Overview

1. The broad objective of this policy (note 1) is to ensure that the development process fosters full respect for the dignity, human rights and cultures of indigenous peoples, thereby contributing to the Bank's mission of poverty reduction and sustainable development. To achieve this objective, Bank-assisted projects (2) which affect indigenous peoples provide them a voice in design and implementation, avoid adverse impacts where feasible, or minimize and mitigate them, and ensure that benefits intended for them are culturally appropriate.

2. The Bank recognizes that indigenous peoples are commonly among the poorest and most vulnerable segments of society and in many countries they have not fully benefited from the development process. It also recognizes that the identities, cultures, lands and resources of indigenous peoples are uniquely intertwined and especially vulnerable to changes caused by development programs. Because of this, issues related to indigenous peoples and development are complex and require special measures to ensure that indigenous peoples are not disadvantaged and that they are included in and benefit from these programs as appropriate.

3. Part I of this Operational Policy sets out the processes for identifying indigenous peoples, the policy
requirements to be followed when they are affected by Bank-assisted projects, and the specific measures required when a Bank-assisted project affects the lands or resources of an indigenous group. Part II describes activities which may be undertaken by Bank members in the context of their development planning and poverty reduction strategies and which may be supported by the Bank in order to further the objectives of this policy.

I. SAFEGUARD PROVISIONS

Identification of Indigenous Peoples

4. The terms "indigenous peoples", "indigenous ethnic minorities", "tribal groups", and "scheduled tribes" describe social groups with a social and cultural identity that is distinct from the dominant groups in society and that makes them vulnerable to being disadvantaged in the development process. Many such groups have a social and economic status that limits their capacity to defend their interests in and rights to land and other productive resources, or that restricts their ability to participate in and benefit from development.

5. The Bank recognizes that different countries may refer to such peoples by different terms. This policy does not provide a single universal definition for the term "indigenous peoples." Instead, this policy identifies indigenous peoples in particular geographic areas by the presence, in varying degrees, of some of the following distinctive characteristics (3):

(a) close attachment to ancestral territories and the natural resources in them;
(b) presence of customary social and political institutions;
(c) economic systems primarily oriented to subsistence production;
(d) an indigenous language, often different from
the predominant language; and

(e) self-identification and identification by others as members of a distinct cultural group.

6. The requirements of this policy do not apply to groups who (a) have left their communities of origin and (b) moved to urban areas (4) and/or migrated to obtain wage labor.

Policy Requirements

7. Bank-assisted operations which may affect indigenous peoples require:

a) Screening to identify whether there are indigenous groups in the project area;

b) Meaningful consultation with all such affected groups;

c) Mechanisms incorporated into project design and implementation to:

- foster the informed participation of such affected groups in gender inclusive manner;

- avoid where feasible, or minimize and mitigate, adverse impacts upon them; and

- ensure that benefits intended for them are culturally appropriate.

8. Screening. Where Borrower legislation affords special status to groups with the characteristics referred to in paragraph five, or where there has already been a process in which the Bank and Borrower have agreed on the general identification of indigenous groups, this provides the starting point for determining whether the policy applies in a particular project context. Additional investigations, including consultation with potentially affected groups and technical judgement by experts who know the social and cultural groups in the region, may be necessary in order to determine the applicability of the policy to
such groups.

9. Consultation and Participation. To ensure meaningful consultation, the Borrower provides relevant information to indigenous groups affected by Bank-assisted projects, in a timely and culturally appropriate manner. To facilitate such consultation, the Borrower:

(a) establishes an appropriate framework for dialogue, including adequate gender and generational representation;
(b) involves local representative indigenous organizations in discussion, as appropriate; and
(c) uses culturally appropriate consultation methods which allow indigenous peoples -- both men and women -- to express their views and preferences (5).

The Borrower considers the views and preferences of indigenous peoples in deciding whether to proceed with the project and what additional measures, including modification of project design, are required to address adverse impacts and enhance project benefits. The Bank reviews the Borrower's project proposal to ensure its consistency with this policy.

10. Project Design. Projects which may have adverse impacts and projects in which indigenous peoples are among the proposed beneficiaries both require informed participation and the development of measures to be incorporated into project design. However, processing requirements differ.

(a) In projects where adverse impacts are anticipated, the Borrower undertakes a social assessment in order to determine the nature and extent of impacts and the measures required to avoid, minimize or mitigate such impacts. Based on this assessment, the Borrower prepares an Indigenous Peoples Plan (IPP) in consultation with the affected indigenous groups. The content
and level of detail of the IPP vary according to the specific characteristics of the project and the nature of impacts to be addressed (6).

(b) In social sector projects such as education or health, or in community driven development or other poverty reduction projects where indigenous peoples are among the intended beneficiaries, the Borrower incorporates special measures, as needed, in the project’s design, to ensure that such projects take into account their specific languages, cultural practices, religious beliefs and ways of life. These measures are identified in consultation with indigenous peoples.

11. Special Cases. In projects financed under sector investment loans, financial intermediary loans, and other Bank-assisted projects with multiple sub-projects which are anticipated to have impacts on indigenous peoples but where the nature of the impacts cannot be determined until the subprojects are prepared, the Bank requires a strategy to ensure that the requirements of this policy are met. The project implementing agency screens each sub-project in accordance with the strategy to ensure consistency with the policy.

Lands and Resources

12. The economies, identities and forms of social organization of indigenous peoples are often closely tied to land, water and other natural resources. Therefore, in Bank-assisted projects which affect indigenous peoples, the Borrower takes into account their individual and collective rights to use and develop the lands that they occupy, to continue to have access to natural resources vital to their subsistence, to the sustainability of their cultures, and to their future development

13. In order to avoid or minimize adverse impacts of Bank-assisted projects on affected indigenous groups, and to determine measures which may be needed to
enhance their security over lands and other resources, in the design of the project the Borrower gives particular attention to:

(a) the cultural, religious and sacred values (7) that these groups attribute to their lands and resources;

(b) their individual and communal or collective rights to use and develop the lands they occupy and to be protected against encroachment;

(c) their customary use of the natural resources vital to their cultures and ways of life; and

(d) their natural resources management practices and the long-term sustainability of these practices.

Where a Bank-assisted project has an impact on the lands and resources occupied or used by indigenous peoples and taking into account the Borrower’s legislation, consideration is given to establishing legal recognition of the customary or traditional land tenure systems of affected indigenous peoples or granting them long-term renewable rights of custodianship and use.

14. Commercial Use of Lands and Resources. When Bank-assisted projects involve the commercial exploitation of natural resources (including forests, mineral, and hydrocarbon resources) on lands owned, or customarily used by indigenous groups, the Borrower:

(a) informs these groups of their rights to such resources under statutory and customary law;

(b) informs them of the potential impacts of such projects on their livelihoods, environments and use of natural resources;

(c) consults them at an early stage on the development of the project, and involves them in
decisions which affect them; and
(d) provides them with opportunities to derive benefits from the project.

As in all project which affect indigenous groups, adverse impacts upon them are avoided or minimized, and benefits should be culturally appropriate.

15. Parks and Protected Areas. In many countries, the lands set aside for legally designated parks and protected areas may overlap with lands and natural resources customarily owned or used by indigenous peoples. The Bank recognizes both the significance of these customary rights and the need for long-term sustainable management of critical ecosystems. For these reasons, where Bank-assisted projects introduce new arrangements in legally designated parks and protected areas to ensure that natural resources are not depleted, the Borrower introduces a process, acceptable to the Bank, to ensure the informed participation of those indigenous peoples with customary rights of use, in project design and implementation. Preference is also given to collaborative arrangements that enable them to continue to use such resources in a sustainable manner and to maintain their ways of life (8).

16. Cultural Resources. When a Bank-assisted project envisions the commercial use of cultural resources of indigenous groups, including their knowledge, Bank policy requires that such groups agree to and derive benefits from the use of such resources.

II. INDIGENOUS PEOPLES AND DEVELOPMENT

17. To further the objectives of this policy, the Bank, in its policy dialogue with Borrowers, may encourage them to explore a broad spectrum of initiatives to make the development process more inclusive and to incorporate the views of indigenous peoples more fully in development programs and poverty reduction
strategies.

18. To support their poverty reduction agendas, Borrowers may consider freestanding projects, project components and other initiatives which are developed in consultation with indigenous peoples, and aimed at supporting their own development priorities. Community driven development programs and locally managed social funds, for example, may be well adapted to the needs of indigenous peoples, especially when designed by government and indigenous organizations working together.

19. In many sectors, Borrowers may provide indigenous peoples an opportunity to be more fully included in development benefits of its programs through measures such as the reform of sector policy frameworks, building the capacity of indigenous groups to participate on an informed basis in the development process, and to identify their special development needs and priorities through systematic consultation.

20. At the Borrower's request, and where consistent with the Country Assistance Strategy, the Bank may provide technical assistance to:

(a) assess Borrower policies, strategies, and legal frameworks relating to indigenous peoples and make recommendations to strengthen them;

(b) prepare profiles of indigenous peoples and communities to document indigenous peoples' institutions, cultures, religious beliefs, gender relations and social organization, production systems and resource utilization patterns;

(c) strengthen the capacity of indigenous people's organizations and communities to prepare, implement, and monitor and evaluate development programs;

(d) strengthen the capacity of agencies responsible for providing development services to indigenous peoples; and
(e) establish legal recognition of the customary or traditional land tenure systems of indigenous peoples, or grant long-term renewable rights of custodianship and use.

21. The knowledge and cultures of indigenous peoples are resources vital to their survival and to sustainable development. For these reasons, the Bank may provide assistance to the Borrower to enhance these resources, including through the strengthening of intellectual property rights.

22. Finally, the Bank may provide assistance to encourage partnerships among the private sector, governments, and indigenous peoples to promote indigenous peoples' development programs, including investments in various initiatives of indigenous groups and in capacity-building programs.

Footnotes:

1. This policy should be read together with the following other relevant Bank policies including Environmental Assessment (OP 4.01), Natural Habitats (OP 4.04) and Forestry (OP 4.36).

2. "Bank" includes IDA, "loans" include credits and guarantees, and "projects" include projects under adaptable program lending, learning and innovation loans, projects or components funded under the Global Environment Facility. This policy applies to all components of the project regardless of the source of financing. The term "project" does not include programs supported under adjustment loans.

3. Indigenous groups and communities differ in their degree of acculturation and integration into the dominant society. Because indigenous groups may be very small, and their size may affect their vulnerability, there is no numerical threshold for application of this policy. Technical judgement is needed to determine the types of measures and interventions needed to address the impacts of the project.
4. [The definition of "urban areas" takes into account the legal designation of certain areas as urban under Borrower legislation and the degree of concentration of non-agricultural economic activities]. (Definition to be refined).

5. For best practice on this and other issues see the Indigenous Peoples Sourcebook (forthcoming in FY 02).

6. IPPs are intended to be prepared in a flexible and pragmatic manner. They may be prepared and combined with resettlement plans or community action plans or similar instruments. Provisions for separate indigenous groups should be tailored to address significant differences but may be included in the same IPP. The title of the plan may vary according to country circumstances and preferences. Where indigenous peoples live in mixed communities, the IPP should attempt to avoid creating unnecessary distinctions or inequities between indigenous peoples and other poor and marginal groups in the same area.

7. See also the Bank Operational Policy Note on Safeguarding Cultural Property in Bank-assisted Projects (OPN 11.03). that these groups attribute to their lands and resources;

8. See also the Bank policy on Natural Habitats (OP 4.04).
Introduction

1. The following procedures (note 1) are used by Bank Task Teams (TT) to ensure that the objectives and requirements of the Bank's Policy on Indigenous Peoples (OP 4.10) are met in Bank-assisted projects. In cases where application is unclear or where questions arise about how the policy is interpreted, questions may be referred to the Bank's Safeguards Policy Committee.

Project Identification

2. When early screening indicates that there may be indigenous peoples in the project area, the TT brings the provisions of OP/BP 4.10 to the attention of the Borrower and discusses application of the policy. Where feasible, advance agreement between the Bank and the Borrower on the groups covered by this policy should be sought so as to facilitate the preparation of the project.

3. The Project Concept Document (PCD) and the Project Information Document (PID) indicate whether indigenous peoples may be affected, and, if so, what steps will be taken to comply with policy requirements. The appropriate unit responsible for social safeguards reviews and comments on the PCD. Where significant issues exist with regard to interpretation or application
of the policy, they are brought to the attention of regional management and considered in risk assessments.

Project Preparation

4. If the project is likely to affect indigenous peoples, the Borrower initiates consultation on the nature and scope of potential impacts early in the project cycle in order to determine whether and how such groups may be affected. This consultation may take place prior to, or as part of, a social assessment. Meaningful consultation continues throughout preparation process and a record of the consultation process forms a part of the project files. The Borrower and the Bank take into account the results of these consultations when deciding whether to proceed with project processing.

5. Where a project may entail adverse impacts, a social assessment (SA) is required. Social assessments are the responsibility of the Borrower. The Bank reviews the Terms of Reference for the SA and advises on its content and coverage. The SA identifies key stakeholders, provides a framework for consultation, and gathers social, economic and cultural information, including information on customary rights and claims of indigenous groups, in order to assess the potential impacts of the proposed project on the indigenous peoples. The Borrower forwards the draft SA to the Bank for review and comment (2).

6. Where the social assessment confirms that a project has adverse impacts upon particular indigenous groups, the Borrower prepares a draft IPP in consultation with the affected groups. The content and level of detail in the IPP vary according to the nature of the project and expected impacts (see OP 4.10, para 10(a)). In projects where indigenous peoples are among the intended beneficiaries, special measures to take their needs and cultures into account are incorporated into project design. Because the needs and priorities of indigenous peoples may change over the life of the project, the IPP or the proposed measures should
include mechanisms for periodic review and adjustments.

7. In projects where it is required, a Draft IPP or a summary in English, is submitted to the Bank as a condition of project appraisal. The appropriate regional safeguards unit reviews the draft document to determine whether it provides an adequate technical basis for project appraisal and LEG reviews the legal aspects of the IPP. Once approval for appraisal has been granted, the Task Team Leader (TTL) sends the draft IPP, or an English summary covering key findings, to the Bank's InfoShop and the Borrower shares it with the affected indigenous groups. Key elements of the IPP are incorporated into the PAD.

8. The Annex to the PAD briefly summarizes the following information:

   (a) how indigenous peoples were identified:
   (b) the nature and outcome of the consultation process and how the views of indigenous peoples are reflected;
   (c) the main findings of the social assessment, if any, and how they are incorporated in project design;
   (d) actions to ensure that adverse impacts are mitigated, and/or benefits are culturally appropriate; and
   (e) institutional arrangements for carrying out the project and arrangements for monitoring and evaluation.

**Appraisal**

9. The appraisal mission includes appropriate expertise to assess the adequacy of consultation and participation and the feasibility and sustainability of specific measures reflected in the IPP or project documents and intended to mitigate any adverse impacts on indigenous peoples or to benefit them. It
also reviews the enabling legal and policy framework for implementation, and the capacity and commitment of the institutions, including indigenous peoples organizations responsible for carrying the project out; and the financing arrangements. This information contributes to an assessment of feasibility and risks.

10. The IPP or other required measures (BP para 6) are confirmed at negotiations and reflected in the PIP. The legal agreements contain provisions, as needed, obligating the Borrower to carry out the IPP/measures. When the Borrower and the Bank agree to the final IPP, the Borrower makes the document available at a place accessible to and in a form and language understandable to the affected indigenous groups. The Bank makes available an English summary covering the key elements of the IPP at the InfoShop.

Implementation and Supervision

11. Recognizing the importance of close and frequent supervision, the Regional Vice President, in coordination with the relevant Country Director, ensures the availability of resources for the effective supervision of projects affecting indigenous peoples.

12. Throughout project implementation, the TT ensures that the requisite technical expertise is included in Bank supervision missions. Site visits are used to assess whether indigenous peoples are participating in and benefiting from project activities, to monitor the effectiveness of development and mitigation measures (see Bank policies on Project Supervision OP 13.05, Project Monitoring and Evaluation OP 10.70), and to ascertain whether legal covenants are being fulfilled. The TT reviews applicable monitoring reports and reviews the extent to which monitoring information is incorporated in project implementation.

13. Upon completion of the project, the Implementation Completion Report (OP 13.55) evaluates:

   a) the impact of the project on the affected
indigenous peoples -- on men and women;

b) the achievement of the objectives of the IPP, as relevant; and

c) lessons for future operations.

If the objectives of the IPP have not been realized, the ICR may propose a future course of action, including, as appropriate, continued supervision by the Bank.

**Country Assistance Strategy**

14. In countries with a series of operations affecting indigenous peoples, the ongoing country and sector dialogue with the government includes issues pertaining to the country's policy, institutional and legal framework for indigenous people and these are reflected in country economic and sector work and the Country Assistance Strategy (CAS).

**Footnotes:**

1. This Bank Procedures (BP) statement refers to the Bank's policy on *Indigenous Peoples* (OP 4.10).

2. Social assessments may use a broad spectrum of methods such as focus group discussions, participatory appraisal methodologies, beneficiary assessments and the like. The choice of method must be suited to the people and issues to be discussed.