INDIGENOUS PEOPLES

Note: OP and BP 4.10 [BP forthcoming] together replace OD 4.20, Indigenous Peoples. This OP and BP apply to all projects for which a Concept Review takes place on or after [_______]. Questions may be directed to the Director, Social Development Department (SDV).

- 1. This policy¹ contributes to the Bank's² 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,³ the Bank requires the borrower to engage in a process of free, prior and informed consultation.⁴ The Bank will provide project financing only where free, prior and informed consultation results in broad community support to the project by the affected Indigenous Peoples.⁵ Such Bankfinanced 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 inter-generationally 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

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 4.11, forthcoming), Involuntary Resettlement (OP 4.12), Forests (OP 4.36), and Safety of Dams (OP 4.37).

This policy applies to all components of the project that affect Indigenous Peoples, regardless of the source of financing.

For details on "broad community support to the project by the affected Indigenous Peoples," see paragraph 11.

[&]quot;Bank" includes IBRD and IDA; "loans" includes IBRD loans, IDA credits, IDA grants, IBRD and IDA guarantees, Project Preparation Facility (PPF) advances; and grants made under the Institutional Development Fund (IDF), 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.

[&]quot;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).

and customary livelihoods, as well as exposure to disease. Gender and inter-generational issues among Indigenous Peoples also are more complex. As social groups with identities that are often distinct from dominant groups in their national societies, they 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 group⁶ 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;⁷
 - (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

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.

[&]quot;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 which 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.



remains eligible for coverage under this policy.⁸ 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. If the borrower has a system that recognizes and protects the rights of Indigenous Peoples and provides an acceptable basis for achieving the objectives of this policy, the Bank may rely on that system. In deciding whether the borrower's system is acceptable, the Bank assesses the system and identifies all relevant legal, policy, or institutional aspects that need to be strengthened. Aspects thus identified must be strengthened by the borrower prior to the Bank's agreement to rely upon the system to achieve the objectives of this policy.

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 in order to fully identify their views and to ascertain their broad community support to 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 Indigenous Peoples Plan or Indigenous Peoples Planning Framework (see paragraph 15).

[&]quot;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, 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 non-agricultural economic activities relative to agricultural activities.

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. 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 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 shall engage in free, prior and informed consultation with them. To ensure such consultation, the borrower:
 - (a) establishes an appropriate gender and inter-generationally 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;

The screening may be carried out independently or as part of a project environmental assessment (see OP 4.01, *Environmental Assessment*, paragraphs 3, 8).

- (b) uses consultation methods¹⁰ 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, based on 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 subsequently satisfies itself through a review of the process and the outcome of the consultation carried out by the borrower 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

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.

informed consultation with the affected Indigenous Peoples' communities as a basis for ascertaining whether there is such support. The Bank will 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 with 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 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.¹² 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. Should the screening of an individual program or subproject identified in the IPPF indicate that Indigenous Peoples are present in, or have collective attachment to, the area of the program or subproject, the borrower ensures that, prior to implementing the individual program or subproject, a social assessment is carried out and an IPP is prepared in accordance with the

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.

Such projects include community-driven development projects, social funds, sector investment operations, and financial intermediary loans.



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.¹³

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. Before project appraisal, the borrower sends the social assessment and final IPP/IPPF to the Bank for review. 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 Bank's Disclosure Policy, 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 rights¹⁶ of the Indigenous Peoples, both individual and collective, pertaining to lands or territories which they traditionally owned,

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*).

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 (see BP 4.10, paragraph ____) for projects meeting the requirements of OP 8.50, *Emergency Recovery Assistance*. In such cases, management's approval stipulates a timetable and budget for preparation of the social assessment and IPP (or for preparation of the IPPF).

"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.

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. (see paragraphs 13 and 14 of this policy).

- 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) their 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 rights to lands and territories that Indigenous Peoples 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 undertaken prior to 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 form of:
 - (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 arrangements in the IPP to enable the Indigenous Peoples to share equitably in the benefits¹⁷ to be derived from such commercial

¹⁷ The "Indigenous Peoples Guidebook" (forthcoming) will provide good practice guidance on this matter.

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development; at a minimum, the IPP arrangements must ensure that the Indigenous Peoples receive, in a culturally appropriate way, 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 borrower will explore alternative project designs to avoid physical relocation of Indigenous Peoples. In exceptional circumstances, when it is not feasible to avoid it, 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 resettlement 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. The resettlement plan should allow the affected Indigenous Peoples, where possible, to return to the lands and territories which they traditionally owned, or customarily used or occupied should 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 the access of Indigenous Peoples 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 an individual parks and protected areas' management plan. The process framework is also designed to ensure 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 Peoples, 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. Such initiatives may be 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;
 - 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 gender¹⁸ and inter-generational 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 inter-generational relations and

¹⁸ See OP/BP 4.20, Gender and Development.

- 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.

Annex A. Social Assessment

- 1. The breadth, depth and type of analysis required for the social assessment is 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, and the land and territories which they 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.

Annex B. Indigenous Peoples Plan

- 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 carried out during project preparation (Annex A) leading to broad community support to 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.

Annex C. Indigenous Peoples Planning Framework

- 1. The Indigenous Peoples Planning Framework (IPPF) sets out:
 - (a) The type 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.