bank may agree with the borrower that prior Bank review of the IPP is not needed. In such case, the Bank reviews the IPP and its implementation as part of supervision (see [OP 13.05](#), *Project Supervision*).
  15. The social assessment and IPP require wide dissemination among the affected Indigenous Peoples’ communities using culturally appropriate methods and locations. In the case of an IPPF, the document is disseminated using IPOs at the appropriate national, regional, or local levels to reach Indigenous Peoples who are likely to be affected by the project. Where IPOs do not exist, the document may be disseminated using other CSOs as appropriate.
  16. An exception to the requirement that the IPP (or IPPF) be prepared as a condition of appraisal may be made with the approval of Bank management for projects meeting the requirements of [OP 8.00](#), *Rapid Response to Crises and Emergencies*. In such cases, management’s approval stipulates a timetable and budget for preparation of the social assessment and IPP or of the IPPF.
  17. “Customary rights” to lands and resources refers to patterns of long-standing community land and resource usage in accordance with Indigenous Peoples’ customary laws, values, customs, and traditions, including seasonal or cyclical use, rather than formal legal title to land and resources issued by the State.
  18. The “Indigenous Peoples Guidebook” (forthcoming) will provide good practice guidance on this matter.
  19. See [OP/BP 4.20](#), *Gender and Development*.

## **OP 4.10, Annex A - Social Assessment**

**These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.**

### **OP 4.10**

#### **Annex A July, 2005**

1. The breadth, depth, and type of analysis required for the social assessment are proportional to the nature and scale of the proposed project's potential effects on the Indigenous Peoples.
2. The social assessment includes the following elements, as needed:
  - (a) A review, on a scale appropriate to the project, of the legal and institutional framework applicable to Indigenous Peoples.
  - (b) Gathering of baseline information on the demographic, social, cultural, and political characteristics of the affected Indigenous Peoples' communities, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend.
  - (c) Taking the review and baseline information into account, the identification of key project stakeholders and the elaboration of a culturally appropriate process for consulting with the Indigenous Peoples at each stage of project preparation and implementation (see paragraph 9 of this policy).
  - (d) An assessment, based on free, prior, and informed consultation, with the affected Indigenous Peoples' communities, of the potential adverse and positive effects of the project. Critical to the determination of potential adverse impacts is an analysis of the relative vulnerability of, and risks to, the affected Indigenous Peoples' communities given their distinct circumstances and close ties to land and natural resources, as well as their lack of access to opportunities relative to other social groups in the communities, regions, or national societies in which they live.
  - (e) The identification and evaluation, based on free, prior, and informed consultation with the affected Indigenous Peoples' communities, of measures necessary to avoid adverse effects, or if such measures are not feasible, the identification of measures to minimize, mitigate, or compensate for such effects, and to ensure that the Indigenous Peoples receive culturally appropriate benefits under the project.

## **OP 4.10, Annex B - Indigenous Peoples Plan**

**These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.**

**OP 4.10 - Annex B  
July, 2005**

1. The Indigenous Peoples Plan (IPP) 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.
2. The IPP includes the following elements, as needed:
  - (a) A summary of the information referred to in Annex A, paragraph 2 (a) and (b).
  - (b) A summary of the social assessment.
  - (c) A summary of results of the free, prior, and informed consultation with the affected Indigenous Peoples' communities that was carried out during project preparation (Annex A) and that led to broad community support for the project.
  - (d) A framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples' communities during project implementation (see paragraph 10 of this policy).
  - (e) An action plan of measures to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate, including, if necessary, measures to enhance the capacity of the project implementing agencies.
  - (f) When potential adverse effects on Indigenous Peoples are identified, an appropriate action plan of measures to avoid, minimize, mitigate, or compensate for these adverse effects.
  - (g) The cost estimates and financing plan for the IPP.
  - (h) Accessible procedures appropriate to the project to address grievances by the affected Indigenous Peoples' communities arising from project implementation. When designing the grievance procedures, the borrower takes into account the availability of judicial recourse and customary dispute settlement mechanisms among the Indigenous Peoples.
  - (i) Mechanisms and benchmarks appropriate to the project for monitoring, evaluating, and reporting on the implementation of the IPP. The monitoring and evaluation mechanisms should include arrangements for the free, prior, and informed consultation with the affected Indigenous Peoples' communities.



## **OP 4.10, Annex C - Indigenous Peoples Planning Framework**

**These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.** OP 4.10 - Annex C  
July, 2005

1. The Indigenous Peoples Planning Framework (IPPF) sets out:
  - (a) The types of programs and subprojects likely to be proposed for financing under the project.
  - (b) The potential positive and adverse effects of such programs or subprojects on Indigenous Peoples.
  - (c) A plan for carrying out the social assessment (see Annex A) for such programs or subprojects.
  - (d) A framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples' communities at each stage of project preparation and implementation (see paragraph 10 of this policy).
  - (e) Institutional arrangements (including capacity building where necessary) for screening project-supported activities, evaluating their effects on Indigenous Peoples, preparing IPPs, and addressing any grievances.
  - (f) Monitoring and reporting arrangements, including mechanisms and benchmarks appropriate to the project.
  - (g) Disclosure arrangements for IPPs to be prepared under the IPPF.

## Annex 4. Previous Indigenous Peoples Portfolio Reviews

There have been several efforts within the Bank to evaluate the implementation of its Indigenous Peoples Policy. The most comprehensive worldwide portfolio reviews of Indigenous Peoples projects have been prepared by the Independent Evaluation Group, IEG (formerly the Operations Evaluation Department, OED) in conjunction with the policy revision, and the 1992-2004 portfolio review carried out by the Social Development Department of the Bank in 2005.

The main results of the World Bank's successive evaluation reports are summarized below.

1. The first evaluation, entitled *Tribal Peoples and Economic Development: A Five-Year Implementation Review of OMS 2.34 (1982-1986)*, reviewed 15 Bank-financed projects across the globe known to have affected the lands and resources of Indigenous Peoples (1987). The report concluded that the Bank had made significant progress to identify indigenous populations but the design of the components remained unsystematic and lacked clarity.

2. A second review undertaken in 1992, entitled *Protecting Amerindian Lands*, specifically studied 13 indigenous land regularization programs in Lowland South America (Wali and Davis, 1992). The report noted the important role that these projects played to provide physical demarcation and regularization of large areas of indigenous lands. It further identified legal frameworks as the primary obstacles to successful land regularization. The report concluded that beyond land regularization—projects, research, technical assistance, and training programs are also necessary to incorporate indigenous knowledge into natural resource management practices.

3. In 1995, the then Environment Unit of the Technical Department for Latin America (LATEN) began a review of 62 projects in the region, which were approved since 1992 or under preparation until June 1996. The review was published under the title *Including the excluded; ethnodevelopment in Latin America* (Partridge and Uquillas, 1996). Based on an initial review of 153 projects, which had potential impacts on Indigenous Peoples, the scope was narrowed to 62 projects. This scope included the projects that directly and indirectly impacted Indigenous Peoples in rural development, natural resource management, land administration, agriculture, biodiversity, social funds, health, education, and rural infrastructure sectors. The projects were assessed on the basis of: early identification of Indigenous Peoples; the existence of a social assessment; the availability of a plan or component developed for Indigenous Peoples and the articulation of the plan's characteristics (land tenure, traditional institutions, institutional capacities, and conditions for handing over a project to Indigenous Peoples); the degree of participation; and the involvement of a social scientist in the appraisal phase. One of the conclusions of the review stated that: "A major challenge for the Bank and the countries of Latin America and the Caribbean is to find ways to offer indigenous people new opportunities to join the process of development. Exclusion of these people from the market economy represents a massive waste of human and non-human resources, whereas their inclusion will boost productivity, strengthen purchasing power and promote growth." (Partridge and Uquillas, 1996: 247).

4. An evaluation of the application of the World Bank's Indigenous Peoples Policy was carried out by IEG. It used a combination of desk review and field assessment methods. In its report entitled, *Implementation of Operational Directive 4.20 on Indigenous Peoples: an Evaluation of Results*, the OED concluded that the Indigenous Peoples Policy "strengthened the knowledge base for Bank assistance that affects IP, shaped Bank assistance to several countries through integration of measures to protect IP, and encouraged IP participation in the implementation of Bank operations. However, it found that (the policy) was applied in only 62 percent of the

projects that affected IP (55 out of 89 projects). Out of these, only 58 percent (32 out of 55) were assessed to have applied the OD in a satisfactory manner...At the sectoral level, results for IP were generally satisfactory in human development and other sectors where the potential of adversely affecting IP is relatively low...Project results for IP were not as satisfactory in the energy and mining, transportation and environment sectors..." (OED 2003b: 1-2).

5. In addition, an internal evaluation of the implementation of OD 4.20, in the form of a working paper, was carried out by the Social Development Department of the Bank in 2005. It included a desk review of all 2,959 projects in the portfolio as of June 30, 1994. Among the key findings (see comparison with findings of this review and a more extensive summary in Annex 5) are:

- Of the 2,959 projects, 408 projects (14 percent) applied OD 4.20. There were 1,965 projects (66 percent) in which the policy was not triggered. Apart from this there were 440 projects which could not be classified due to insufficient documentation, 67 projects in which the policy was not applicable, 33 projects in which the application of OD 4.20 was still to be determined and 46 projects in which indigenous groups were identified but the policy was not applied.
- Somewhat over half (54 of 98) of the Indigenous Peoples Development Plans (IPDPs) had cost estimates. Of these 54, only 29 IPDPs (56 percent) had activity-based cost estimates. Moreover, project cost estimates clearly earmarked funds for IPDPs in only 7 out of 54 projects (13 percent).

The IPDP cost to project cost ratio ranged between a minimum of 0.004 percent to a maximum of 60.13 percent. Fifty percent of analyzed projects (27 out of 54 projects) had an IPDP cost to project cost ratio that was less than 2 percent. Similarly, 67 percent of analyzed projects had an IPDP cost to project cost ratio of less than 5 percent.

6. An example of the efforts among outside institutions to review the application of the Indigenous Peoples Policy in World Bank-financed projects was that carried out by the Forest Peoples Program and the Bank Information Center. It examined several case studies in different regions of the world and found that compliance with OD 4.20 was often highly variable both within projects and across projects in the same country. According to the report (Griffiths and Colchester, 2000), compliance issues included:

- No harmonization of borrower policies with international standards and Bank policies;
- Baseline studies superficial or absent in project preparation;
- Required legal reforms omitted;
- Procedural oversights in appraisal;
- Indigenous Peoples' land and resource rights not secured;
- Required Indigenous Peoples Development Plan (IPDP) omitted;
- Participation deficient;
- Ineffective supervision;

- Corrective actions late or absent; and
- Disinclination to enforce loan agreements.

## **Annex 5. Summary of the Working Paper on the Implementation of OD 4.20 from 1992 to 2004**

### **A. A Statistical Analysis and Evaluation of Projects**

#### **Objectives**

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The key objectives of this study are to:

- Determine the total number of World Bank projects that have applied the Indigenous Peoples' safeguard policy, OD 4.20.
- Calculate the number of projects that have Indigenous Peoples Development Plans (IPDPs) or Indigenous Peoples Development Frameworks/Strategies.
- Assess and identify the number of projects both by region and by sector that have applied OD 4.20.

#### **Methodology**

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A total of 2,959 World Bank projects have been reviewed for the purposes of this study. This includes all projects approved after January 1, 1992 for the EAP, LCR and SAR after January 1, 2000 for the AFR, ECA and MNA regions.<sup>1</sup> The portfolio was frozen on June 30, 2004 and so no changes in the project databases after that date will be reflected. The primary source of information for compiling this database is the World Bank's project database. The Bank's external website, project portal, SAP, *Imagebank* and IRIS databases have been extensively used for extracting the required information.<sup>2</sup> In some cases in which required documents were not available in any of the above databases, the Task Team Leaders have been contacted to procure the relevant documents.

Projects have been classified into 6 categories: *Insufficient Documentation*, *No*, *Not Applicable*, *To Be Determined (TBD)*, *Yes*, and *Indigenous Peoples identified OD not triggered*. The description of these categories is given below:

- i. Projects have been classified as having "Insufficient Documentation" if relevant project documents are not available in the project database or the documents available do not have enough information for the purposes of this classification. Most of these projects are relatively old (390 out of 440 cases are before 1/1/1995).

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<sup>1</sup> The following projects are exceptions to the above criteria:

- Matruh Resource Management Project, Egypt (P005153);
- Biodiversity Conservation and Management Project, Cameroon (P000311);
- Energy Sector Reform and Power Development Project, Kenya (P001344); and
- Capacity Building for Service Delivery Project, Guinea (P049716)

All projects that have been dropped after approval have been excluded.

<sup>2</sup> The documents on the basis of which the classification has been done are mentioned in columns "Source 1" and "Source 2" of the database.

- ii. The “No” category includes projects that specifically mention that OD 4.20 has not been applied or that have no mention of indigenous/tribal/isolated communities in available project documents.
- iii. Structural Adjustment Loans, for which safeguard policies are not applicable, are included in the “Not Applicable” category.
- iv. In the “TBD” category are projects that are classified as “To Be Determined” in the safeguards table of the Integrated Safeguards Data Sheet or the Project Information Document (PID).
- v. Projects that apply OD 4.20 are categorized in the “Yes” category. They either have strategies/plans for indigenous/isolated/ethnic minority communities or have elements targeting such communities. All projects that have been shown as applying OD 4.20 as per the SAP database have also been included in this category.
- vi. Projects that identify/mention indigenous/isolated/ethnic minority communities in project documents but do not fall exclusively in any of the above five categories are included in the category “Indigenous Peoples identified, OD not triggered”.

In the “Yes” category projects have been further classified into three categories on the basis of the Indigenous Peoples development document available – *IPDP, Framework/Strategy* or *Entire project is an IPDP*. The project can either have an IPDP, an IPD Framework/Strategy or cater entirely to IP groups. Often there is a thin line of differentiation between an IPDP and IPD Framework/Strategy. Since there is no specific mention or description of frameworks or strategies in OD 4.20, the basis for the classification is the document title, i.e., if the document is called a framework or strategy or guideline then the document is classified as a Framework/Strategy.

The database classifies projects by region and by sector. The major sector of the project is used for this classification. The sources used for classification have been cited in the database. The documents on the basis of which the classification has been done are mentioned in columns “Source 1” and “Source 2” of the database.

### **Main Assumptions**

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- The portfolio was frozen on June 30, 2004. Any changes in the project databases after that date have not been taken into consideration.
- Wherever there are conflicts between project documents of the same project, later documents supersede earlier documents.
- There were 245 projects which the SAP database classifies as having triggered OD 4.20 (as on June 25, 2004). These have been classified to be in the “Yes” category unless evidence to the contrary is available. In some of the projects there is no specific mention of indigenous/tribal/isolated communities in available project documents (this is stated in the remarks column of the database) but these too have been included in this category on the basis of the SAP classification.
- The sole source of classifying projects into the TBD category is the ISDS with the exception of projects P086058 and P085488, for which the source is the PID.

- There is a possibility that some projects that exclusively target Indigenous Peoples are misclassified. This is because their project documents do not explicitly state that all targeted beneficiaries are indigenous. This database is in draft form and subject to verification by the regions.

## Key Findings

The desk portfolio review of 2,959 World Bank projects yielded the following findings:

- Of the 2,959 projects, 408 projects (14%) have applied OD 4.20. There are 1,965 projects (66%) in which the policy has not been triggered. Apart from this there were 440 projects which could not be classified due to insufficient documentation, 67 projects in which the policy was not applicable, 33 projects in which the application of OD 4.20 was still to be determined and 46 projects in which indigenous groups were identified but the policy was not applied (Figures A5.1 and A5.2 show the distribution of projects by region and sector).
- Of the 2,959 projects reviewed, 1,408 projects were active, 1,043 were closed and 508 were in the pipeline.
- A total of 408 projects have applied OD 4.20. According to sector the policy has been applied the most in the Agriculture, Fishing and Forestry sector (111 projects). This is followed by the Health and Other Social Services, Transportation, Education and Law, Justice & Public Administration sectors (Figure A5.3).

**Figure A5.1**

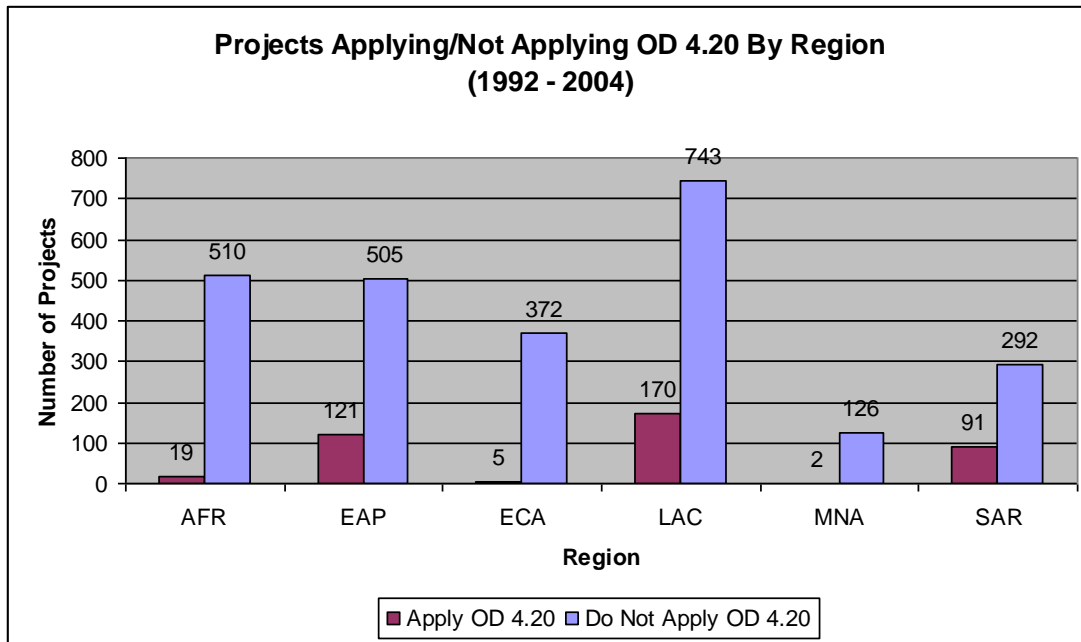


Figure A5.2

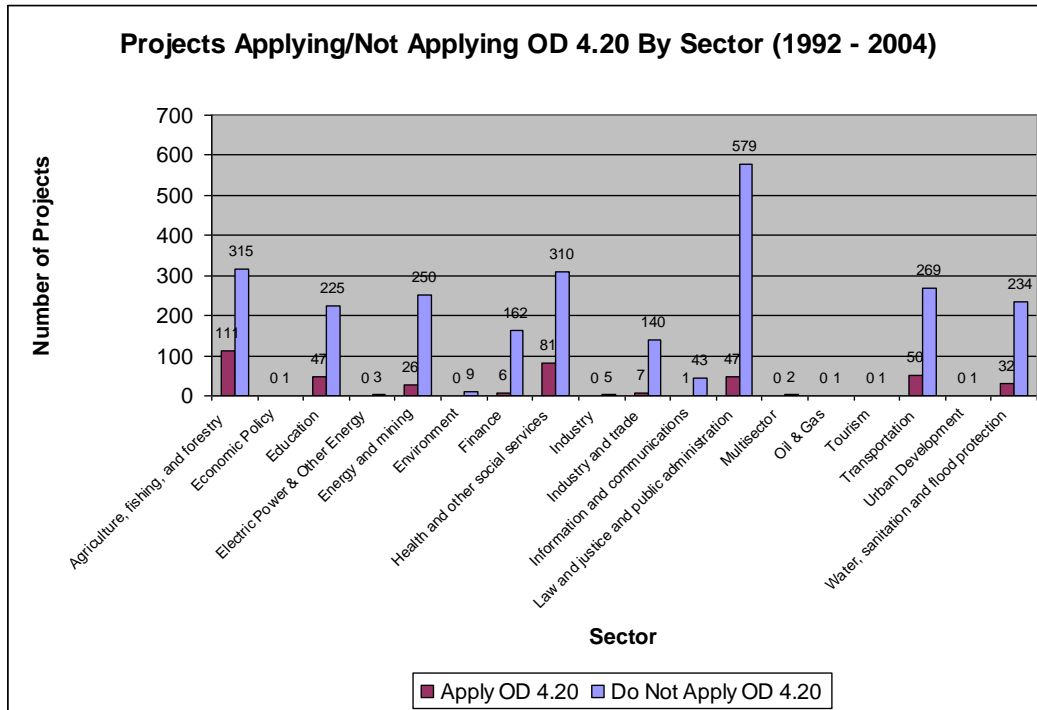
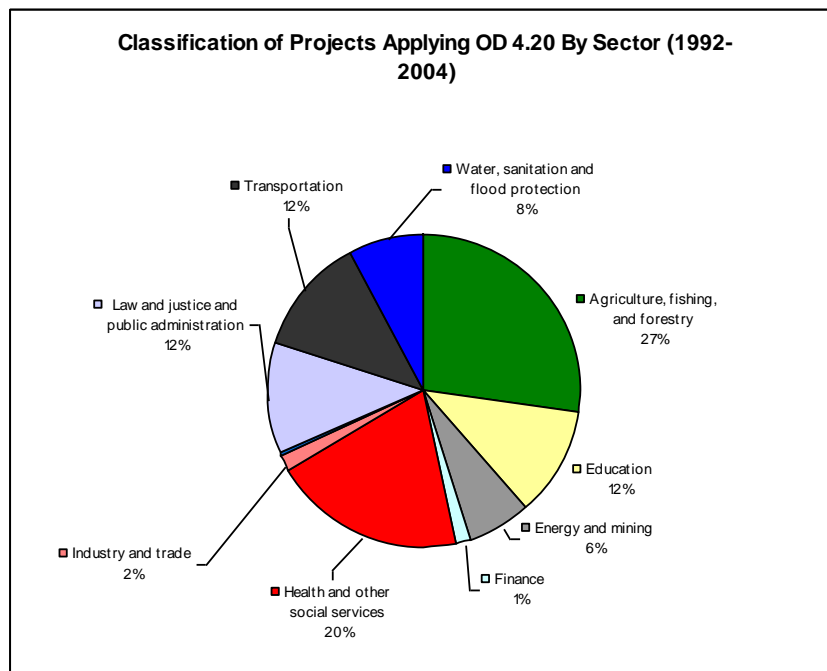


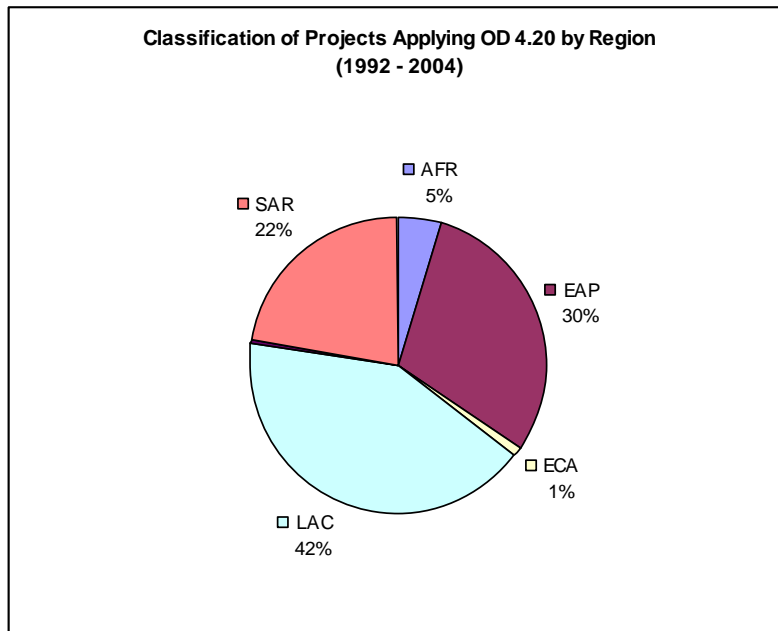
Figure A5.3



- The region that has applied the policy in the highest number of projects is LCR (170 projects) followed by the EAP and SAR regions (121 and 91 projects). The classification by sector and region is summarized in the figure below.



**Figure A5.4**



Classification of Projects Applying OD 4.20 By Region and Sector								
MAJOR SECTOR/REGION	AFR	EAP	ECA	LCR	MNA	SAR	Grand Total	%
Agriculture, fishing, and forestry	8	28	2	46	1	26	<b>111</b>	27%
Education	2	11		21		13	<b>47</b>	12%
Energy and Mining	3	12	1	6		4	<b>26</b>	6%
Finance		2		4			<b>6</b>	1%
Health and other social services		17		35		29	<b>81</b>	20%
Industry and trade		2		3		2	<b>7</b>	2%
Information and communications		1					<b>1</b>	0%
Law and justice and public administration	5	9	2	30		1	<b>47</b>	12%
Transport	1	24		14		11	<b>50</b>	12%
Water, sanitation and flood protection		15		11	1	5	<b>32</b>	8%
<b>Grand Total</b>	<b>19</b>	<b>121</b>	<b>5</b>	<b>170</b>	<b>2</b>	<b>91</b>	<b>408</b>	<b>100%</b>

- The ECA and MNA regions have only applied the policy in five and two projects respectively. However, in terms of percentage, the percentage of projects that have triggered OD 4.20 (projects triggering OD 4.20 divided by total approved projects) is the highest in SAR (23.5%) followed by the EAP (18.8%) and LCR (18.5%) regions.
- Out of the 408 projects that have applied OD 4.20, 98 projects have IPDPs, 73 projects have Frameworks or Strategies, and 12 entire projects focus on Indigenous Peoples.

- India has applied OD 4.20 in the highest number of projects (67) followed by China (29), Vietnam (26), Mexico (26), Brazil (24) and Indonesia (20). There are 12 countries that have applied OD 4.20 in more than 10 projects. India, not surprisingly, has the largest number of projects with IPDPs (18). It is followed by Brazil and Vietnam (both 11).
- The sector with the largest number of projects applying OD 4.20 that have IPDPs is the Agriculture, Fishing and Forestry sector (32 projects), followed by the Health and Other Social Services (15) and Education (14) sectors.

## **B. A Comparison of Project and IPDP Cost Estimates**

### **Objectives**

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The key objectives of this study were to:

- Determine the total estimated cost of all existing IPDPs as a ratio of their total project cost;
- Verify whether the IPDP cost has been integrated into the project cost; and
- Identify IPDPs that have used good cost tables/frameworks so that they can serve as best practices for other projects.

### **Methodology**

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The review determined that a total of 408 projects had triggered OD 4.20 by the end of fiscal year 2004. Only 98 of these projects have IPDPs. Of these 98 projects only 54 have cost estimates. All 54 projects were analyzed for the purposes of this study.

There is a wide variation in the manner in which the cost estimates are given in IPDPs. While most IPDPs contain a detailed activity-based cost table, some IPDPs just mention the total estimated cost of implementing the IPDP. Three IPDPs do not mention the total estimated IPDP cost (P073135, P059936, P085851).

The primary sources of data for this study are the PAD and IPDP. In some cases where the PAD is not available the PID has been used.

A review of project activities/components has also been conducted to determine whether the IPDP cost has been integrated into the project cost. In most cases the IPDP cost does not feature separately as an item in the project cost tables, which leads one to the conclusion that separate funds have not been earmarked for the IPDP. There is a possibility that the costs of IPDP activities are embedded in project activities. However, this cannot be ascertained from the PAD.

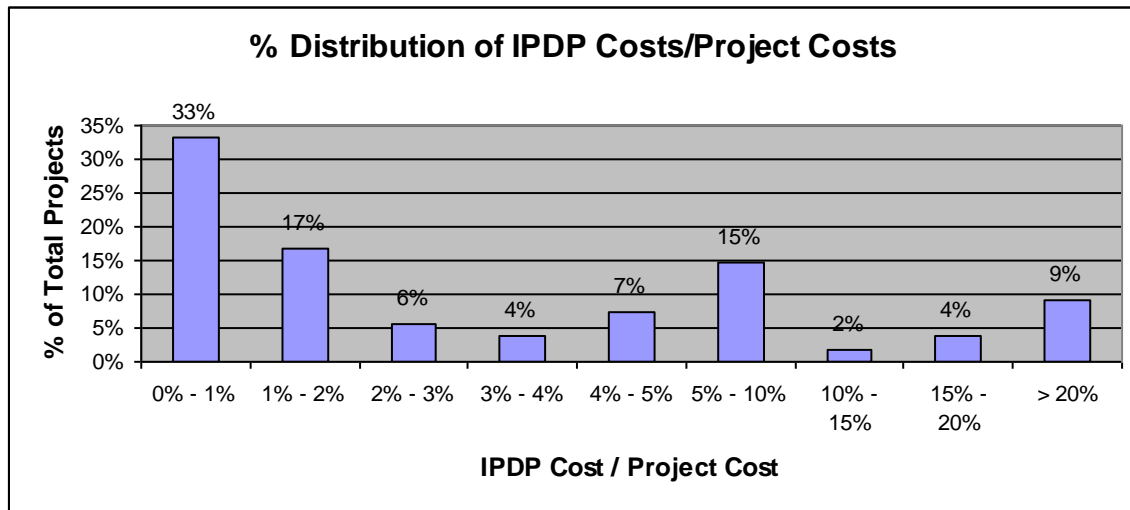
### **Findings**

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- The ratio of IPDP cost to the project cost lies between a minimum of 0.004% for the Rural Transport Improvement Project in Bangladesh (P071435) and a maximum of 60.13% for the Sustainable Coastal Tourism Project in Honduras (P057859). The percentage distribution by region and sector is given in Figures A5.1 and A5.2.

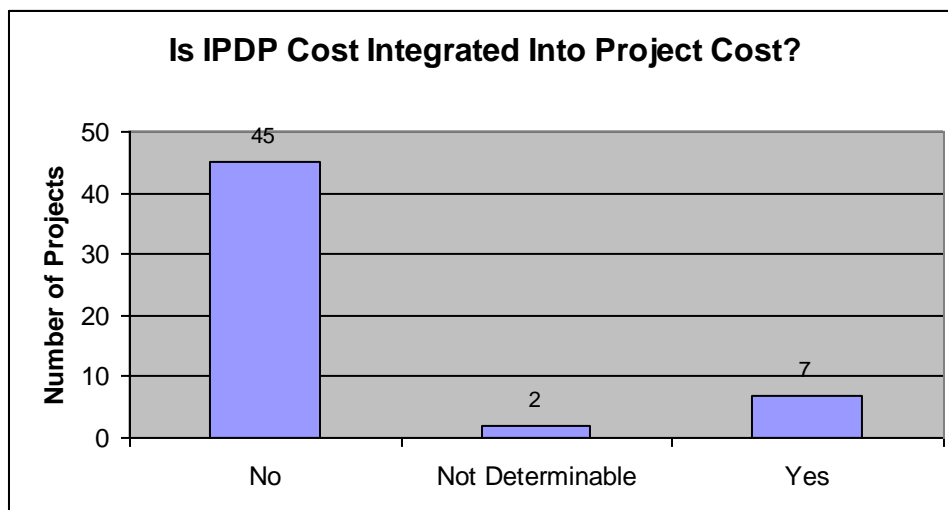
- 50% of analyzed projects have an IPDP cost to project cost ratio which is less than 2%. Similarly, 67% of analyzed projects have an IPDP cost to project cost ratio which is less than 5% (Figures A5.5 and A5.6).
- 9% of the projects have more than 20% of the project funds being directed towards IPDPs.

**Figure A5.5**



- Although the activities in an IPDP differ from project to project, activities such as training, capacity-building and workshops; institutional strengthening; technical assistance; baseline surveys and evaluation studies; information, education and communication activities; small infrastructure works and employment generation; monitoring and evaluation are common to most IPDPs.
- Only in 7 of the 54 projects are IPDP cost estimates clearly earmarked in project costs.

**Figure A5.6**



- 5 IPDPs with excellent cost estimate tables are listed below. These can serve as best practices for future IPDPs.
  - i. Mesoamerican Biological Corridor Project, Mexico, P060908
  - ii. Mesoamerican Barrier Reef System, Central America, P053349
  - iii. Community Development Program Support Project, Cameroon, P073629
  - iv. Primary Education Development Program II, Bangladesh, P074966
  - v. Andhra Pradesh Community Forest Management Project, India, P073094

### **Issues for Future Consideration**

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Two issues that should be considered to further improve the effectiveness of IPDPs are:

- Developing procedures and collecting illustrative examples that assist clients in better developing IPDP cost estimates and integrating them into project costs.
- Exploring the possibility of creating better impact indicators by sector that serve as benchmarks, such as comparing per capita expenditures on Indigenous Peoples to those for other project-affected people.

### **C. Identification of Good Practices in IPDPs**

#### **Background and Objective**

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This section is an attempt to extract elements of good practices from the descriptions of top ranked IPDPs on the three-point rank order scale, based on the same 12 criteria, with the objective of providing a database of good practice elements in existing IPDPs that can be used as a future reference.

#### **Methodology**

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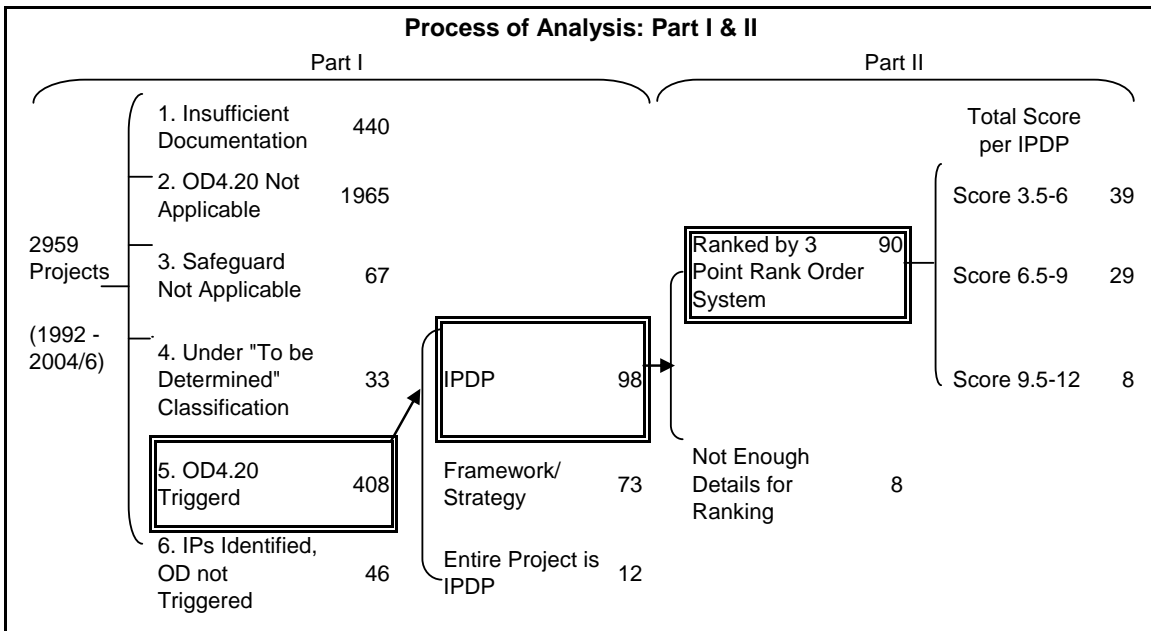
The Bank's external website, project portal, SAP, *Imagebank* and IRIS databases have been used to extract IPDPs and Frameworks. In some cases where IPDPs were not available in any of the above databases, team leaders were contacted if possible to procure the relevant documents.

In the second part of the study, an evaluation framework has been used to assess and rank all available IPDPs. The framework consists of 12 criteria which have been derived from the OD. The OD spells out the essential elements of an IPDP – legal framework; baseline data; land tenure; strategy for local participation; identification of development and mitigation activities; institutional capacity; implementation schedule; monitoring and evaluation; cost estimates and financing plan. The 12 criteria that have been used to evaluate the IPDPs are based on the above elements and are listed below:

1. Have all IP groups in project area been identified?
2. Is baseline data given?

3. Has legal framework been described?
4. Have benefits/ adverse impacts to IP groups been identified?
5. Does the IPDP include strategies/ activities that benefit IP in a culturally appropriate way?
6. Have IP been involved in identifying impacts and mitigation activities?
7. Have steps for increasing participation of IP during implementation been stated?
8. Have institutional arrangements for IPDP been described?
9. Is there a specific implementation schedule?
10. Is a separate budget earmarked for IPDP?
11. Are there specific monitoring indicators?
12. Has a complaint/conflict resolution mechanism been outlined?

A three-point rank order system has been used to rank all IPDPs. (Only projects which have been identified to have IPDPs have been analyzed in the second part of the study.) The points (0, 0.5 or 1 for each of the above criteria) have been assigned according to the criteria specified in Part II of the study.



In this third part of the study, a closer examination was conducted to identify elements that ranked 1 in the respective criteria so as to extract examples that might serve as reference for future IPDP preparation.

Distribution of IPDP Elements by Three-Point Rank Order						
Criteria	Ranking of extracted elements according to the criteria					
	0		0.5		1	
A) Have all IP groups in project area been identified?	6	7%	18	20%	65	73%
B) Is baseline data given?	20	22%	30	34%	39	44%
C) Has legal framework been described?	21	24%	11	12%	57	64%
D) Have benefits/ adverse impacts to IP groups been identified?	25	28%	22	25%	42	47%
E) Does the IPDP include strategies/ activities that benefit IP in a culturally appropriate way?	39	44%	29	33%	21	24%
F) Have IP been involved in identifying impacts and mitigation	33	37%	23	26%	33	37%
G) Have steps for increasing participation of IP during implementation been stated?	37	42%	24	27%	28	31%
H) Have institutional arrangements for IPDP been described?	22	25%	20	22%	47	53%
I) Is there a specific implementation schedule?	50	56%	21	24%	18	20%
J) Is a separate budget earmarked for IPDP?	33	37%	27	30%	29	33%
K) Are there specific monitoring indicators?	57	64%	14	16%	18	20%
L) Has a complaint/ conflict resolution mechanism been outlined?	78	88%	3	3%	8	9%
	421		242		405	

While the 12 evaluation framework criteria provide parameters for the availability of key information on Indigenous Peoples, over the course of many years of applying safeguards to operational projects in the World Bank, safeguard products that have been considered good practice have met several or all of the following criteria,<sup>3</sup> which have been used in this study to rank the quality of information:

- a) Well written – to the point without being too lengthy
- b) Contain sufficient details that allow a comprehensive understanding of the issues of concern
- c) Provide clear and succinct instructions/directives for action
- d) Contain specific reference to tasks, time frames and/or level of effort
- e) Contain good illustrations, graphics, or maps.

Part III of the study analyzed 89 IPDPs in total.<sup>4</sup>

## Findings

Findings are presented in the order of the 12 evaluation criteria, which are further clustered in each section by the 5 safeguard quality criteria. Since much learning comes from not only the best practices but also from cases where there is room for improvement, the order of presentation is arranged in the following format: key findings, good practice examples, and good examples for learning.

### A) Have all Indigenous Peoples groups in project area been identified?

<sup>3</sup> <http://essd.worldbank.org/essdint.nsf/90ByDocName/GoodPracticeExamples>.

<sup>4</sup> While 90 IPDPs were identified and ranked in the second section of the study, P074235 and P074236 turned out to be an identical project, the Third Environment Program Support Project (Madagascar).

- When target area(s)/group(s) are not clearly described in the project plan itself, it is difficult to pinpoint the concerned Indigenous Peoples and describe their characteristics. (i.e., if the project has a specific target area, such as road improvement, the identification might be easier.)
- Some projects have a lengthy description of each ethnic group, but not necessarily accompanied by project information that concern these groups. Thus, it is difficult to link the background information with the specific Indigenous Peoples group(s) that the project needs to consider in its planning.
- If the project covers extensive areas (issue and/or space wise, e.g., education system development for a country,) there is a tendency to simply list all the ethnic groups in the country. It would be helpful to supplement this information by a remark on whether the plan intends to serve all the Indigenous Peoples mentioned or to prioritize based on some justification. Otherwise, the presentation is seen as not more than that of “making the plan to ensure compliance with the Operational Directive 4.20.”<sup>5</sup>
- Most of the reference information is derived from the agriculture, fishing and forestry sector. These projects tend to incorporate a considerable amount of on-site activity involving communities. Second is transport, which typically has mitigation activities included in project components.

**B) Is baseline data given?**

- Many projects quote statistical/literature information obtained from other sources, among which much is taken from social assessments<sup>6</sup>.
- Nationwide and district target projects should have different focus on what their “baseline” should be.
- It is important to mention which part of the baseline information led to the IPDP components.

**C) Has legal framework been described?**

- It is better if the information pertaining to the availability of legal documentation concerning Indigenous Peoples applicable to the project theme is included.
- Applicable laws/regulations that will be referred, either for the protection of project affected Indigenous Peoples and/or for mitigation, should be provided so that they can be easily referred to during project implementation.

**D) Have benefits/ adverse impacts to IP groups been identified?**

- The details as well as focus depend on who the identifiers are (e.g. researchers, beneficiaries themselves).

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<sup>5</sup> Additional Annex 11: Social Assessment and Ethnic Group Development Plan, Lao People’s Democratic Republic: Second Education Development Project, p.1 (P078113).

<sup>6</sup> In the newly approved OP4.10, there is a section for “Summary of Social Assessment.”

- Two step approaches could be a good arrangement: identification by researchers, checked with beneficiaries, etc.
- In the case of many education projects, benefits to the Indigenous Peoples are the same as those to other project-affected people. However, it is emphasized that Indigenous Peoples are in a disadvantaged position to receive the same benefits under these projects. And in such cases, it is particularly meaningful to identify benefits targeted for Indigenous Peoples.
- There are cases where benefits identified by the Indigenous Peoples are not confirmed by the implementing body (or planning body) as the focus of the achievement goals of the IPDP. (For example, communities tend to list what they feel they need, regardless of the project. In such cases, it must be determined whether these lists will serve as a part of the activity components under the IPDP.)

**E) Does the IPDP include strategies/ activities that benefit Indigenous Peoples in a culturally appropriate way?**

- If prepared by consulting company, and submitted without endorsement by the client itself, the strategy remains a proposal/recommendation. However, not many IPDPs state if the document was an adopted one.

**F) Have Indigenous Peoples been involved in identifying impacts and mitigation activities?**

- In many cases, while consultation with Indigenous Peoples was conducted to receive their opinions, it is not clear how these opinions were incorporated in the plans.
- Even when issues were identified and described well, in many instances, involvement of Indigenous Peoples in the process was not mentioned.

**G) Have steps for increasing participation of Indigenous Peoples during implementation been stated?**

- Most of the documents describe Indigenous Peoples involvement (e.g. an indigenous representative will assist in .....). However, not so many of them present steps for implementation.
- Many of the strategies are issue based, and at the stage of IPDP preparation, have not yet incorporated a timeline (i.e., steps).
- From the way participation is considered, it is assumed that at the time of IPDP preparation, things are not yet concrete as to elaborate in steps.
- A common strategy can be seen as: include Indigenous Peoples in consultation process and planning of the activities.

**H) Have institutional arrangements for IPDP been described?**

- The plan is laid out as “XXXX committee will be set up...,” however, in most cases, without an analysis of existing capacity of assigned institutions. Thus, there is a lack of clarity as to feasibility.



- Most of the arrangements presented are presumably arrangements proposed, and not necessarily with the agreement of the described parties regarding the responsibilities.

**I) Is there a specific implementation schedule?**

- Scheduling should be tailored depending on the details/complexity of the activities being planned at the time of IPDP preparation as well as the given environment surrounding Indigenous Peoples. Thus, patterning is not realistic.

**J) Is a separate budget earmarked for IPDP?**

- When an IPDP is prepared as a stand-alone document, quite often it only suggests expected costs, rather than budget to be obtained from some specific source.
- When an IPDP is prepared by a consultant, it needs to be endorsed by the implementing agency responsible to implement the plan. Otherwise, it will never become clear who will cover the “expected cost.”

**K) Are there specific monitoring indicators?**

- Even if specific indicators are attributed, it is not clear if their feasibility is discussed among the people who will be involved in the implementation of the plan.
- Most of the indicators do not include benchmarks, thus there is a risk of confusion later on how to interpret their achievement.

**L) Has a complaint/ conflict resolution mechanism been outlined?**

- As the short length of the example list indicates, this criterion was the most neglected in the IPDP under OD 4.20. With the new OP 4.10, which has a component to address “accessible procedures appropriate to the project to address grievances by the affected Indigenous Peoples arising from project implementation,” more consideration is envisaged on the issue.

**Overall Remarks**

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- Many IPDPs include a considerable amount of information. However, it is not always presented in a sequential manner leading to the goals to be achieved by implementing the activities. It is frequently assumed that the IPDP is being prepared with the sole objective of “making the plan to comply with the bank policy.” There seems to be a lack of interest in making a realistic and meaningful plan truly benefiting the Indigenous Peoples targeted.
- Who prepared, and who endorsed is not clearly indicated in many of the plans. In many of the cases, IPDPs are written by consulting firms. Most have no comments mentioned if the implementing agencies have endorsed the reports. When expected benefits are presented, it is not clear whose opinion it is. When specific actions are recommended, it is not clear if those recommendations are adopted for IPDP components.
- Under that framework, Indigenous Peoples were in many cases involved as the party to be approached for information and/or opinions at consultation meetings, but not beyond.

## **Annex 6. Methodological Approach of the 2006-2008 Portfolio Review**

The present review aims at providing an overall analysis of the World Bank portfolio for the FY06-08 period regarding the application of the Indigenous Peoples Policy (OP 4.10) in World Bank projects. The analysis includes an overview of the application of the OD 4.20 in terms of regions and sectors.

The primary sources of information for compiling the data are the World Bank's internal data gathering processes: Systems, Applications and Products (SAP) and Business Warehouse (BW). Additionally, the World Bank's Operational Portal and document resource database *Imagebank* should be referred to when additional data verification and confirmation is needed by looking into project documents such as the Project Information Document (PID), the Integrated Safeguard Data Sheet (ISDS), the Project Appraisal Document (PAD), Indigenous Peoples Plan (IPP), etc.

Following the general approach of the OED Evaluation (OED, 2003), this portfolio review will try to answer the questions:

- To what extent is the OP relevant in delivering effective development to Indigenous Peoples?
- To what extent has OP 4.10 been applied and how?
- To what extent has the OP been efficacious in achieving its objectives?

Tentatively, answers to the above questions will be provided by a desk analysis of the databases of projects triggering the IP policy during the FY06-08 period. Particularly, this review aims to:

- Identify and assess the number of projects involving Indigenous Peoples; number of people or communities belonging to a given people or ethno-linguistic group; magnitude and impact of project interventions; type of projects and of IP instruments; regional trends by country, location, sector, theme, etc.
- Analyze lessons learned, challenges and opportunities
- Recommend actions to improve the application of OP 4.10 worldwide.

To facilitate the desk review, a Fact Sheet has been prepared for all projects which triggered OP 4.10 in the above-mentioned period (see Attachment 1).

Adapting the methodology used for the 2005 portfolio review (working paper) of OD 4.20 covering all Bank regions, this review will adopt an evaluation framework that ranks all available IPPs. The framework consists of 18 criteria which have been derived from the OP. It spells out the essential elements of an IPP – legal framework; baseline data; land tenure; strategy for consultations; identification of development and mitigation activities; institutional capacity; implementation schedule; monitoring and evaluation; cost estimates and financing plan. The 18 criteria that have been used to evaluate the IPPs are based on the above elements and are listed below:

1. Have all IP groups in project area been identified (is screening adequate)?
2. Has a social assessment taken place (is baseline data given)?

3. Has the legal framework been described?
4. Have benefits/ adverse impacts to IP groups been identified?
5. Is there a specific plan (implementation schedule)?
6. Does the IPP include activities that benefit IP?
7. Are activities culturally appropriate?
8. Have IP been involved in free, prior and informed consultation at the project implementation stage? Are there any records of consultation? (have the steps for increasing participation of IP during implementation been stated)?
9. Does project have verifiable broad community support (and how has it dealt with the issue of community representation)?
10. Have institutional arrangements for IPP been described?
11. Is a separate budget earmarked for IPP?
12. Are there specific monitoring indicators regarding IP (disaggregated by ethnicity)?
13. Has a complaint/conflict resolution mechanism been outlined?
14. Were the Indigenous Peoples Plan or Framework (IPP/IPPF) disclosed in the *ImageBank* and in-country in an appropriate language??
15. Are there any plans for consultation with IPs during the project implementation?
16. If applicable, what considerations have been given to the recognition of the rights to lands and natural resources of IPs?
17. If applicable, what considerations have been given to the IP sharing of benefits in the commercial development of natural and cultural resources?
18. Does the project involve the physical relocation of IPs (and have they formally agreed to it)?

A three-point rank order system will be used to rank all IPPs. All available IPPs are then reviewed and assigned 0, 0.5 or 1 for each of the above questions. These points are added to give the IPP a total score and a rank. The maximum score that could be assigned to an IPP is 20 (see Attachment 2). However, in such cases when some criteria are not applicable, a special grading formula will be adopted (TBD).

To evaluate IPPFs, a somewhat similar framework has been created. In this case, the basic criteria used are:

1. What are the potential positive and adverse effects of the proposed programs or subprojects on Indigenous Peoples?
2. Is there a plan for carrying out a social assessment for such programs or subprojects?

3. Is there a framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples' communities during project preparation and implementation?
4. Is there an adequate description of the institutional arrangements for screening project-supported activities, evaluating their effects on Indigenous Peoples, preparing IPPs, and addressing any grievances?
5. Are there any specific monitoring arrangements regarding Indigenous Peoples (disaggregated by ethnicity)?
6. Are there any disclosure arrangements for IPPs to be prepared under the IPPF?

## Annex 6, Attachment 1: Sample Fact Sheet for IPPs

### Indigenous Peoples Policy Review – Fact Sheet for IPPs

[Country] – [Project ID #] – [Project Name]

Last Update: [11/20/ 2008]

#### A. PROJECT DATA AND RECOMMENDED ACTIONS

<b>Reviewer:</b>	<b>Date of Mission:</b>
Country:	Project Loan Amount:
Project title:	Total Project Cost:
Project ID:	Appraisal Date:
IPP #:	Effectiveness Date:
Task Manager:	Closing Date:
Environment Spec.	Last PSR/ISR
Social Spec.	
MTR	Last Aide Memoire

#### REVIEW SUMMARY (Based on Desk and Field Review)

Issues / Observations

Proposed Actions (short term / long term, for TTL, SD, etc.)

#### B. SAFEGUARD IDENTIFICATION AND COMPLIANCE AT PREPARATION

##### 1 Environmental Safeguard Classification:

##### 2 Safeguard Policies Triggered at Preparation According to the ISDS, EDS, ESDS, PAD: Applicable Source

Environmental Assessment (OP/BP 4.01)

Natural Habitats (OP/GP 4.04)

Forestry (OP 4.36)

Pest Management (OP 4.09)

Cultural Property (OP 4.11) – OPN 11.03

Indigenous Peoples (OP 4.10)

Safety of Dams (OP/BP 4.37)

Projects in Disputed Areas (OP/BP 7.60)

Involuntary Resettlement (OP 4.12) – OD 4.30

Projects on International Waterways (OP/BP 7.50)

##### 3 Project Objective and Components

Project Objectives

Project Description

##### 4 Social Safeguard Triggers: Are there any social safeguard policies which should have been triggered but were not?

#### C. SOCIAL MANAGEMENT PLANS AT PREPARATION

This review is base on IPP  PAD  SA  RAP  ISDS  (check all that applies)

##### SCREENING

##### 1 Have all IP groups in project area been identified (is screening by the Bank adequate)?

##### SOCIAL ASSESSMENT

##### 2 Has a social assessment taken place (is baseline data given)? Provide summary of social assessment.

##### 3 Has the legal framework regarding IPs been described?

##### 4 Have benefits/ adverse impacts to IP groups been identified?

##### CONSULTATION, PARTICIPATION, COMMUNITY SUPPORT

5 Have IPs been involved in free, prior and informed consultation (at the project's preparation stage)? Are there any records of consultations? Is there a description of steps for increasing IPs participation during the project implementation?

6 Does the project have verifiable broad community support (and how has it dealt with the issue of community representation)?

7 Is there a framework for consultation with IPs during the project implementation?

#### INDIGENOUS PEOPLES PLAN

8 Is there a specific action plan (implementation schedule)?

9 Does the IPP include activities that benefit IP?

10 Are activities culturally appropriate?

11 Have institutional arrangements for IPP been described?

12 Is there a separate budget earmarked for IPP?

13 Are there specific monitoring indicators? If yes, are these monitoring indicators disaggregated by ethnicity?

14 Has a complaint/conflict resolution mechanism been outlined?

Disclosure: Were IPP/IPPF disclosed at the *Infoshop*? Y / N

15 Was IPP/IPPF disclosed in Country and in a form and language accessible to IPs? Y / N  
What's missing: \_\_\_\_\_

#### SPECIAL CONSIDERATIONS

16 If applicable, what considerations have been given to the recognition of the rights to lands and natural resources of IPs

17 If applicable, what considerations have been given to the IP sharing of benefits in the commercial development of natural and cultural resources?

18 Does the project involve the physical relocation of IPs (and have they formally agreed to it)? If yes, has the project prepared a resettlement instrument (resettlement policy framework, process framework, resettlement action plan)?

#### D. IMPLEMENTATION AND SUPERVISION (Based on initial desk review and verified by field assessment)

##### 1 Social Safeguards

1.1 Have issues (anticipated and unexpected) been monitored and reported systematically in Aide Memoires and ISRs? Have appropriate actions been taken?

1.2 Were social specialists included in supervision missions and how often?

1.3 What are the project impacts on IPs culture, livelihoods and social organization?

1.4 In terms of consultation process, are there ongoing consultations with the IP communities? Are there records of carried out consultations?

1.5 Have any social risks been identified? Have appropriate risk management strategies/actions been recommended to the Borrower?

1.6 Are IPOs (beyond the community level) actively engaged throughout the life of the project?

1.7 Does the project contribute to the respect of IP rights as recognized by the country's legal and policy systems?

##### 2 Effectiveness

2.1 Are IPPF and/or IPP implemented satisfactorily? Are they effective? Is funding adequate?

2.2 In relation to the implementation of IPPF/ IPP, were problems identified, if any? If yes, how were they resolved by the Borrower?

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**3 Effectiveness of Monitoring Program**  
3.1 **Has the monitoring program been adequately supervised? Are performance indicators effective?**

---

**4 Effectiveness of Institutional Responsibilities/Training as outlined in the project documents**

---

**5 Effectiveness of relevant Legal Covenants: Is compliance with legal covenants being adequately supervised?**

---

**E. SITE VISIT(s)**

- Date
- Location

1.1 **Activity**

1.2 **Observations**

**F. OVERALL ASSESSMENT (including desk and field reviews)**

**1 Overall Assessment and Risk Rating**

1.1 **To what extent is the OP4.10 relevant in delivering effective development to IP?**

1.2 **To what extent has OP4.10 (and previously OD4.20) been applied and how?**

1.3 **To what extent has OP4.10 been efficacious (cost effective) in achieving its objectives?**

---

**2 Recommendations**

3.1 **Project specific**

3.2 **Country / Program specific**

---

*List of Attachments*

- 3**
- *Key People Met*
  - *photos*
  - *etc.*

**G. FEEDBACK FROM TTL / SD**

- Date of feedback received
- 
-

**Annex 6, Attachment 2: Three Point Rank Order System for IPPs**

<b>Criterion</b>	<b>Points</b>	<b>Explanation</b>
<b>Screening</b>		
1. Have all IP groups in project area been identified (is screening adequate)?	0	Not stated
	0.5	The names of some groups have been mentioned; baseline survey has been proposed; Aggregates all groups together
	1	Detailed description of all indigenous groups is given
<b>Social Assessment</b>		
2. Has a social assessment been done (Is baseline data given)?	0	Not stated
	0.5	Proposed to collect all relevant data - no specifics; data briefly stated; or not updated, data not disaggregated
	1	Disaggregated population data of IP; relevant socio-economic indicators have been stated; data that needs to be collected are listed;
3. Has legal framework been described?	0	Not stated
	0.5	Brief mention of framework given
	1	Constitutional provisions, legal statutes and government programs in relevant sectors related to indigenous peoples stated
4. Have benefits/ adverse impacts to IP groups been identified?	0	Not discussed
	0.5	Potential impacts have been briefly discussed
	1	Potential positive and negative impacts identified and discussed
<b>Consultation, Participation, Community Support</b>		
5. Have IP been involved in free, prior and informed consultation at the project implementation stage? Are there any records of consultation?	0	Not determinable
	0.5	Brief mention that consultations have taken place; no details provided
	1	Detailed description of process given; appropriate methods used, interlocutors are representative
6. Does project have verifiable broad community support (and how has it dealt with the issue of community representation)?	0	Not stated
	0.5	States that IP groups will be involved in preparing village/community action plans; participation process briefly discussed
	1	Detailed description of participation strategy and action steps given
7. Is there a framework for consultation with IPs during the project implementation?	0	No
	0.5	Passing mention
	1	Detailed arrangements
<b>Indigenous People Plan</b>		
8. Is there a specific plan (implementation schedule)?	0	Not stated
	0.5	Flexible time frame (activities need to be proposed); given activity wise; year-wise distribution; mentioned but integrated into another project document (RAP, etc.); no separate treatment; combined with RAP;
	1	Detailed description given
9. Does the IPP/IPDP include activities that benefit IP	0	Not stated
	0.5	Activities stated but not detailed
	1	Activities clearly specify
10. Are activities culturally appropriate?	0	Not stated
	0.5	Cultural concerns noted but not explicit
	1	Activities support cultural norms
11. Have institutional arrangements for IPP been described?	0	Not stated
	0.5	Mentioned but integrated into another project document



		(RAP, etc.); no separate treatment
	1	Detailed description of agencies involved in implementation of plan, including applicable IPO's or tribal organizations.
12. Is a separate budget earmarked for IPP?	0	Not stated
	0.5	Mentioned but integrated into another project document (RAP, etc.); not broken down activity-wise
	1	Detailed description given
	0	Not mentioned
13. Are there specific monitoring indicators?	0.5	Proposed that monitoring indicators shall be designed later; Project outcomes that need to be monitored are stated
	1	Monitoring indicators disaggregated by ethnicity
	0	Not mentioned
14. Has a complaint/conflict resolution mechanism been outlined?	0.5	Passing mention of mechanism in document
	1	Detailed description and few concrete steps of mechanism given
	0	No
15. Were the Indigenous Peoples Plan or Framework (IPP/IPPF) disclosed in Infoshop and in Country in an appropriate language??	0.5	Disclosed in Infoshop
	1	Detailed Summary in appropriate form, manner and language.
	<b>Special Considerations</b>	
16. If applicable, what considerations have been given to the recognition of the rights to lands and natural resources of IPs?	0	None
	0.5	Passing mention
	1	Detailed considerations
17. If applicable, what considerations have been given to the IP sharing of benefits in the commercial development of natural and cultural resources?	0	None
	0.5	Passing mention
	1	Detailed considerations
18. Does the project involve the physical relocation of IPs (and have they formally agreed to it)?	1	No resettlement unless with their prior consent
	0.5	Only within traditional lands or territories
	0	Yes, physical relocation outside their traditional territories with no compensation or consent

## Annex 6, Attachment 3: Sample Fact Sheet for IPPFs

### Indigenous Peoples Policy Review – Fact Sheet for IPPF’s

Country – Project ID # – Project Name

Last Update: 11/20/2008

#### A. PROJECT DATA AND RECOMMENDED ACTIONS

<b>Reviewer:</b>	<b>Date of Mission:</b>
Country:	Project Loan Amount:
Project title:	Total Project Cost:
Project ID:	Appraisal Date:
IPPF #:	Effectiveness Date:
Task Manager:	Closing Date:
Environment Spec.	Last PSR/ISR
Social Spec.	
MTR	Last Aide Memoire

#### REVIEW SUMMARY (Based on Desk and Field Review)

Issues / Observations

Proposed Actions (short term / long term, for TTL, SD, etc.)

#### B. SAFEGUARD IDENTIFICATION AND COMPLIANCE AT PREPARATION

##### 1 Environmental Safeguard Classification:

##### 2 Safeguard Policies Triggered at Preparation According to the ISDS, EDS, ESDS, PAD: **Applicable** **Source**

Environmental Assessment (OP/BP 4.01)

Natural Habitats (OP/GP 4.04)

Forestry (OP 4.36)

Pest Management (OP 4.09)

Cultural Property (OP 4.11) – OPN 11.03

Indigenous Peoples (OP 4.10)

Safety of Dams (OP/BP 4.37)

Projects in Disputed Areas (OP/BP 7.60)

Involuntary Resettlement (OP 4.12) – OD 4.30

Projects on International Waterways (OP/BP 7.50)

##### 3 Project Objective and Components

Project Objectives

Project Description

##### 4 Social Safeguard Triggers: Are there any social safeguard policies which should have been triggered but were not?

#### C. SOCIAL MANAGEMENT PLANS AT PREPARATION

This review is base on IPPF  PAD  SA  RAP  ISDS  (check all that applies)

#### TYPES OF PROGRAMS OR SUBPROJECTS AND THEIR POTENTIAL EFFECTS

##### 1 What are the **potential positive and adverse effects** of the proposed programs or subprojects on Indigenous Peoples?

#### PLANS FOR SOCIAL ASSESSMENT AND CONSULTATION

##### 2 Is there a **plan for carrying out a social assessment** for such programs or subprojects?

##### 3 Is there a **framework for ensuring free, prior, and informed consultation** with the affected Indigenous Peoples’ communities during project preparation and implementation?

#### PROVISIONS FOR SCREENING, EVALUATION OF EFFECTS, AND PREPARATION OF IPPs

##### 4 Is screening by the Bank adequate)?

##### 5 Is there an adequate description of the institutional arrangements for **screening** project-supported activities, evaluating their effects on

	Indigenous Peoples, <b>preparing IPPs</b> , and addressing any grievances?
<b>6</b>	Are there any specific monitoring arrangements regarding Indigenous Peoples (disaggregated by ethnicity)?
<b>7</b>	Are there any <b>disclosure arrangements for IPPs</b> to be prepared under the IPPF?
<b>D.</b>	<b>IMPLEMENTATION AND SUPERVISION (Based on initial desk review and verified by field assessment)</b>
<b>1</b>	<b>Social Safeguards</b>
1.1	Have issues (anticipated and unexpected) been monitored and reported systematically in Aide Memoires and ISRs? Have appropriate actions been taken?
1.2	Were social specialists included in supervision missions and how often?
1.3	What are the project impacts on IPs culture, livelihoods and social organization?
1.4	In terms of consultation process, are there ongoing consultations with the <u>IP communities</u> ? Are there records of carried out consultations?
1.5	Have any social risks been identified? Have appropriate risk management strategies/actions been recommended to the Borrower?
1.6	Are <u>IPOs</u> (beyond the community level) actively engaged throughout the life of the project?
1.7	Does the project contribute to the respect of IP rights as recognized by the country's legal and policy systems?
<b>2</b>	<b>Effectiveness</b>
2.1	Are IPPF and/or IPP implemented satisfactorily? Are they effective? Is funding adequate?
2.2	In relation to the implementation of IPPF/ IPP, were problems identified, if any? If yes, how were they resolved by the Borrower?
<b>3</b>	<b>Effectiveness of Monitoring Program</b>
3.1	Has the monitoring program been adequately supervised? Are performance indicators effective?
<b>4</b>	<b>Effectiveness of Institutional Responsibilities/Training as outlined in the project documents</b>
<b>5</b>	<b>Effectiveness of relevant Legal Covenants: Is compliance with legal covenants being adequately supervised?</b>
<b>E.</b>	<b>SITE VISIT(s)</b> - Date - Location
1.1	<b>Activity</b>
1.2	<b>Observations</b>
<b>F.</b>	<b>OVERALL ASSESSMENT (including desk and field reviews)</b>
<b>1</b>	<b>Overall Assessment and Risk Rating</b>
1.1	To what extent is the OP4.10 relevant in delivering effective development to IP?
1.2	To what extent has OP4.10 (and previously OD4.20) been applied and how?
1.3	To what extent has OP4.10 been efficacious (cost effective) in achieving its objectives?
<b>2</b>	<b>Recommendations</b>
3.1	<b>Project specific</b>
3.2	<b>Country / Program specific</b>
<b>3</b>	<i>List of Attachments</i>

- Key People Met
- photos
- etc.

**G. FEEDBACK FROM TTL / SD**  
 - Date of feedback received

**Annex 6, Attachment 4: Three Point Rank Order System for IPPFs**

New numbers	Criterion	Points	Explanation
<b>Types of programs or subprojects and their potential effects</b>			
1	1. What are the potential positive and adverse effects of the proposed programs or subprojects on Indigenous Peoples?	0	Not discussed
		0.5	Potential impacts have been briefly discussed
		1	Potential positive and negative impacts identified and discussed
<b>Plans for Social Assessment and Consultation</b>			
2	2. Is there a plan for carrying out a social assessment for such programs or subprojects?	0	Not stated
		0.5	Proposed to collect all relevant data - no specifics; data briefly stated; or not updated, data not disaggregated
		1	Disaggregated population data of IP; relevant socio-economic indicators have been stated; data that needs to be collected are listed;
3	3. Is there a framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples' communities during project preparation and implementation?	0	Not determinable
		0.5	Brief mention that consultations will take place; no details provided
		1	Detailed description of process; appropriate methods to be used, interlocutors are representative
<b>Provision for Screening, evaluation of effects and preparation of IPPs</b>			
4	4. Is Screening by the Bank adequate?	0	Not stated
		0.5	The names of some groups have been mentioned; baseline survey has been proposed; Aggregates all groups together
		1	Detailed description of all indigenous groups is given
5	5. Is there an adequate description of the institutional arrangements for screening project-supported activities, evaluating their effects on Indigenous Peoples, preparing IPPs, and addressing any grievances?	0	Not stated
		0.5	Mentioned but integrated into another project document (RAP, etc.); no separate treatment
		1	Detailed description of agencies involved in implementation of plan, including applicable IPO's or tribal organizations.
6	6. Are there any specific monitoring arrangements regarding Indigenous Peoples (disaggregated by ethnicity)?	0	Not mentioned
		0.5	Proposed that monitoring indicators shall be designed later; Project outcomes that need to be monitored are stated
		1	Monitoring indicators disaggregated by ethnicity
7	7. Are there any disclosure arrangements for IPPs to be prepared under the IPPF?	0	No
		0.5	Disclosed in <i>Infoshop</i>
		1	Detailed Summary in appropriate form, manner and language.

## Annex 7. Score Card for IPPs

### SCORE CARD FOR IPPs - OP 4.10

#	Region	Country	Proj ID	Proj. Name	Concept Review	IPP	1	2	3	4	5	6	5+6/2	7	8	9	10	9+10/2	11	12	13	14	15	16	17	18	TOTAL(18)
1	LCR	Colombia	P052608	Antioquia Secondary Education Project	11/02/2006	IPP214	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0.5	N/A	N/A	N/A	15
2	LCR	Argentina	P100806	Sustainable Natural Res Mgt	04/13/2007	IPP (41647)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0.5	0.5	1	1	17
3	LCR	Bolivia	P101206	Exp. Access to reduce Health Inequality (APL3)	09/05/2007	IPP, SA (project is an IPP)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0.5	0.5	N/A	N/A	N/A	14
4	SAR	India	P102328	Karnataka Tanks (Supplement)	03/22/2007	IPP5 (2002)	1	0.5	1	1	1	1	1	1	1	1	1	1	1	1	0.5	1	1	0.5	N/A	1	16
5	LCR	Honduras	P101218	Education Quality, Governance & Insti	01/16/2007	IPP235	1	1	1	1	1	0.5	0.8	0.5	1	1	1	1	1	1	1	1	0.5	N/A	N/A	N/A	14
6	SAR	India	P104724	AP Rural Poverty Reduction Add. Fin.	05/18/2007	IPP21(2002)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0.5	1	0.5	N/A	15
7	EAP	Vietnam	P099211	Rural Distribution Project	11/09/2006	IPP254	1	1	1	1	1	1	1	0.5	1	1	0.5	0.8	1	1	0.5	0.5	1	N/A	N/A	1	14
8	LCR	Bolivia	P101084	Investing in Children and Youth	09/18/2007	IPP259 (project is an IPP)	1	1	1	0.5	1	0.5	0.8	0.5	1	1	1	1	1	1	0.5	1	1	N/A	N/A	N/A	13
9	LCR	Panama	P106445	PA Hlth Equity & Performance Improvement	11/28/2007	IPP282rev	1	0.5	1	0.5	1	0.5	0.8	0.5	1	1	1	1	1	1	1	1	1	N/A	N/A	N/A	13
10	SAR	India	P102547	Elementary Education (SSA II)	04/10/2007	IPP 244	1	1	1	0.5	1	1	1	1	0.5	1	0.5	0.8	1	1	1	1	0.5	N/A	N/A	N/A	13
11	SAR	India	P100735	Orissa Community Tank Management Project	12/15/2006	IPP	1	1	1	0.5	1	1	1	1	1	1	1	1	1	1	0.5	1	0.5	0.5	0.5	1	16
12	SAR	India	P105775	Mizoram Roads - Additional Financing	01/05/2007	IPP57	1	1	0.5	1	1	1	1	1	0.5	1	1	1	1	1	0.5	1	0.5	1	N/A	0.5	15
13	EAP	China	P105229	GEF- Mainstreaming	03/29/2007	IPP240	1	1	1	1	1	1	1	1	0.5	1	1	1	1	0.5	0.5	0.5	0.5	1	N/A	N/A	14

#	Region	Country	Proj ID	Proj Name	Concept Review	IPP	1	2	3	4	5	6	5+6/2	7	8	9	10	9+10/2	11	12	13	14	15	16	17	18	TOTAL(18)
				Climate Change Adap																							
14	LCR	Panama	P098328	Social Protection	07/13/2006	IPP212	1	0.5	1	0.5	1	0.5	0.8	1	0	1	1	1	1	1	1	1	1	N/A	N/A	N/A	13
15	EAP	Solomon Islands	P089297	Rural Development Program	09/07/2006	IPP (project is an IPP)	1	1	0	1	1	1	1	1	1	1	1	1	1	1	0.5	0.5	1	1	0	N/A	14
16	LCR	Argentina	P102316	AR Prov Ag Devt I Add'l Financ Ln7425-AR	08/29/2006	IPP191 and Env and Social Safeguard Note (E1497)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0.5	0.5	0.5	0	0.5	N/A	14
17	SAR	Nepal	P080819	PAF II Supplemental	38757	IPP242 (project is an IPP)	1	1	1	0.5	1	1	1	1	1	1	1	1	0.5	1	1	0	0.5	0.5	N/A	N/A	13
18	SAR	Nepal	P105860	PAF II	02/28/2007	IPP242 (project is an IPP)	1	1	1	0.5	1	1	1	1	1	1	1	1	0.5	1	1	0	0.5	0.5	N/A	N/A	13
19	LCR	Ecuador	P094784	Chimborazo Dev Invest Proj (PIDD)	10/20/2005	IPP231 (project is an IPP)	1	1	0	1	1	1	1	1	1	1	1	1	1	1	0.5	0	1	0	N/A	N/A	13
20	LCR	Nicaragua	P106283	I Rural Water Supply and Sanitation	01/07/2008	IPP281rev	1	1	1	0.5	0.5	0.5	0.5	0.5	1	1	1	1	0.5	1	1	1	0.5	0.5	N/A	N/A	13
21	LCR	Nicaragua	P108974	Hurricane Felix Emergency Recovery	01/22/2008	IPP (project is an IPP)	1	0.5	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0.5	0.5	N/A	N/A	13
22	LCR	Bolivia	P101426	Lake Titicaca Local Sust Dev	01/18/2007	IPP (41132) (project IPP)	1	1	1	0.5	1	0.5	0.8	1	1	1	1	1	1	1	1	0	0.5	0	0.5	1	14
23	EAP	Vietnam	P101608	Avian & Human Influenza Control & Prep	10/03/2006	IPP (project is an IPP)	1	1	1	0.5	1	0.5	0.8	1	1	1	1	1	0.5	1	0.5	0	0.5	N/A	N/A	N/A	12
24	LCR	Panama	P106686	PA Basic Education Quality Improvement	11/28/2007	IPP296	1	0.5	1	0.5	1	0.5	0.8	0	1	1	1	1	0.5	1	1	1	0.5	N/A	N/A	N/A	12
25	LCR	Honduras	P101209	Rural Competitiveness	05/31/2007	IPP (41276 included in the SA)	1	1	1	1	1	0.5	0.8	0.5	1	1	1	1	1	1	0.5	0	0.5	0.5	0.5	N/A	13
26	LCR	Mexico	P098732	Sacred Orchids of Chiapas GEF	00/00/0000	IPP Annex 10 of Project Brief	1	1	0.5	1	1	1	1	1	1	1	1	1	1	0	1	0	0.5	0	1	N/A	13
27	LCR	Paraguay	P082026	PY Road Maintenance	11/03/2005	IPP177	1	0.5	1	1	0.5	0.5	0.5	1	1	1	1	1	1	1	0.5	0.5	0.5	0	N/A	1	13

#	Region	Country	Proj ID	Proj. Name	Concept Review	IPP	1	2	3	4	5	6	5+6/2	7	8	9	10	9+10/2	11	12	13	14	15	16	17	18	TOTAL(18)
28	SAR	Nepal	P110463	Second Rural Water Sup. and San. Add. Fin	01/19/2008	IPP64	1	1	0.5	1	1	0.5	0.8	1	1	1	1	1	1	1	1	0	0.5	0.5	0	N/A	13
29	EAP	China	P091949	CN-Gansu Cultural & Natural Heritage	01/10/2006	IPP228	1	0.5	1	1	0.5	0.5	0.5	1	1	1	1	1	0.5	1	0.5	1	0.5	0	0.5	1	14
30	EAP	Lao PDR	P106188	Poverty Reduction Fund (Supplemental)	09/11/2007	IPP (project is an IPP) (E1861, Social and Environmental Guidelines)	1	0.5	1	1	0	1	0.5	0.5	1	1	1	1	1	1	1	1	0.5	0	0	1	14
31	LCR	Bolivia	P101298	Participatory Rural Investment II	10/16/2006	IPP41288 (project is an IPP)	1	1	1	1	1	0.5	0.8	0.5	1	1	1	1	1	1	0.5	0	0.5	0	N/A	N/A	12
32	SAR	India	P093478	Orissa Rural Livelihoods Project	10/17/2005	IPP261	1	1	0.5	0.5	1	0.5	0.8	0.5	1	1	1	1	1	0	0.5	0.5	1	1	N/A	N/A	12
33	EAP	Cambodia	P105715	Rural Invest and Local Gov Add Financing	03/09/2007	IPP29	1	0.5	1	0.5	0.5	1	0.8	1	0.5	1	1	1	1	0	0.5	1	1	0	N/A	1	13
34	LCR	Guatemala	P077756	Maternal & Infant Health & Nutrition	07/12/2005	IPP153	0.5	0.5	1	0.5	0.5	1	0.8	1	1	1	1	1	1	1	0.5	0	0.5	N/A	N/A	N/A	11
35	LCR	Guatemala	P089898	(CRL1) Education Quality and Sec. Edu	38547	IPP180	1	1	1	0.5	0.5	0.5	0.5	0.5	1	1	0.5	0.8	1	1	1	0	0.5	N/A	N/A	N/A	11
36	SAR	India	P094360	National VBD Control&Polio Eradication	07/07/2005	IPP257	0.5	1	0.5	1	1	0.5	0.8	1	0.5	1	1	1	0.5	0.5	1	0.5	0.5	N/A	N/A	N/A	11
37	SAR	Nepal	P110731	Health Sector Additional Financing	02/19/2008	IPP 29411	1	0.5	1	0.5	1	0	0.5	1	1	1	1	1	1	1	0.5	0	0.5	N/A	N/A	N/A	11
38	EAP	Indonesia	P098308	Conservation of Aketajawe-Lolobata	10/13/2005	IPP170	1	1	1	0.5	0.5	0.5	0.5	1	0.5	1	1	1	0	0.5	0.5	1	1	0.5	0.5	1	13
39	LCR	Honduras	P109058	Road Reconstruction & Improvement II	11/19/2007	IPP291v1	1	1	1	1	1	1	1	1	0	1	1	1	0	1	0	0	1	1	N/A	0	12
40	SAR	Nepal	P099296	Irrig & Water Res Mgmt Proj	10/31/2005	IPP247	1	1	0	1	1	1	1	1	1	0.5	1	0.8	1	0.5	0.5	0	0.5	0	N/A	1	12
41	EAP	Indonesia	P105002	National Program for Community Empower	03/05/2007	IPP285	0.5	0	0	1	0.5	0.5	0.5	1	0.5	1	1	1	1	0.5	0.5	1	1	N/A	N/A	1	11

#	Region	Country	Proj ID	Proj. Name	Concept Review	IPP	1	2	3	4	5	6	5+6/2	7	8	9	10	9+10/2	11	12	13	14	15	16	17	18	TOTAL(18)
42	AFR	Burundi	P095211	Community and Social Dvpt SIL	07/26/2005	IPP192	1	0.5	0.5	1	1	0.5	0.8	1	0.5	1	1	1	1	0.5	1	0	0.5	0	N/A	0.5	12
43	LCR	Argentina	P108742	Sustainable Indigenous Communities	#	IPP (project is an IPP)	0.5	0.5	0	0.5	1	1	1	1	0.5	1	1	1	1	1	0.5	1	1	0	0	N/A	12
44	LCR	Colombia	P100738	Caribbean Savannah Carbon Sink	05/08/2006	IPP193	1	0.5	1	0.5	1	1	1	0.5	0.5	1	0.5	0.8	1	0.5	0.5	0	0.5	0.5	1	NA	12
45	SAR	Nepal	P107558	Education for All Additional Financing	08/27/2007	IPP107	1	1	1	0.5	1	0.5	0.8	0	0.5	1	1	1	1	0	1	0	0.5	N/A	N/A	N/A	10
46	EAP	Pacific Islands	P098423	4P-GEF Sustainable Energy Finance	09/27/2005	IPP (project is an IPP)	1	1	0	0.5	1	0.5	0.8	0.5	1	1	0.5	0.8	1	1	0.5	0	0.5	N/A	0.5	N/A	11
47	EAP	Indonesia	P104185	KDP3 Second Phase - Add'l Financing	11/08/2006	IPP41 (note on safeguards)	0.5	0	0	1	0.5	0.5	0.5	1	0.5	1	1	1	1	0.5	0.5	0	1	N/A	N/A	1	10
48	EAP	Vietnam	P082672	Northern Upland Health Support Proj	05/31/2006	IPP 39518-VN (project is an IPP)	1	1	0.5	1	0.5	0	0.3	0	1	1	0.5	0.8	0.5	1	0.5	0	0.5	N/A	N/A	N/A	9
49	SAR	Bangladesh	P110376	SIPP-Cyclone-07 Add Financing III	05/01/2008	IPP32	0.5	0.5	0	0.5	1	1	1	1	0.5	0.5	1	0.8	0.5	1	0.5	0	0.5	N/A	N/A	N/A	9
50	SAR	Bangladesh	P110280	SIP II Additional Financing for Floods 2007	01/10/2008	IPP32	0.5	0.5	0	0.5	1	1	1	1	0.5	0.5	1	0.8	0.5	1	0.5	0	0.5	N/A	N/A	N/A	9
51	EAP	Mongolia	P096439	Sustainable Livelihoods Project II	04/27/2006	IPP207	1	0.5	1	0.5	1	0.5	0.8	0.5	0	1	1	1	0	0	0.5	1	1	0	N/A	N/A	9.5
52	LCR	Brazil	P101324	II Minas Gerais Dev't Partnership	10/16/2007	IPP265	1	0.5	1	0.5	0.5	0	0.3	1	0	0.5	0.5	0.5	1	0.5	0.5	0.5	0.5	1	N/A	N/A	9.5
53	EAP	China	P093963	Guiyang Transport	02/07/2006	IPP220	1	1	1	0.5	1	0.5	0.8	1	0	0.5	0.5	0.5	0	0	0.5	0	0.5	1	N/A	0.5	9.5
54	EAP	Vietnam	P110251	Healthcare Support to the Poor	12/18/2007	IPP (project is an IPP)	0.5	1	0	0.5	0	0	0	0	1	1	1	1	0.5	1	0.5	0	0.5	N/A	N/A	N/A	7.5
55	LCR	Colombia	P105164	(APL) Second Student Loan Support	09/11/2007	IPP253	1	0	1	1	0	1	0.5	1	0	0.5	0	0.3	0.5	0	1	0	0.5	N/A	N/A	N/A	7.5
56	AFR	Burundi	P110940	PRASAB Supplement	03/24/2008	IPP287	0.5	0.5	0	0.5	0	0	0	0.5	1	1	0.5	0.8	1	1	0.5	0	0.5	0	N/A	0.5	8



#	Region	Country	Proj ID	Proj. Name	Concept Review	IPP	1	2	3	4	5	6	5+6/2	7	8	9	10	9+10/2	11	12	13	14	15	16	17	18	TOTAL(18)
57	SAR	India	P096023	Orissa State Roads	11/03/2005	IPP (Social Assessment and Resettlement Action Plans)	1	1	0	1	0.5	0	0.3	0	0	1	0.5	0.8	0	0	0	0	0.5	0	0	0	5.5
58	EAP	Cambodia	P109925	Education For All Fast Track Initiative Catalytic Trust Fund	11/26/2006	IPP295	0	0	0	0.5	0	0	0	0	0.5	0.5	0	0.3	0.5	0	0.5	1	0.5	N/A	N/A	N/A	4
59	SAR	Bangladesh	P106161	Secondary Educ Qlty & Access Enhancement	09/25/2007	IPP280	1	0	1	0	0	0	0	0	0	0.5	0.5	0.5	0	0	0.5	0	0.5	N/A	N/A	N/A	4
<b>TOTAL</b>							<b>54</b>	<b>45</b>	<b>43</b>	<b>44</b>	<b>47</b>	<b>39</b>	<b>43</b>	<b>45</b>	<b>44</b>	<b>55</b>	<b>52</b>	<b>53</b>	<b>47</b>	<b>45</b>	<b>39</b>	<b>25</b>	<b>37</b>	<b>14</b>	<b>7</b>	<b>15</b>	
%							0.9	0.8	0.7	0.7	0.8	0.7	0.7	0.8	0.7	0.9	0.9	0.9	0.8	0.8	0.7	0.4	0.6	0.4	0.4	0.8	

34 16 19

## Annex 8. Score Card for IPPFs

### SCORE CARD FOR IPPFs - OP 4.10

	Region	Country	Proj ID	Proj. Name	Sector	F	1	2	3	4	5	6	7	TOTAL	Coe
1	AFR	Kenya	P096367	Water & Sanitation Srv Impr (FY08)	Water	F(IPP249)	1	1	1	1	1	1	1	7	1.00
2	EAP	Vietnam	P096418	Land Administration Project	Agriculture and Rural Development	F(no number)	1	1	1	1	1	1	0.5	6.5	0.93
3	LCR	Colombia	P104507	Social Safety Add'l Financing	Social Protection	F(IPP210)	1	1	1	1	1	1	0.5	6.5	0.93
4	LCR	Colombia	P082908	(APL2) Rural Education APL II	Education	F(IPP256)	1	1	1	1	1	1	0.5	6.5	0.93
5	LCR	Panama	P082419	Water & Sanitation in Low-Income Comm.	Water	F(IPP221)	0.5	1	1	1	1	1	1	6.5	0.93
6	SAR	Bangladesh	P104483	SIPP Additional Financing	Agriculture and Rural Development	F(IPP32)	1	1	1	1	1	1	0.5	6.5	0.93
7	SAR	Nepal	P095977	Road Sector Development Project	Transport	F(IPP245)	1	1	1	1	1	1	0.5	6.5	0.93
8	SAR	India	P100789	AP Community Tank Management Project	Agriculture and Rural Development	F(E1559 (SA))	1	1	1	1	1	1	0.5	6.5	0.93
9	SAR	India	P101653	Power System Development Project IV	Energy and Mining	F(Appendix XXXIII, Volume II of ESPP)	0.5	1	1	0.5	1	1	1	6	0.86
10	AFR	Congo	P106851	Health Sector Service Dev Proj (FY08)	Health, Nutrition and Population	F(IPP276)	0.5	1	1	1	1	1	0.5	6	0.86
11	EAP	Cambodia	P106603	Road Asset Mgmt (ADB/AusAID)	Transport	F(E1768 vol 2 Annex 2)	0.5	1	1	1	1	0.5	1	6	0.86
12	EAP	Cambodia	P102284	Second Health Sector Support Program	Health, Nutrition and Population	F(IPP278 v.1 rev.)	1	1	1	1	0.5	1	0.5	6	0.86
13	EAP	Cambodia	P100084	Avian Influenza Emergency Project	Agriculture and Rural Development	F(IPP)	1	0	1	1	1	1	1	6	0.86
14	EAP	Mongolia	P101446	Enhanced Justice Sec Services	Poverty Reduction	F(IPP288)	1	1	1	1	0.5	0.5	1	6	0.86
15	LCR	Mexico	P106682	(AF) Savings & Rural Finance SAGARPA	Agriculture and Rural Development	F (no number)	0.5	1	1	1	1	0.5	1	6	0.86
16	LCR	Nicaragua	P109691	Micro, Small & Medium Enterprise Dev.	Financial and Private Sector Development	F(IPP2840)	1	1	1	1	0.5	1	0.5	6	0.86
17	LCR	Peru	P095570	Decentralized Rural Transport Project	Transport	F(IPP183)	1	0.5	1	1	0.5	1	1	6	0.86
18	SAR	India	P099047	Vocational Training	Education	F(IPP208)	0.5	0.5	1	1	1	1	1	6	0.86
19	EAP	China	P084437	Rural Health	Health, Nutrition and Population	F (IPP289)	0	1	1	1	0.5	1	1	5.5	0.79

	Region	Country	Proj ID	Proj. Name	Sector	F	1	2	3	4	5	6	7	TOTAL	Coe
20	EAP	Indonesia	P096921	National UPP (PNPM UPP)	Urban Development	F(IPP275) (note on safeguards)	1	0.5	1	1	0	1	1	5.5	0.79
21	LCR	Argentina	P090993	Essential Public Health Functions	Health, Nutrition and Population	F(IPP186)	0.5	1	1	1	1	0.5	0.5	5.5	0.79
22	LCR	Brazil	P100154	Fed Wtr Res Mgmt Add'l Financ	Water	F(IPP185)	1	0.5	1	0.5	1	1	0.5	5.5	0.79
23	EAP	Indonesia	P097605	Support for Poor and Disadvantaged Areas in Aceh and Nias (Spada)	Social Development	F(no number)	1	0.5	0.5	0.5	0.5	0	0	3	0.43
24	EAP	Indonesia	P100218	Aceh-Infra. Reconstr Enabling Program (IREP)	Urban Development	IPPF(Annex 9A, PAD)	0	0	1	0.5	0	0	0.5	2	0.29
25	EAP	Indonesia	P101785	Aceh Infra. Reconstr. Facility (IRFF)	Urban Development	F(SR7)	0.5	1	1	0.5	1	0.5	0.5	5	0.71
26	EAP	Indonesia	P100766	KDP Nias	Social Development	IPPF(Annex 9, PAD)	1	0	1	0	0.5	0.5	0	3	0.43
27	EAP	Philippines	P102513	EC TF for Hlth Sector Reform	Health, Nutrition and Population	F(In PAD)	0.5	1	1	1	1	1	0	5.5	0.79
28	AFR	Cameroon	P104525	Health Sector Supp. SWAP SIL (FY08)	Health, Nutrition and Population	F(IPP279)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	3.5	0.50
29	AFR	Kenya	P099628	Greenbelt Movement (FY07)	Agriculture and Rural Development	F(IPP198)	1	0.5	1	1	1	0.5	0.5	5.5	0.79
30	LCR	Bolivia	P102479	Decentralized Electricity for Universal Access	Energy and Mining	F(IPP197)	0.5	1	1	0.5	0.5	0	0	3.5	0.50
31	LCR	Mexico	P103491	Savings and Rural Finance Add'l Fin Phase II	Agriculture and Rural Development	F(Annex 11, PAD)	1	1	1	1	1	1	0.5	6.5	0.93
32	SAR	Bhutan	P110892	(AF) Bhutan Education Dev Project	Education	F(IPP35)	0.5	0.5	1	0.5	0	0	0.5	3	0.43
33	SAR	Pakistan	P101640	Pakistan Community-Based Renewable Energy Development In Northern Areas and Chithral	Environment	F(no number)	0.5	0.5	0.5	1	0	0	0	2.5	0.36
34	LCR	Honduras	P105386	Natural Disaster Mitigation Add'l Fin	Urban Development	F(IPP224)	1	0.5	1	1	1	1	0	5.5	0.79
35	LCR	Brazil	P100791	(AF) Ceará Rural Poverty	Agriculture and Rural Development	F(no number)	1	0.5	1	1	1	1	0	5.5	0.79
36	LCR	Brazil	P101879	(AF) Pernambuco Rural Poverty	Agriculture and Rural Development	F(Plano de Participação das Populações Indígenas PCPR II - 2a. Fase Estado de Pernambuco)	1	1	1	1	1	1	0	6	0.86

	Region	Country	Proj ID	Proj. Name	Sector	F	1	2	3	4	5	6	7	TOTAL	Coe
37	LCR	Brazil	P106765	Ceara Inclusive Growth (SWAp II)	Public Sector Governance	F(IPP277)	1	1	1	1	1	1	1	7	1.00
38	EAP	Vietnam	P104848	HIFU Development	Urban Development	F(IPP211)	0	1	1	1	0	0.5	1	4.5	0.64
39	EAP	Vietnam	P108885	Agriculture Competitiveness Project	Agriculture and Rural Development	F(IPP258)	0.5	1	1	1	1	1	1	6.5	0.93
40	LCR	Argentina	P106684	2nd Prov Agric Dev	Agriculture and Rural Development	F(IPP283)	1	0.5	1	1	1	0.5	0	5	0.71
41	LCR	Honduras	P103881	Water and Sanitation Program	Water	F(IPP234)	1	0.5	1	1	1	0.5	0.5	5.5	0.79
42	LCR	Paraguay	P106433	(AF) Pilot Comm. Dev.	Transport	F(IPP264)	0.5	0.5	1	1	1	0.5	1	5.5	0.79
43	AFR	DR Congo	P101745	Pro-Routes	Transport	F(IPP250)	1	1	1	1	0	0	1	5	0.71
44	LCR	Argentina	P095515	(APL2) Prov Maternal-Child Health	Health, Nutrition and Population	F(IPP181)	0.5	1	0.5	1	0.5	0.5	1	5	0.71
45	LCR	Colombia	P096965	(APL1) La Guajira Water and Sanit.	Water	F(IPP200)	1	0	1	1	1	0.5	0.5	5	0.71
46	LCR	Ecuador	P095555	(APL2) PRAGUAS II	Water	F(IPP171)	0.5	0.5	0.5	1	1	1	0.5	5	0.71
47	SAR	Sri Lanka	P110317	NEHRP 2	Urban Development	F(IPP294)	1	1	1	1	0.5	0	0.5	5	0.71
48	EAP	Indonesia	P089479	Early Childhood Education and Dev	Education	F(IPP167)	0.5	0	1	0.5	0.5	1	0.5	4	0.57
49	LCR	Argentina	P095514	Lifelong Learning Project	Education	F(IPP216)	0.5	1	0.5	0.5	0.5	0.5	0.5	4	0.57
50	LCR	Colombia	P104567	Second Rural Productive Partnerships	Agriculture and Rural Development	F(IPP223)	0.5	0.5	1	0	0.5	0.5	1	4	0.57
51	EAP	Indonesia	P097104	Bermutu	Health, Nutrition and Population	F(IPP222)	0.5	0.5	0.5	0.5	0	1	0.5	3.5	0.50
52	EAP	Lao PDR	P100081	Avian and Human Influenza Control	Health, Nutrition and Population	F(IPP203)	0.5	0.5	0	1	1	0	0.5	3.5	0.50
53	LCR	Argentina	P102446	(AF) Small Farmer Dev	Agriculture and Rural Development	F(IPP229)	1	0	0.5	0.5	1	0	0.5	3.5	0.50
54	LCR	Brazil	P095460	Bahia Integr.Hway Mgmt.	Transport	F(IPP156)	0.5	0	0	0.5	1	0.5	1	3.5	0.50
55	EAP	China	P091020	Fujian Highway Sector Investment	Transport	F(no number)	0	0	1	1	0.5	0	0.5	3	0.43
56	EAP	Lao PDR	P087716	Khammouane Development Project	Agriculture and Rural Development	F(IPP273)	0.5	0.5	0.5	1	0	0	0.5	3	0.43
57	EAP	Philippines	P079935	Natl Rds Improv. & Mgt Ph.2	Transport	F(IPP227)	0	0	0.5	1	0	0	0	1.5	0.21
<b>TOTAL</b>							<b>40</b>	<b>38.5</b>	<b>50</b>	<b>48.5</b>	<b>40.5</b>	<b>36.5</b>	<b>33</b>		

0.70 0.68 0.88 0.85 0.71 0.64 0.58

## **Annex 9. Status of Policy Provisions for Free, Prior and Informed Consent in International Financial Institutions**

Since OP 4.10 came into effect on July 1, 2005, important new policy instruments on Indigenous Peoples have been adopted at the international level, which include the principle of “free, prior and informed consent’(FPIC). Foremost among these instruments is the UN Declaration on the Rights of Indigenous Peoples,<sup>1</sup> which was adopted by the UN General Assembly in September 2007 after a 20-year negotiation process. In addition, several international financial institutions have also adopted policies on Indigenous Peoples that require FPIC, such as the Inter-American Development Bank (IDB) in 2006, the European Bank for Reconstruction and Development (EBRD) in 2008, the Asian Development Bank (ADB), European Investment Bank (EIB) and the International Fund for Agricultural Development (IFAD) in 2009 and the International Finance Corporation (IFC) in 2011. Table A9.1 summarizes the treatment of FPIC in the relevant policies of these International Financial Institutions.

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<sup>1</sup> The United Nations Declaration on the Rights of Indigenous Peoples was adopted by the UN General Assembly in September 12, 2007. This declaration is not included in the table.

**Table A9.1: International Financial Institution (IFI) Policies on Indigenous Peoples and the Concept of Free, Prior and Informed Consent/Consultation**

IFI	Year	Policy Instruments	Provisions
<b>WORLD BANK GROUP</b>			
WB	2005	<b>Operational Policy on Indigenous Peoples (OP 4.10)<sup>1</sup></b>	<p><b>“Project Preparation</b></p> <p>6. A project proposed of bank financing that affects Indigenous peoples requires:</p> <p>(c) a process of free, prior, and informed consultation with the affected Indigenous Peoples’ communities at each stage of the project, and particularly during project preparation, to fully identify their views and ascertain their broad community support for the project (see paragraphs 10 and 11);</p> <p>10. <i>Consultation and Participation.</i> Where the project affects Indigenous Peoples, the borrower engages in free, prior, and informed consultation with them. To ensure such consultation, the borrower:</p> <p>(a) establishes an appropriate gender and intergenerationally inclusive framework that provides opportunities for consultation at each stage of project preparation and implementation among the borrower, the affected Indigenous Peoples’ communities, the Indigenous Peoples Organizations (IPOs) if any, and other local civil society organizations (CSOs) identified by the affected Indigenous Peoples’ communities;</p> <p>(b) uses consultation methods appropriate to the social and cultural values of the affected Indigenous Peoples’ communities and their local conditions and, in designing these methods, gives special attention to the concerns of Indigenous women, youth, and children and their access to development opportunities and benefits; and</p> <p>(c) provides the affected Indigenous Peoples’ communities with all relevant information about the project (including an assessment of potential adverse effects of the project on the affected Indigenous Peoples’ communities) in a culturally appropriate manner at each stage of project preparation and implementation.</p> <p>11. In deciding whether to proceed with the project, the borrower ascertains, on the basis of the social assessment (see paragraph 9) and the free, prior, and informed consultation (see paragraph 10), whether the affected Indigenous Peoples’ communities provide their broad support to the project. Where there is such support, the borrower prepares a detailed report that documents:</p> <p>(a) the findings of the social assessment;</p> <p>(b) the process of free, prior, and informed consultation with the affected Indigenous Peoples’ communities;</p> <p>(c) additional measures, including project design modification, that may be required to address adverse effects on the Indigenous Peoples and to provide them with culturally appropriate project benefits;</p> <p>(d) recommendations for free, prior, and informed consultation with and participation by Indigenous Peoples’ communities during project implementation, monitoring, and evaluation; and</p> <p>(e) any formal agreements reached with Indigenous Peoples’ communities and/or the IPOs.</p> <p>The Bank reviews the process and the outcome of the consultation carried out by the borrower to satisfy itself that the affected Indigenous Peoples’ communities have provided their broad support to the project. The Bank pays particular attention to the social assessment and to the record and outcome of the free, prior, and informed consultation with the affected Indigenous</p>

<sup>1</sup> World Bank. Operational Manual – OP 4.10 – Indigenous Peoples. 2005.

			Peoples' communities as a basis for ascertaining whether there is such support. The Bank does not proceed further with project processing if it is unable to ascertain that such support exists.”
<b>IFC</b>	<b>2011 (in effect 01/01/12)</b>	<b>Policy on Social and Environmental Sustainability. Performance Standard 7 on Indigenous Peoples<sup>2</sup></b>	<p><b>“Objectives</b> To ensure the free, prior, and informed consent (FPIC) of the Affected Communities of Indigenous Peoples when the circumstances described in this Performance Standard are present.</p> <p><b>Requirements</b> <i>Participation and Consent</i></p> <p>10. The client will undertake an engagement process with the Affected Communities of Indigenous Peoples as required in Performance Standard 1. This engagement process includes stakeholder analysis and engagement planning, disclosure of information, consultation, and participation, in a culturally appropriate manner. In addition, this process will:</p> <ul style="list-style-type: none"> <li>- Involve Indigenous Peoples’ representative bodies and organizations (e.g., councils of elders or village councils), as well as members of the Affected Communities of Indigenous Peoples; and</li> <li>- Provide sufficient time for Indigenous Peoples’ decision-making processes.</li> </ul> <p>11. Affected Communities of Indigenous Peoples may be particularly vulnerable to the loss of, alienation from or exploitation of their land and access to natural and cultural resources. In recognition of this vulnerability, in addition to the General Requirements of this Performance Standard, the client will obtain the FPIC of the Affected Communities of Indigenous Peoples in the circumstances described in paragraphs 13–17 of this Performance Standard. FPIC applies to project design, implementation, and expected outcomes related to impacts affecting the communities of Indigenous Peoples. When any of these circumstances apply, the client will engage external experts to assist in the identification of the project risks and impacts.</p> <p>12. There is no universally accepted definition of FPIC. For the purposes of Performance Standards 1, 7 and 8, “FPIC” has the meaning described in this paragraph. FPIC builds on and expands the process of ICP described in Performance Standard 1 and will be established through good faith negotiation between the client and the Affected Communities of Indigenous Peoples. The client will document: (i) the mutually accepted process between the client and Affected Communities of Indigenous Peoples, and (ii) evidence of agreement between the parties as the outcome of the negotiations. FPIC does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.</p> <p><b>Circumstances Requiring Free, Prior and Informed Consent</b> <i>Impacts on Lands and Natural Resources Subject to Traditional Ownership or Under Customary Use</i></p> <p>13. Indigenous Peoples are often closely tied to their lands and related natural resources. Frequently, these lands are traditionally owned or under customary use. While Indigenous Peoples may not possess legal title to these lands as defined by national law, their use of these lands, including seasonal or cyclical use, for their livelihoods, or cultural, ceremonial, and spiritual purposes that define their identity and community, can often be substantiated and documented.</p> <p>14. If the client proposes to locate a project on, or commercially develop natural resources on lands traditionally owned by, or under the customary use of, Indigenous Peoples, and adverse impacts can be expected, the client will take the following steps:</p> <ul style="list-style-type: none"> <li>- Document efforts to avoid and otherwise minimize the area of land proposed for the project;</li> <li>- Document efforts to avoid and otherwise minimize impacts on natural resources and natural areas of importance to Indigenous People;</li> </ul>

<sup>2</sup> IFC Performance Standard 7 – Indigenous Peoples. August 2011.

			<ul style="list-style-type: none"> <li>- Identify and review all property interests and traditional resource uses prior to purchasing or leasing land;</li> <li>- Assess and document the Affected Communities of Indigenous Peoples' resource use without prejudicing any Indigenous Peoples' land claim. The assessment of land and natural resource use should be gender inclusive and specifically consider women's role in the management and use of these resources;</li> <li>- Ensure that Affected Communities of Indigenous Peoples are informed of their land rights under national law, including any national law recognizing customary use rights; and</li> <li>- Offer Affected Communities of Indigenous Peoples compensation and due process in the case of commercial development of their land and natural resources, together with culturally appropriate sustainable development opportunities, including: - Providing land-based compensation or compensation-in-kind in lieu of cash compensation where feasible.</li> <li>- Ensuring continued access to natural resources, identifying the equivalent replacement resources, or, as a last option, providing compensation and identifying alternative livelihoods if project development results in the loss of access to and the loss of natural resources independent of project land acquisition.</li> <li>- Ensuring fair and equitable sharing of benefits associated with project usage of the resources where the client intends to utilize natural resources that are central to the identity and livelihood of Affected Communities of Indigenous People and their usage thereof exacerbates livelihood risk.</li> <li>- Providing Affected Communities of Indigenous Peoples with access, usage, and transit on land it is developing subject to overriding health, safety, and security considerations.</li> </ul> <p><i>Relocation of Indigenous Peoples from Lands and Natural Resources Subject to Traditional Ownership or Under Customary Use</i></p> <p>15. The client will consider feasible alternative project designs to avoid the relocation of Indigenous Peoples from communally held lands and natural resources subject to traditional ownership or under customary use. If such relocation is unavoidable the client will not proceed with the project unless FPIC has been obtained as described above. Any relocation of Indigenous Peoples will be consistent with the requirements of Performance Standard 5. Where feasible, the relocated Indigenous Peoples should be able to return to their traditional or customary lands, should the cause of their relocation cease to exist.</p> <p><i>Critical Cultural Heritage</i></p> <p>16. Where a project may significantly impact on critical cultural heritage<sup>13</sup> that is essential to the identity and/or cultural, ceremonial, or spiritual aspects of Indigenous Peoples lives, priority will be given to the avoidance of such impacts. Where significant project impacts on critical cultural heritage are unavoidable, the client will obtain the FPIC of the Affected Communities of Indigenous Peoples.</p> <p>17. Where a project proposes to use the cultural heritage including knowledge, innovations, or practices of Indigenous Peoples for commercial purposes, the client will inform the Affected Communities of Indigenous Peoples of (i) their rights under national law; (ii) the scope and nature of the proposed commercial development; (iii) the potential consequences of such development; and (iv) obtain their FPIC. The client will also ensure fair and equitable sharing of benefits from commercialization of such knowledge, innovation, or practice, consistent with the customs and traditions of the Indigenous Peoples.</p> <p><b>Private Sector Responsibilities Where Government is Responsible for Managing Indigenous Peoples Issues</b></p> <p>21. Where the government has a defined role in the management of Indigenous Peoples issues in relation to the project, the client will collaborate with the responsible government agency, to the extent feasible and permitted by the agency, to achieve outcomes that are consistent with the objectives of this Performance Standard. In addition, where government capacity is limited, the client will play an active role during planning, implementation, and monitoring of activities to the extent permitted by the agency.</p> <p>22. The client will prepare a plan that, together with the documents prepared by the responsible government agency, will address the relevant requirements of this Performance Standard. The client may need to include (i) the plan, implementation, and</p>
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			documentation of the process of ICP and engagement and FPIC where relevant; (ii) a description of the government-provided entitlements of affected Indigenous Peoples; (iii) the measures proposed to bridge any gaps between such entitlements, and the requirements of this Performance Standard; and (iv) the financial and implementation responsibilities of the government agency and/or the client.”
<b>OTHER INTERNATIONAL FINANCIAL INSTITUTIONS</b>			
<b>AsDB</b>	<b>2009</b>	<b>Policy Paper June 2009 Safeguard Policy Statement<sup>3</sup></b>	Indigenous Peoples Safeguard, para. 4. “Ascertain the consent of affected Indigenous Peoples communities to the following project activities: (i) commercial development of the cultural resources and knowledge of Indigenous Peoples; (ii) physical displacement from traditional or customary lands; and (iii) commercial development of natural resources within customary lands under use that would impact the livelihoods or the cultural, ceremonial, or spiritual uses that define the identity and community of Indigenous Peoples. For the purposes of policy application, the consent of affected Indigenous Peoples communities refers to a collective expression by the affected Indigenous Peoples communities, through individuals and/or their recognized representatives, of broad community support for such project activities. Broad community support may exist even if some individuals or groups object to the project activities.”
<b>EBRD</b>	<b>2008</b>	<b>Environment and Social Policy - Performance Requirement 7 on Indigenous Peoples<sup>4</sup></b>	<p>“4. <i>Need for free, prior and informed consent.</i> This PR recognises the principle, outlined in the UN Declaration on the Rights of Indigenous Peoples, that the prior informed consent of affected Indigenous Peoples is required for the project-related activities identified in paragraphs 31–37, given the specific vulnerability of Indigenous Peoples to the adverse impacts of such projects.”</p> <p>31. As Indigenous Peoples may be particularly vulnerable in the project circumstances described below, the following special requirements will also apply, in addition to the General Requirements above. Common to these requirements is the need for the client to:</p> <ul style="list-style-type: none"> <li>● enter into good faith negotiation with Indigenous Peoples</li> <li>● ensure the Indigenous Peoples’ informed participation</li> <li>● obtain the free, prior and informed consent<sup>7</sup> of Indigenous Peoples before starting with an activity described in paragraphs 32–37.</li> </ul> <p>In the case of any of the following circumstances, the client will retain qualified independent social scientists to assist in conducting and documenting the activities described in paragraphs 32–37.</p> <p>Footnote 7. Consent refers to the process whereby the affected community of Indigenous Peoples, arrive at a decision, in accordance with their cultural traditions, customs and practices, as to whether to become involved in the proposed project.”</p>
<b>EIB</b>	<b>2009</b>	<b>Statement of Environmental and</b>	“53. Where the customary rights to land and resources of indigenous peoples are affected by a project, the Bank requires the promoter to prepare an acceptable Indigenous Peoples Development Plan. The plan must reflect the principles of the UN

<sup>3</sup> Asian Development Bank. Safeguard Policy Statement. July 2009.

<sup>4</sup> European Bank for Reconstruction and Development. Environmental and Social Policy. May 2008.

		<b>Social Principles and Standards</b> <sup>5</sup>	Declaration on the Rights of Indigenous Peoples, including free, prior and informed consent to any relocation.”... Where the customary rights to land and resources of Indigenous Peoples are significantly affected, the Bank requires the promoter to prepare an acceptable Indigenous Peoples Development Plan based on free, prior and informed consultation; “
<b>IDB</b>	<b>2006</b>	<b>Operational Policy on Indigenous Peoples</b> <sup>6</sup>	<p><b>IV. Policy Directives</b></p> <p><b>Promoting Development with Identity</b></p> <p>The Bank will use its best efforts to support the region’s national governments and indigenous peoples, as well as relevant private sector and civil society actors, in mainstreaming indigenous issues in local and national development agendas and in the Bank’s project pipeline. It will pursue this through specific initiatives and, where technically feasible and appropriate, the integration of complementary activities, operations and general initiatives.</p> <p><i>Mainstreaming specifically indigenous issues in development agendas through independent operations.</i> The Bank will seek to support the initiatives of governments and indigenous peoples designed to promote indigenous social, economic, political, and organizational development through socioculturally appropriate activities and operations and innovative mechanisms. The Bank will conduct participatory diagnostic studies and promote the inclusion of the corresponding conclusions and recommendations into the design of projects, programs, and technical cooperation operations. To be considered by the Bank, these operations specifically targeting indigenous beneficiaries must have the respective country’s support or nonobjection and be based on socioculturally appropriate processes of consultation with the indigenous peoples concerned. The consultations will be carried out in a manner appropriate to the circumstances, with a view to reaching agreement or obtaining consent.<sup>9</sup></p> <p><sup>9</sup> For purposes of this policy, agreement and consent have to be free from coercion or undue influence and based on the provision of proper information to affected persons as to the nature, scope, and impact of the activities concerned.</p> <p>[...]</p> <p><b>Safeguards in Bank Operations</b></p> <p>In order to be eligible for Bank financing, operations need to comply with applicable legal norms, satisfy the safeguards established in the present policy and set forth in paragraphs below, and be consistent with other Bank policies.</p> <p><i>Adverse impacts.</i> The Bank will conduct its operations in a way that prevents or mitigates direct or indirect adverse impacts on indigenous peoples or their individual or collective rights or assets. For this purpose, the Bank will adopt the technical criteria and procedures and implement the mechanisms necessary to identify, assess and prevent or mitigate said impacts. To this end, in a manner commensurate with the nature and intensity of each project’s potential adverse impacts, the Bank will apply the following specific safeguards, in accordance with the procedures outlined in the paragraph on operational measures that appears in section V of this policy. [...]</p> <p>[...] (c) For cases of particularly significant potential adverse impacts that carry a high degree of risk to the physical, territorial or cultural integrity of the affected indigenous peoples or groups, the Bank will further require and verify that the project proponent demonstrate that it has, through a good faith negotiation process, obtained agreements regarding the operation and measures to address the adverse impacts as necessary to support, in the Bank’s judgment, the sociocultural viability of the operation.</p> <p>[...] <i>Indigenous culture, identity, language, and traditional knowledge.</i> In recognition of the special sociocultural and linguistic</p>

<sup>5</sup> European Investment Bank. The EIB Statement of Environmental and Social Principles and Standards, February 2009.

<sup>6</sup> Inter-American Development Bank. Sustainable Development Department. Indigenous Peoples and Community Development Unit. Operational Policy on Indigenous Peoples. February 2006.

			<p>characteristics of indigenous peoples, Bank operations will include such measures as are necessary to protect these assets from potential adverse impacts. In relevant projects, a consultation and good faith negotiation process will be used to identify the potential risks and impacts and to design and implement socioculturally appropriate measures. In case of commercial development of indigenous cultural and knowledge resources, the Bank will require prior agreement by the affected peoples that includes safeguards for intellectual property and traditional knowledge, as well as provisions for their equitable participation in the benefits derived from such commercial development.</p>
<b>IFAD</b>	<b>2009</b>	<b>Policy on Engagement with Indigenous Peoples</b>	<p><b>Principles of Engagement</b>  <b>“Free, prior and informed consent.</b> In working with Member States on projects targeting or affecting indigenous peoples, IFAD shall support the participation of indigenous peoples’ communities in determining priorities and strategies for their own development. When appraising such projects proposed by Member States, in particular those that may affect the land and resources of indigenous peoples, the Fund shall examine whether the borrower or grant recipient consulted with the indigenous peoples to obtain their free, prior and informed consent. The Fund shall consider this consultation and consent as a criterion for project approval. In appraising such projects the Fund shall verify whether they include measures to: (a) avoid potentially adverse effects on the indigenous peoples’ communities; or (b) when avoidance is not feasible, minimize, mitigate or compensate for such effects.”</p>