

**Expert Mechanism on the Rights of Indigenous Peoples**  
**Tenth Session, 10 – 14 July 2017**

*Item 4: Study and advice on good practices and challenges in business and in access to financial services by indigenous peoples*

Statement by Ms Shauna Olney, ILO

The International Labour Organization is pleased to contribute to the Expert Mechanism on the Rights of Indigenous Peoples' discussions regarding the study and advice on good practices and challenges in business and in access to financial services by indigenous peoples.

The ILO would like to highlight that access to decent work opportunities by indigenous peoples, as workers and entrepreneurs, in small businesses, cooperatives but also larger enterprises, is critical for their well-being and for achieving sustainable development. As entrepreneurs and workers, indigenous women and men can play a vital role in spurring economic growth, and generating jobs. Their traditional knowledge and related innovation, particularly through indigenous peoples' cooperatives and businesses also has the potential of shaping an inclusive green economy. This can simultaneously empower communities and protect the environment, while critically contributing to the realization of the Sustainable Development Goals.

Cooperative enterprises among indigenous peoples, for instance, have shown to considerably enhance the lives and livelihoods of community members. They have assisted in securing rights, providing greater opportunities in the formal labour markets, and balancing economic and environmental concerns. Moreover, cooperative enterprises are grounded in the principles of participation, inclusion and sustainability. These closely align with the principles that underline the rights of indigenous peoples. ILO research has also shown that such forms of enterprises can have a particularly important role in empowering indigenous women, who often face discrimination while entering formal labour markets. Indigenous women's cooperatives in several parts of the world have not only fostered economic empowerment but have also assisted indigenous women in gaining political and cultural rights in their communities.

Indigenous peoples, however, often have limited access to financial services, which are important for spurring entrepreneurial activities. In some cases, this may be due to discrimination lack of targeted public policies that focus on indigenous peoples, or low financial literacy among indigenous women and men. In other cases, this may be due to difficulties faced by formal financial service providers in reaching indigenous groups that are geographically isolated. In addition, financial service providers may struggle to serve indigenous clients, if their services and products are not in line with indigenous customs, norms and language. However, several successful experiences show that financial service providers do not have to specifically target these populations but rather adapt to their culture, starting with the language. For instance, in Latin America, many microfinance institutions and banks operating in rural areas among indigenous peoples have hired loan officers that speak local languages.

Access to financial services, such as savings, credit and insurance, could enable indigenous women and men to stabilize income, reduce vulnerability to shocks, facilitate economic alternatives, and build

cooperatives and other enterprises. This can further enable indigenous peoples to make strong contributions towards building a green economy as agents of change.

Market research and better understanding of the economies of indigenous communities are key to delivering appropriate financial services. At the same time, recognizing the importance of indigenous peoples' traditional knowledge and access to lands and territories for economic activities and job creation are vital. Similarly, enhancing their financial and business capacity, supporting the creation of their enterprises, including cooperatives, are also important. Particularly for this, training, skills development, and entrepreneurship education are critical points of departure.

The ILO very much looks forward to EMRIP's study and to continued collaboration and partnerships in support of the economic empowerment of indigenous peoples, and in particular indigenous women.