

## **Critical Ecosystem Partnership Fund Indigenous Peoples Planning Framework<sup>1</sup>**

This Indigenous Peoples Planning Framework (IPPF) has been prepared to ensure that the World Bank’s Indigenous Peoples policy is applied to CEPF-supported projects. The objectives of the policy are to avoid adverse impacts on Indigenous Peoples and to provide them with culturally appropriate benefits. A parallel Process Framework describes requirements to address social impacts from restrictions of access to natural resources as per the Involuntary Resettlement Policy (OP 4.12).

The Indigenous Peoples policy recognizes the distinct circumstances that expose Indigenous Peoples to different types of risks and impacts from development projects. 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.<sup>2</sup> As a result, their economic, social, and legal status often limit their capacity to defend their rights to lands, territories, and other productive resources, and restricts their ability to participate in and benefit from development. At the same time, the policy, together with the Involuntary Resettlement policy, recognizes that Indigenous Peoples play a vital role in sustainable development and emphasizes that the need for conservation should be combined with the need to benefit Indigenous Peoples in order to ensure long-term sustainable management of critical ecosystems.

The IPPF describes the policy requirements and planning procedures that applicants for CEPF grants and subsequently grantees will follow during the preparation and implementation of CEPF projects. It also describes the role of CEPF.

### **CEPF and Indigenous Peoples**

Many of the biodiversity hotspots where CEPF will invest overlap with lands or territories traditionally owned, customarily used, or occupied by Indigenous Peoples. The convergence of critical areas for conservation with millions of people who are highly dependent on healthy ecosystems for their survival is also most evident in the hotspots. In this way CEPF projects can provide valuable long-term opportunities for sustainable development for Indigenous Peoples and other local communities. However, a number of particular risks are relevant for the type of projects supported by CEPF:

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<sup>1</sup> This document is extracted from the CEPF Operational Manual, Section 3.5.2

<sup>2</sup> OP 4.10 uses the term Indigenous Peoples to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (iii) customary cultural, social, economic, social or political institutions that are separate from those of the dominant society and culture; and (iv) an indigenous language, often different from the official language of the country or region. Other terms used in different countries to refer to these groups include “indigenous ethnic minorities,” “aboriginals,” “hill tribes,” “minority nationalities,” “scheduled tribes,” and “tribal groups” (OP 4.10, para 4).

- Customary and Indigenous Peoples' rights. Particular rights of Indigenous Peoples are recognized in international agreements and for World Bank-supported projects by the Bank's own policy. Such rights may also be recognized in national legislation. CEPF projects would usually need to identify and recognize these rights to ensure that activities are not adversely affecting such rights. This is particularly the case for projects that support the development of management plans and other forms of land and natural resource use planning. Projects that support policy development may also affect Indigenous Peoples' rights.
- Loss of culture and social cohesion. Given Indigenous Peoples' distinct cultures and identities and their frequent marginalization from the surrounding society, interventions may run the risk of imposing changes to or disruption of their culture and social organization, whether inadvertently or not. While indigenous communities may welcome and seek change, they can be vulnerable when such change is imposed from external forces and when such change is rushed. Moreover, since many indigenous communities' culture and social organization are intertwined with their land and natural resource use practices, changes to these practices may result in unintended and unexpected changes in culture and social organization which may lead to social disruption and conflicts within and between communities and other stakeholders. This is relevant for all types of projects, but particularly for projects that aim to change livelihood and natural resource use practices and create new institutional structures at the local level. Similarly, ecotourism activities may bring adverse impacts to indigenous communities, particularly communities with little previous contact with people from the outside (this may be the case even for projects that aim at valuing local culture).
- Dependency on external support. Interventions supporting alternative livelihoods and new institutional structures may lead to indigenous communities' dependency on continued support. Indigenous Peoples, for instance, may experience difficulties engaging with the market economy through alternative livelihood activities that they may be unable to sustain, at least on an equitable basis, while foregoing traditional practices. They may also become dependent on new livelihoods that are not sustainable environmentally as well as socially, perhaps because they were developed without due consideration of their social and cultural context. New institutional structures may displace existing structures with both positive and negative impacts typically depending on the level of participation in and control over the process.
- Inequitable participation. The costs (e.g. in time and resources) of participating in project activities such as protected area management activities, monitoring and enforcement, even in cases of co-management, may outweigh the benefits to local communities. Participation design may not include appropriate capacity building (when needed) or take into consideration local decision-making structures and processes with the risk of leading to alienation of local communities or even conflicts with and/or between local communities. Participation design may not include appropriate representation of Indigenous Peoples in decision-making bodies.

- Poorly planned changes in natural resource use. Traditional resource use practices of Indigenous Peoples are often marked by suspicion and stereotypes of both positive and negative character. One particular controversial aspect of many indigenous communities' land use practices is shifting cultivation (it takes many forms and is also referred to as swidden farming, rotational agriculture and slash and burn). Many consider this practice environmentally unsustainable, while others consider it to be sustainable and the best land use form under certain geographic, environmental, and social circumstances. Shifting cultivation is in many places under transition, often through government controlled processes and in many places in relation to biodiversity conservation. This commonly translates into reduction of areas under shifting cultivation if not outright restrictions, and sometimes with adverse social (e.g. decreased food security) as well as environmental consequences (e.g. over-exploitation of remaining land use areas). CEPF projects should address changes in natural resource use (and restrictions to this, if contemplated) based on a thorough understanding of both biological and social evidence, and consultation with local communities. Preferences in land use, including shifting cultivation, should be taken into account and loss of fallow areas should be included when assessing social impacts.

Projects affecting Indigenous Peoples, whether adversely or positively, therefore, need to be prepared with care and with the participation of affected communities. The requirements include social analysis to improve the understanding of the local context and affected communities; a process of free, prior, and informed consultation with the affected Indigenous Peoples' communities in order to fully identify their views and to obtain their broad community support to the project; and development of project-specific measures to avoid adverse impacts and enhance culturally appropriate benefits. These requirements are described below and should be read together with the Process Framework detailed in the next section. The full World Bank policies on Indigenous Peoples and Involuntary Resettlement are also available on the World Bank Web site at <http://go.worldbank.org/WTA1ODE7T0>.

### **Policy Requirements**

The level of detail necessary to meet the requirements 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. This needs to be determined based on a subjective assessment of project activities, circumstances of local communities, and project impacts. Minimum requirements for projects working in areas with Indigenous Peoples are identification of Indigenous Peoples and assessment of project impacts, consultations with affected communities, and development of measures to avoid adverse impacts and provide culturally appropriate benefits (in projects with no impacts this could be limited to consultations during implementation to keep local communities informed about project activities). Further detail may also be required by CEPF as part of the proposal review process.

A. Screening for Indigenous Peoples. Many, if not most, CEPF grant applicants will know if Indigenous Peoples are present in project areas and can proceed to the social

assessment and consultations (see next section). However, if this is not the case CEPF applicants are required to screen for the presence of Indigenous Peoples early on in project preparation. This could be done when preparing the Letter of Inquiry. The characteristics of Indigenous Peoples mentioned in OP 4.10 will be used as included in the footnote on the first page of this section. If it is uncertain whether local communities can be considered as Indigenous Peoples, applicants should consult with the communities, local NGOs, knowledgeable experts, and government representatives as appropriate. In situations of disagreements or controversy they may seek guidance from CEPF, who may seek guidance from the World Bank as needed.

B. Social assessment. Once it has been determined that Indigenous Peoples are present in the project area, the applicant assesses the particular circumstances of affected indigenous communities and assesses the project's positive and adverse impacts on them. Again, the level of detail of the assessment depends on project activities and their impacts on local communities. If the project is small and has no or few adverse impacts, this assessment is done as part of early project preparation by the applicant, mainly based on secondary sources and the applicants own experience working in the area. In larger and more complex projects, the assessment may be a separate exercise done by the applicant or contracted experts as appropriate and may include primary research. In all cases the assessment will be based on consultations with the affected communities.

The main purpose of the social assessment is to evaluate the project's potential positive and adverse impacts on the affected Indigenous Peoples. It is also used to inform project preparation to ensure that project activities are culturally appropriate, will enhance benefits to target groups, and is likely to succeed in the given socioeconomic and cultural context. In this way the assessment informs the preparation of the design of the project as well as any particular measures and instruments needed to address issues and concerns related to Indigenous Peoples affected by the project.

The findings of the social assessment is described in a separate report and reflected in the project proposal application. For small scale projects with no direct impacts on indigenous communities, the report is short and includes a brief overview of the indigenous communities affected by the project, project activities as they relate to the local communities, how project implementation will address the particular circumstances of Indigenous Peoples, and how they will participate and be consulted during implementation. For more complex projects a more elaborate report is required and should include the following elements, as needed:

- A description, on a scale appropriate to the project, of the legal and institutional framework applicable to Indigenous Peoples;
- Baseline information on the demographic, social, cultural and political characteristics of the affected indigenous communities, and the land and territories which they traditionally owned, or customarily used or occupied and the natural resources in which they depend;
- Description of key project stakeholders and the elaboration of a culturally appropriate process for consultation and participation during implementation;

- 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 communities given their distinct circumstances, close ties to land, and dependence on natural resources, as well as their lack of opportunities relative to other social groups in the communities, regions, or national societies they live in;
- Identification and evaluation, based on free, prior, and informed consultation with the affected Indigenous Peoples' communities, of measures to ensure that the Indigenous Peoples receive culturally appropriate benefits under the project and measures necessary to avoid adverse effects, or if such measures are not feasible, identification of measures to minimize, mitigate, or compensate for such effects.

C. Free, prior and informed consultation. The Applicant undertakes a process of free, prior and informed consultation with the affected Indigenous Peoples' communities during project preparation to inform them about the project, to fully identify their views, to obtain their broad community support to the project, and to develop project design and safeguard instruments. In most cases, this process is best done as part of the social assessment although consultations are likely to continue after its completion.

The extent of consultations depends on the project activities, their impacts on local communities and the circumstances of affected Indigenous Peoples. At a minimum (for projects with no impacts or direct interventions with the indigenous communities), local communities are informed about the project, asked for their views on the project, and assured that they will not be affected during project implementation. For projects affecting indigenous communities, whether positively or adversely, a more elaborate consultation process is required. This may include, as appropriate:

- Inform affected indigenous communities about project objectives and activities
- Discuss and assess possible adverse impacts and ways to avoid or mitigate them
- Discuss and assess potential project benefits and how these can be enhanced
- Discuss and assess land and natural resource use and how management of these resources may be enhanced
- Identify customary rights to land and natural resource use and possible ways of enhancing these
- Identify and discuss (potential) conflicts with other communities and how these might be avoided
- Discuss and assess food security and how it might be enhanced through project interventions
- Elicit and incorporate indigenous knowledge into project design
- Facilitate and ascertain the affected communities' broad support to the project
- Develop a strategy for indigenous participation and consultation during project implementation, including monitoring and evaluation.

All project information provided to indigenous peoples should be in a form appropriate to local needs. Local languages should usually be used and efforts should be made to

include all community members, including women and members of different generations and social groups (e.g. clans and socioeconomic background).

The applicant is responsible for the consultation process. If the indigenous communities are organized in community associations or umbrella organizations, these should usually be consulted. In some cases, it may be appropriate or even necessary to include or use in the process independent entities that have the affected communities' trust. The experience of (other) locally active NGOs and Indigenous Peoples experts may also be useful.

When seeking affected indigenous communities' support to project activities, two aspects should be considered: Who and what is the "community," and how is "broad support" obtained. Communities are complex social institutions and may be made up of several fractions; it may be difficult finding persons who are seen as representatives of the community. Interest in the project may vary among different groups (and individuals) in the community, and they may be affected differently. It is important to keep this in mind during the consultation process, and in some cases it may be more appropriate to consider the needs and priorities of sub-communities rather than those of a whole village.<sup>3</sup>

When seeking "broad community support" for the project, it should be ensured that all relevant social groups of the community have been adequately consulted. When this is the case and the "broad" majority is overall positive about the project, it would be appropriate to conclude that broad community support has been achieved. Consensus building approaches are often the norm, but "broad community support" does not mean that everyone has to agree to a given project. The agreements or special design features providing the basis for broad community support should be described in the Indigenous Peoples Plan; any disagreements should also be documented.

D. Indigenous Peoples Plan. Based on the consultation and social assessment processes, project design is refined and particular measures and instruments are prepared to address issues pertaining to Indigenous Peoples. This may be done in combination with instruments addressing involuntary restrictions on access to natural resources (a Process Framework) as described in the separate CEPF Process Framework section. The documents are prepared with the participation of affected indigenous communities during the consultation process.

The instrument to address the concerns and needs of Indigenous Peoples is usually an Indigenous Peoples Plan (IPP). CEPF will review and approves sub-project specific IPPs and other measures addressing Indigenous Peoples issues. In cases where 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

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<sup>3</sup> There may also be non-indigenous neighborhoods or communities affected by the project. In such cases, all vulnerable people may be included in the consultation process and development of project design based on the requirements of OP 4.10 and the interests of the various social groups affected. It is important, though, to ensure that any customary rights or other entitlements or claims of particular social groups such as Indigenous Peoples are identified.

not required. In this case the project application provides more details as to how Indigenous Peoples' issues are addressed during implementation.

The contents of the IPP depend on the project activities and impacts on Indigenous Peoples. A suggested outline is provided in Annex 1, but few CEPF projects are likely to need such an elaborate plan. It may be appropriate to include a process of further social analysis and consultations during project implementation to determine specific activities (this is particularly so given the limited funds for preparing CEPF projects). At minimum the IPP should include a description of the Indigenous Peoples affected by the project; summary of the proposed project; detailed description of the participation and consultation process during implementation; description of how the project will ensure culturally appropriate benefits and avoid or mitigate adverse impacts; a budget (this could be an explanation of how the overall budget incorporates costs related to Indigenous Peoples); mechanism for complaints and conflict resolution; and the monitoring and evaluation system that includes monitoring of particular issues and measures concerning indigenous communities.

The following elements and principles may be included in the IPP, as appropriate:

- Specific measures for implementation, along with clear timetables of action, and financing sources. These should be incorporated into the general project design as appropriate. Emphasis should be on enhancing participation and culturally appropriate benefits. Adverse impacts should only be contemplated when absolutely necessary.
- Formal agreements reached during the free, prior, and informed consultation during project preparation.
- Clear output and outcome indicators developed with affected Indigenous Peoples.
- Project design should draw upon the strengths of Indigenous Peoples Organizations and the affected communities and take into account their languages, cultural and livelihood practices, social organization and religious beliefs. It should avoid introducing changes that are considered undesirable or unacceptable to the Indigenous Peoples themselves.
- Efforts should be made wherever possible and appropriate to make use of, and incorporate, Indigenous knowledge and local resource management arrangements into project design.
- Special measures for the recognition and support of customary rights to land and natural resources may be necessary.
- Special measures concerning women and marginalized generational groups may be necessary to ensure inclusive development activities.
- If the grantee does not possess the necessary technical capacities, or if their relationship with Indigenous Peoples is weak, the involvement of experienced local community organizations and NGOs may be appropriate; they should be acceptable to all parties involved.
- Capacity building of other implementing agencies should be considered.

- Capacity building activities for the indigenous communities to enhance their participation in project activities may be useful or necessary; this may also include general literacy courses.
- Grievance mechanism taking into account local dispute resolution practices.
- Participatory monitoring and evaluation exercises adapted to the local context, indicators, and capacity.

## **Disclosure**

Before finalizing an IPP (or IPPF) a draft should be disclosed together with the social assessment report (or its key findings) in a culturally appropriate manner to the Indigenous Peoples affected by the project. Language is critical and the IPP should be disseminated in the local language or in other forms easily understandable to affected communities – oral communication methods are often needed to communicate the proposed plans to affected communities.

After CEPF has reviewed and approved the IPP as part of the overall proposed project for funding, the grantee shares the final IPP (or IPPF) again with affected communities. The final IPP (or IPPF) is also disclosed at the CEPF Web site.

## **Roles and Responsibilities**

Applicants, and subsequently grantees, are responsible for following the requirements of this Framework. They will ensure that Indigenous Peoples are consulted and benefit in culturally appropriate ways. They will avoid adverse impacts on indigenous communities, or where this is not possible develop with the participation of affected communities measures to mitigate and compensate for such impacts. Finally, they are responsible for reporting to both affected indigenous communities and CEPF on project progress and any unexpected and unintended events affecting Indigenous Peoples.

CEPF is responsible for the implementation of this Framework, and will ensure that the participation of Indigenous Peoples in project activities in culturally appropriate ways is encouraged. CEPF responsibilities include:

- Inform applicants and other stakeholders, including local communities, of this Framework and policy requirements;
- Assist applicants, and subsequently grantees, in the implementation of the Framework and policy requirements;
- Screen for projects affecting Indigenous Peoples;
- Review and approve project proposals, ensuring that they adequately apply the World Bank's Indigenous Peoples Policy;
- Assess the adequacy of the assessment of project impacts and the proposed measures to address issues pertaining to affected indigenous communities. When doing so project activities, impacts and social risks, circumstances of the affected indigenous communities, and the capacity of the applicant to implement the measures should be assessed. If the risks or complexity of particular issues

- Assess the adequacy of the consultation process and the affected indigenous communities' broad support to the project—and not provide funding until such broad support has been ascertained; and
- Monitor project implementation, and include constraints and lessons learned concerning Indigenous Peoples and the application of this IPPF in its progress and monitoring reports; it should be assured that affected indigenous communities are included in monitoring and evaluation exercises.

### **Grievance Mechanism**

Indigenous Peoples and other local communities and stakeholders may raise a grievance at all times to applicants, grantees, and CEPF about any issues covered in this Framework and the application of the Framework. Affected communities should be informed about this possibility and contact information of the respective organizations at relevant levels should be made available. These arrangements should be described in the project-specific frameworks and action plans along with the more project-specific grievance and conflict resolution mechanism.

As a first stage, grievances should be made to the applicant or grantee, who should respond to grievances in writing within 15 working days of receipt. Claims should be filed, included in project monitoring, and a copy of the grievance should be provided to the CEPF Secretariat. If the claimant is not satisfied with the response, the grievance may be submitted to the CEPF Executive Director at [cepfexecutive@conservation.org](mailto:cepfexecutive@conservation.org) or by mail to: Critical Ecosystem Partnership Fund, Conservation International, Attn: Executive Director, 2011 Crystal Drive, Suite 500, Arlington, VA 22202, USA. CEPF will respond within 15 calendar days of receipt, and claims will be filed and included in project monitoring.

## **Annex 1: Standard Outline for an Indigenous Peoples Plan<sup>4</sup>**

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:

- a) A summary of the legal and institutional framework applicable to Indigenous Peoples in the area and a brief description of 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.
- 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 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.
- 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 Applicant 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.

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<sup>4</sup> Based on OP 4.10, Annex B