

**Agenda Item 4(a) Economic and Social Development**

**Re: Development Policies and Indigenous Peoples**



**Recommendations:**

1. **The Permanent Forum provide a platform for dialogue and expert advice on development policies and programmes affecting indigenous peoples, as well as the implementation of these policies.**
2. **The Permanent Forum, through the ECOSOC, underline the need to respect the human rights of indigenous peoples in the development process, including our free, prior and informed consent to all policies, programmes and projects affecting us.**
3. **The Permanent Forum must promote understanding of the negative impacts of mainstream development programmes, such as the extractive industries and large-scale infrastructure on the economic, cultural, social and spiritual well-being of indigenous peoples and demand mandatory safeguards to protect indigenous peoples customary land rights and to prevent forcible displacement to make way for such projects.**
4. **The Permanent Forum must promote advocate for rights-based approaches as the way forward towards self-determined development by indigenous peoples.**

Mr. Chairman,

Earlier this week, the World Bank updated the Permanent Forum about its policy revision process relating to *Indigenous Peoples*. A number of other multilateral and bilateral development agencies are also in the process of updating or formulating dedicated policies on indigenous peoples for the first time.

A recent survey and comparative review of international donor and development agency policies, asked 5 questions:

1. Do they have a policy on indigenous peoples?
2. Is it global or regional?
3. Does the policy contain binding minimum standards?
4. Do they provide operational guidance?
5. Is there a formal accountability mechanism?

The study, entitled *A Failure of Accountability*, a reference tool and comparative guide found that : (Quote from Executive Summary)

Among its other findings and conclusions were:

1. There is a significant variation in the standards, intent and approach of different targeted agency policies.
2. Some policies do not meet internationally agreed standards on the rights of indigenous peoples.
3. Few policies have comprehensive operational standards
4. Not all policies contain binding provisions
5. Different policies suffer from a common pattern of substantive, textual and institutional shortcoming which undermine their usefulness.
6. Few policies are linked to formal accountability and appeals mechanisms.
7. There is often a lack of awareness among the staff of development agencies about the existence of a specific policy. Ambiguity also arises among different staff regarding the purpose and status of policy provisions.

The study concludes that having a dedicated policy on indigenous peoples can help development agencies to implement a rights-based approach to development and empower indigenous rights-holders and communities by providing a basis for accountability. A specific policy can also improve development effectiveness, support better targeted development assistance, and serve as a useful yardstick for monitoring and evaluation.

The review therefore recommended that multilateral and bilateral development agencies should:

1. Develop specific policies on indigenous peoples. These policies should be based on and consistent with international human rights and environmental standards and be formulated with direct and substantial input from indigenous peoples themselves.
2. Make sure that policies contain binding operational standards on the steps necessary to implement key bench marks and requirements, particularly in relation to land ownership, tenure and resource rights, free and prior informed consent, and effective participation and protection from forced relocation.
3. Include mandatory participatory human rights impact assessments (HRJA) as part of social impact studies.
4. Make sure indigenous peoples' representatives and experts take part in both individual agency and global intergovernmental initiatives to formulate development standards that directly or indirectly affect their rights and interests.

Mr. Chairman,

This tangled maze of external development policies and procedural requirements suggests that there must be a simpler way of supporting indigenous peoples. That is to respect indigenous peoples rights to self-determination and to our territories, lands and resources, and in order that we may pursue our own economic, social, and cultural development.

### *Executive Summary*

This comparative review of international donor and development agency policies finds that of the 27 main multi- and bilateral agencies surveyed, only a few agencies have specific policies that address the needs and rights of indigenous peoples.

- Only 8 international development agencies have dedicated formal policies on indigenous peoples: EU, UNDP, World Bank, Asian Development Bank, Danida, DGIS-Netherlands, BMZ-Germany, AECI-Spain (Table 1);
- Only 4 of these policies contain some mandatory standards or binding safeguards: World Bank, ADB, Danida and BMZ (Table 2);
- The other 4 policies are not binding and only constitute optional, good practice principles and guidelines: EU/EC, UNDP, DGIS, AECI;
- Only 3 of these policies employ an explicit rights-based approach: UNDP, DGIS, BMZ (regional policy);
- Two policies contain no clear *operational* standards for development planning and field implementation (EU/EC, DGIS), while four other policies only feature limited operational instructions (AECI, BMZ, Danida, UNDP);
- Half of these policies contain out-of-date provisions that fail to meet current international human rights and sustainable development standards relating to indigenous peoples: World Bank, ADB, DGIS, AECI;
- Although the World Bank Group led the way in standard-setting on indigenous peoples and development in the 1980s, the Bank is no longer a leader in the field. Its proposed new policy on Indigenous Peoples falls far behind current international standards;
- 2 agencies are currently formulating policies on indigenous peoples: NORAD and CIDA (though the latter policy will only deal with indigenous knowledge issues).
- 2 agencies which do not have a specific policy on indigenous peoples do include consideration of indigenous peoples in their operational policies on resettlement and environmental assessment (Inter-American Development Bank – IDB, USAID);
- Among the 19 agencies that do not possess a specific policy, 7 of them identify indigenous peoples as a ‘target group’ for overseas aid (WHO, IDB, Indigenous Peoples Fund, SDC-Switzerland, DDC-Austria, Finland and USAID)
- 4 agencies have internal guidelines referring to indigenous peoples (IDB, IFAD, UNESCO and DFID)

More surprising still is the general finding that although most of the development agencies surveyed have publicly committed themselves to promoting greater accountability in the international development system, almost none have instituted formal accountability mechanisms to empower rights holders and citizens affected by their official development aid. In summary:

- Only *three* multilateral agencies have formal appeals and accountability mechanisms to back up agency commitments set out in their dedicated policies or sectoral standards on indigenous peoples (World Bank, ADB and IDB). These procedures are found to be defective because they are very centralised, cumbersome to deal with and have restrictive mandates that limit capacity to initiate practical corrective actions and redress.
- *Not one* of the 13 bilateral agencies surveyed has established formal and accessible accountability mechanisms and complaints procedures for its official overseas aid operations.

The review has been undertaken with the aim of taking stock of progress towards the adoption of international development standards on indigenous peoples in response to recommendations set out in Agenda 21 in 1992 and the official goals of the United Nations International Decade of the World's Indigenous People (1995-2004). The assessment has also been carried out with the specific aim providing follow up to an international workshop involving indigenous peoples representatives and international development agencies held in Hundested in Denmark in 2001, which had resulted in the *Hundested Principles on Indigenous Peoples, Biodiversity, Good Governance and Development*. These principles urged development agencies to develop their own policy on indigenous peoples and establish accountability and appeals mechanisms to allow indigenous peoples to engage effectively in development.

The study concludes that having a dedicated policy on indigenous peoples can help development agencies to implement a rights-based approach to development and empower indigenous rights-holders and communities by providing a basis for accountability. A specific policy can also improve development effectiveness, support better targeted development assistance, and serve as a useful yardstick for monitoring and evaluation. The review therefore recommends that multilateral and bilateral development agencies should:

- ❑ Develop specific policies on indigenous peoples. These policies should be based on and be consistent with international human rights and environmental standards and be formulated with direct and substantial input from indigenous peoples themselves;
- ❑ Make sure policies contain clear *binding* operational standards on the steps necessary to implement key benchmarks and requirements, particularly in relation to land ownership, tenure and resource rights, free prior and informed consent, effective participation and protection from forced relocation;
- ❑ Include mandatory *participatory human rights impact assessments* (HRIA) as part of social impact studies;
- ❑ Back up dedicated policies with associated accountability and appeals mechanisms to ensure rights-holders and affected communities can raise issues about poor implementation of policy requirements and seek redress when development projects disregard or violate their rights;
- ❑ Develop a specific formal and mandatory public policy on accountability and appeals standards for their official aid and development operations;
- ❑ Support collaborative initiatives aimed at identifying models for project and programme accountability, including establishment or strengthening of effective, user friendly mechanisms;
- ❑ Use the United Nations Draft Declaration on the Rights of Indigenous Peoples and *up-to-date* best practice recommendations such as the World Commission of Dams as a source of policy standards;
- ❑ Ensure adequate resources, training and staff are available to properly apply the policy across the agency and to cover the costs of its implementation in development projects and programmes;
- ❑ Ensure that their Country offices and missions are familiar with policies on indigenous peoples and that information about and compliance with these policies is a formal part of discussions with government counterparts and implementing bodies;
- ❑ Involve indigenous peoples and their representative organisations in monitoring, evaluating and reviewing policy implementation;
- ❑ Establish advisory committees comprised of indigenous peoples at the country and international level to provide up front advice and assistance with proposed projects and programmes and liaise with the UN Permanent Forum on Indigenous Issues;
- ❑ Make sure indigenous peoples' representatives and experts take part in both individual agency and global intergovernmental initiatives to formulate development standards that directly or indirectly affect their rights and interests.