

# Operational guidelines: Indigenous Peoples Policy

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These guidelines provide guidance on the application of the Indigenous Peoples Policy (IPP) that forms part of GCF's environmental and social management system (ESMS). The guidelines help explain the requirements of the IPP and the related environmental and social safeguards. The guidelines do not substitute for the need to exercise sound judgment in making project decisions. In case of any inconsistency or conflict between the guidelines and the ESMS or IPP, the provisions of the ESMS and the IPP prevail.



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## **Acronyms**

CSO	civil society organization
EHS	environment, health and safety
ESMS	environmental and social management system
ESS	environmental and social safeguards
FPIC	free, prior and informed consent
GCF	Green Climate Fund
IRM	Independent Redress Mechanism
IPAG	Indigenous Peoples Advisory Group
IPP	indigenous peoples plan
IPPF	indigenous peoples planning framework
IFC	International Finance Corporation
NGO	non-governmental organization
PS	performance standard
UNFCCC	United Nations Framework Convention on Climate Change

## I. Introduction

1. These operational guidelines contain the technical and administrative references and tools that are referred to in the GCF Indigenous Peoples Policy (hereinafter referred to as “the Policy”). This document also contains the guidance on the application of FPIC as called for in paragraph 56 of the Policy. Reference materials on good practices to improve project performance are included as well.
2. The Policy and these guidelines form a part of the GCF ESMS. The ESMS enables GCF to identify, analyse, avoid, minimize and mitigate any potential adverse environmental and social impacts of its activities, to maximize environmental and social benefits, and to improve the environmental and social performance of GCF and its activities consistently over time.
3. Together with the GCF Indigenous Peoples Policy, the GCF Environment and Social Policy is an essential element of this system, elaborating the commitment of GCF to integrate environmental and social issues into its decision-making and outcomes, and establishes the principles, requirements and responsibilities to deliver on these commitments.
4. These guidelines also are supplemented by the following:
  - (a) Other guidance notes and interpretation notes currently established and/or that will be developed in relation to the ESMS, ESS and other relevant policies;
  - (b) General and sector EHS guidelines;
  - (c) Good practice notes (i.e. stakeholder engagement, grievance redress, resettlement planning and other thematic notes) that are developed by GCF or other institutions that may be relevant to GCF activities;
  - (d) The GCF Operations Manual for the Project and Programme Lifecycle; and
  - (e) Forms, templates and questionnaires for due diligence.
5. Specific references to these documents are provided in the section on references and tools below and on the website of the Secretariat.
6. These guidelines are one part of the dynamic process to implement the Policy. The other parts are:
  - (a) Identifying and compiling best practices, guidance and tools for implementing the Policy;
  - (b) Developing a website and detailed database;
  - (c) Engaging an indigenous peoples and social safeguards specialist, who will be appointed as the Indigenous Peoples Focal Point with operational responsibility to manage the implementation of the Policy and undertake steps to improve the Secretariat’s own capacity to implement the Policy;
  - (d) Working with the Board and relevant stakeholders on developing mechanisms for improved access for indigenous peoples to GCF activities;
  - (e) Establishing and supporting the IPAG to assist with implementing, developing and raising awareness of the Policy;
  - (f) Identifying and developing opportunities to implement activities for awareness building and capacity development on the Policy in collaboration with the IPAG;
  - (g) Collecting baseline data, and to:
    - (i) Determine how GCF can improve its responses to the needs and priorities of indigenous peoples;

- (ii) Identify the drivers of change in order to achieve adaptation or mitigation goals;
  - (iii) Identify and design the specific and culturally appropriate elements to be included in GCF policies and GCF-financed activities;
  - (iv) Estimate the resources necessary for the implementation of the Policy;
  - (v) Select specific output, outcome and impact indicators for indigenous peoples; and
  - (vi) Design and establish implementation and monitoring arrangements that promote and develop effective participation of indigenous peoples within GCF-financed activities;
- (h) Periodic implementation reporting;
  - (i) Establishing a roster of indigenous peoples experts;
  - (j) Capacity-building programmes for indigenous peoples as part of the Readiness and Preparatory Support Programme or funding proposals;
  - (k) Engagement with the UNFCCC Local Communities and Indigenous Peoples Platform;
  - (l) Documenting the experience and knowledge acquired from the implementation of the Policy and identification of good practices from States and accredited entities;
  - (m) Communicating the commitment of GCF to indigenous peoples engagement, the Policy and its operational guidelines; and
  - (n) Reviewing and evaluating the overall performance of the Policy.

7. These guidelines have been prepared to help explain the requirements contained in the Policy. They are not intended to establish policy. Instead, these guidelines explain the requirements in the Policy, developed in consultation with accredited entities, countries, indigenous peoples and their organizations.

8. These guidelines have used the relevant GCF ESS standards and guidance,<sup>1</sup> particularly the IFC performance standard on indigenous peoples (PS 7)<sup>2</sup> and the corresponding guidance on the requirements of the performance standards, including reference materials, and on good practices to improve project performance as contained in the “International Finance Corporation’s Guidance Notes: Performance Standards on Environmental and Social Sustainability”, specifically for PS 7.<sup>3</sup> In particular, section III on requirements has been substantially sourced, with permission, from the “International Finance Corporation’s Guidance Notes: Performance Standards on Environmental and Social Sustainability”.

9. GCF expects that each accredited entity will employ methods that ensure the highest compliance with the Policy. Accredited entities are allowed to use methods that are best suited to their business to meet the requirements of the Policy. In assisting the accredited entity to meet the requirements of the Policy, GCF will take into account variables such as host country context, the scale and complexity of project impacts as well as those of project performance beyond the level required in the Policy. These Guidelines provide helpful references and tools

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<sup>1</sup> The Board, through decision B.07/02, paragraph c, adopted the IFC performance standards as the GCF interim ESS standards until the development of GCF standards.

<sup>2</sup> These guidelines have been independently prepared by GCF, using as reference and guidance the “International Finance Corporation’s Guidance Notes: Performance Standards on Environmental and Social Sustainability”, specifically for PS 7. GCF recognizes that the IFC bears no responsibility for these guidelines or their use in the application of the GCF Indigenous Peoples Policy.

<sup>3</sup> International Finance Corporation. 2012. *Guidance Note 7 Indigenous Peoples*. Available at <[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/publications/publications\\_policy\\_gn-2012](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_policy_gn-2012)>.

for implementing the Policy but do not substitute for the sound judgment and discretion used by the accredited entities and GCF to make project decisions consistent with the Policy.

10. GCF will update these guidelines periodically to reflect any lessons learned in implementing the Policy as well as emerging sector-wide good practices and updates to the referenced materials.

## **II. Overview of the Green Climate Fund Indigenous Peoples Policy**

11. The GCF Indigenous Peoples Policy aims to put in place a process and requirements for ensuring that GCF activities are developed and implemented in such a way that fosters full respect for and the active protection and promotion of indigenous peoples' dignity, rights, identities, aspirations, natural resource-based livelihoods, autonomy, protagonism and cultural uniqueness. The Policy's guiding principles build upon existing and/or proposed GCF policies as well as international standards.

12. The Policy aims to assist GCF in incorporating considerations related to indigenous peoples in its decision-making while working towards the goals of climate change mitigation and adaptation. It allows GCF to examine, control, eliminate and reduce the adverse impacts of its activities on indigenous peoples in a consistent way and to improve outcomes over time. The Policy has been developed with the participation and support of a wide range of indigenous peoples organizations.

13. The overall objective of the Policy is to provide a framework for ensuring that GCF activities are developed and implemented in such a way that they foster full respect for indigenous peoples' and their members' dignity, human rights and cultural uniqueness so that they (a) benefit from GCF activities and projects in a culturally appropriate manner, and (b) do not suffer harm or adverse effects from the design and implementation of GCF-financed activities.

14. The Policy follows a structure that is consistent with other similar multilateral institutions. It represents the evolution of the way GCF has taken into consideration indigenous peoples, and it supplements the relevant ESS standards. It also takes into account developments in other multilateral development banks and international financial institutions since 2012 when the IFC performance standards were adopted by the Board. The goal is nevertheless for the Policy to constitute best international practice.

15. The Policy centers around a rigorous FPIC process. An FPIC process is iterative, requiring indigenous peoples' consent before any GCF activity is undertaken on the basis of their own independent deliberations, and based on adequate information provided in a manner that is understood by indigenous peoples. FPIC aims to ensure that indigenous peoples are fully informed, consulted about, and provided adequate and legitimate opportunities to oppose or actively participate in project design and project implementation arrangements.

16. Where potential impacts on indigenous peoples have been identified, accredited entities, in consultation with indigenous peoples, will prepare an IPP or, if specific activities or locations have not yet been determined, an IPPF. The scope and scale of the plan or framework will be proportionate to the potential risks and impacts of the project.

17. The Policy also provides tailored standards for indigenous peoples for information disclosure, stakeholder engagement, redress, capacity-building and promoting access to GCF activities.

18. The structure and contents of the Policy build upon the existing GCF ESS standards, the draft ESMS and other relevant policies of GCF, and they reflect the lessons learned and experiences of other institutions in implementing indigenous peoples policies.

19. The Policy is structured as follows:

- (a) Introduction and rationale, which outline the context, mandate and reasons for the Policy;
  - (b) Policy objectives, which identify what the Policy intends to achieve and are aligned with the institutional mandate of GCF, as well as the objectives of other relevant policies and governance frameworks, such as the ESMS;
  - (c) Scope of application, which outlines the applicability of the commitments outlined in the Policy;
  - (d) Guiding principles, which describe the principles adhered to by GCF that will guide it in achieving the objectives of the Policy. These principles include those described in the Governing Instrument for the GCF and those elaborated in the GCF ESMS, interim GCF ESS standards and the other relevant GCF policies;
  - (e) Overview of roles and responsibilities, which primarily describes the role of GCF and of accredited entities as the principal organizations responsible for implementing the Policy;
  - (f) Requirements, which is the central section of the Policy and describe the requirements for key measures to be undertaken to achieve the objectives and principles of the Policy, including the criteria for effective engagement of indigenous peoples, specific circumstances requiring FPIC and specific elements to be included in the relevant grievance mechanisms;
  - (g) Implementation arrangements, which describe the roles, responsibilities and the institutional arrangements between GCF, accredited entities and other stakeholders in achieving the objectives and requirements of the Policy. These largely build upon the existing business model and project cycle of GCF. The section outlines additional measures necessary to ensure the Policy is properly implemented and achieves its objectives, including periodic assessments of the implementation of the Policy, complementary to the ESMS process, and the establishment of an indigenous peoples advisory body and indigenous peoples focal point in the Secretariat; and
  - (h) Effective date and review, which defines the effective date and the review of the Policy.
20. These guidelines have been organized to follow the structure of the Policy and should be read in conjunction with it. References to the specific sections or paragraphs of the Policy precede or are otherwise included in the explanatory notes.

# Operational Guidelines of the GCF Indigenous Peoples Policy

## I. Background

*The notes below clarify sections I to III of the GCF Indigenous Peoples Policy (hereinafter referred to as “the Policy”) in relation to the rationale and objectives of the Policy.*

1. The GCF recognizes that key United Nations human rights instruments form the core of international instruments that provide the rights framework for members of the world's indigenous peoples. The following is a list of United Nations instruments that are relevant to indigenous peoples' issues:

- (a) Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;
- (b) Convention on the Elimination of All Forms of Discrimination against Women;
- (c) Convention on the Rights of the Child;
- (d) International Covenant on Civil and Political Rights;
- (e) International Covenant on Economic, Social and Cultural Rights;
- (f) International Convention on the Elimination of All Forms of Racial Discrimination; and
- (g) International Labour Organization Convention Concerning Indigenous and Tribal Peoples (No. 169); and
- (h) United Nations Declaration on the Rights of Indigenous Peoples.

2. While such instruments address the responsibilities of States, it is increasingly expected that other stakeholders, such as the GCF, other donors, co-financiers and private actors conduct their affairs in a way that would respect these rights and not interfere with States' obligations under these instruments. It is in recognition of this emerging normative environment that GCF projects are increasingly expected to foster full respect for human rights, dignity, aspirations, traditional knowledge, cultures, customary institutions and livelihoods of indigenous peoples.

3. The objectives of the Policy underscore the need to avoid adverse project impacts on indigenous peoples living in the project's area of influence, or, where avoidance is not feasible, to minimize and/or compensate for these impacts in a manner commensurate with the scale of project risks and impacts, the vulnerability of indigenous peoples, and through mechanisms that are tailored to their specific characteristics and expressed needs. The Policy also provides a framework for GCF to ensure indigenous peoples benefit from GCF activities and recognize the contributions of indigenous peoples in achieving transformative climate action, including through their knowledge.

4. Accredited entities, including through their executing entities, governments and indigenous peoples, should establish an ongoing relationship throughout the life of the project. To this end, the Policy requires accredited entities to engage in a process of meaningful consultation (see also section 3.2 of these guidelines). In the special circumstances described in section 7.2 of the Policy, the accredited entities' engagement process will ensure the FPIC of indigenous peoples as outlined in paragraphs 54 and 55 of the Policy. This meaning is further elaborated in paragraphs 24-26 of these guidelines. Taking into account indigenous peoples' understanding of the changes brought about by a project helps to identify both positive and negative project impacts. Similarly, the effectiveness of impact avoidance, mitigation and compensation measures is enhanced if indigenous peoples' views on matters that affect them are taken into consideration and form part of the project decision-making processes.



## II. Application of the Indigenous Peoples Policy

***The notes below further explain the scope of applications of the Policy as described in section IV therein. In particular, the notes clarify the various definitions of indigenous peoples and the circumstances of GCF-financed activities that will have to be met under the Policy requirements.***

5. Indigenous peoples have emerged as a distinct group under international law and in the national legislation of many countries. There is no internationally accepted definition of indigenous peoples, and it is an evolving term. Further, the term indigenous may also be considered to be sensitive in certain circumstances. For this reason, the Policy recognizes that various terms such as indigenous ethnic minorities, minority nationalities, first nations or tribal groups may also be used to identify indigenous peoples (see also paragraph 16 of the Policy). Accordingly, for the purposes of the Policy, applicability is determined on the basis of the four characteristics presented in paragraph 14 therein.
6. Judgment will need to be exercised in applying the characteristics to determine whether a group or communities should be considered indigenous for the purpose of the Policy. In making this determination, the accredited entity, including through its executing entity, should undertake a number of activities, including investigation of the applicable national laws and regulations (including obligations reflecting host country obligations under international law), archival research, ethnographic research (including documentation of culture, customs, institutions, customary laws, languages, etc.) and participatory appraisal approaches with the group. Both legal recognition and precedents in recognition of a group or community as indigenous should be given due consideration but are not determining factors for triggering the Policy. Competent experts should be retained to assist in this work.
7. The Policy recognizes that different terms, including those listed in paragraph 16, can be used to refer to a group identified in accordance with the criteria set out in paragraph 14, 15 and 17 of the Policy.
8. GCF determines the final applicability of the Policy. In doing so, GCF undertakes a screening in accordance with paragraphs 14, 15, 16 and 17 of the Policy.
9. When determining collective attachment, one of the four characteristics presented in paragraph 14 of the Policy, consideration is given to the fact that such groups live under many different circumstances with varying levels of attachment to the areas in which they live. “collective attachment” signifies that the groups generally consider their lands and resources to be collective assets interlinked with their culture and identity. It also signifies that these groups’ livelihoods, economies, modes of production, social organization and cultural and spiritual circumstances are generally linked to particular territories and natural resources. Collective attachment may be held over geographically distinct habitats, ancestral territories, areas of seasonal use or occupation and the natural resources therein, and, therefore, groups with collective attachment may include:
  - (a) Groups resident upon the lands or waters affected by the project. This could also include those who are nomadic or who seasonally migrate, and whose attachment to the area affected by the project may be periodic or seasonal in nature;
  - (b) Groups that do not live on the lands affected by the project but who retain ties to those lands through traditional ownership and/or customary usage, including seasonal or cyclical use, and cultural or spiritual attachment;
  - (c) Groups that have lost collective attachment to lands and territories affected by the project because of forced severance, conflict, involuntary resettlement programmes by governments, dispossession from their lands, natural calamities or incorporation into an urban area;

- (d) Groups that reside in mixed settlements in the area affected by the project, such that they only form one part of the broader community; or
- (e) Groups with collective attachment to project-affected ancestral lands located in urban areas.

10. Indigenous peoples may display some degree of cultural, economic, social or political institutional distinctiveness that defines differences between them and mainstream society in the area or country. Their cultures and traditions are dynamic and responsive to the realities and needs of their time and, as a result, they present a vast spectrum of differentiated institutions and organizational forms. Since indigenous peoples may also be influenced by developments around them, their evolving cultural institutions – due perhaps to cultural adaptations, technological progress, and participation in wage-labour markets – would not necessarily disqualify them from indigenous peoples status.

11. There is no hierarchy to the four characteristics, and that all of them need to be present in varying degrees. “Varying degrees” reflects the fact that some characteristics may be less evident for some groups or communities through integration into the broader society or economy, sometimes as a result of government policy. Moreover, given the varying contexts and characteristics of indigenous peoples today, a group may possess defining characteristics and thereby be covered by the Policy in one region, but it may be more fully integrated and lack the defining characteristics in another region of the same country or in a neighboring country. The collective attachment of groups to their traditional territories, for example, may have been forcibly severed due to government resettlement programmes, conflict or natural disasters. Some groups may no longer speak their own language, or it may be spoken by only a few community members. The role of traditional institutions may also be eroding or have been replaced by official administrative structures. Subject to the temporal limitation relating to collective attachment referred to in paragraph 17 of the Policy, these factors alone do not disqualify groups from being covered under the Policy but are assessed in the final determination made by GCF.

12. The Policy is applicable to indigenous peoples who, by virtue of their economic, social and legal status and/or their institutions, custom, culture and/or language may be characterized as distinct from mainstream society and who may be disadvantaged in the development process as a result of their identity. Projects affecting indigenous peoples who are part of a larger regional population of indigenous peoples, or who are substantially integrated with mainstream society, are still required to meet the requirements of the Policy. However, in these cases, the mitigation measures (as described in subsequent sections) should be tailored to the specific circumstances of indigenous peoples.

13. Other groups affected economically, socially or environmentally by project impacts are addressed through the environmental and social risks and impact assessment processes and by the management of environmental and social impacts set out in the GCF ESMS and the Environmental and Social Policy.

14. The engagement of appropriate specialists, including from indigenous peoples themselves, to provide technical advice and assistance regarding the application of the Policy is important, for example, when there are circumstances or vulnerabilities of indigenous peoples, or national legislation and general socio-economic data only provide general information rather than specific data regarding the groups that may be present. The specialists should have proven familiarity with social science research methods, extensive knowledge and working experience with the concerned indigenous peoples and their issues, and in the country or region. Projects affecting indigenous peoples may also benefit from ongoing input from appropriate specialists, for example, in assisting an understanding of the characteristics, issues and priorities of indigenous peoples, their governance structures and decision-making processes.

### III. Requirements

***The notes below further explain the requirements of the Policy as outlined in sections V to VII, particularly in relation to the general requirements of GCF-financed activities, alignment with environmental and social risk management measures, roles and responsibilities in meeting the requirements of the policies, and the assessment and management instruments, such as the IPP and IPPF required for the GCF-financed activities. This section and all its subsections have been substantially sourced, with permission, from the International Finance Corporation's "Guidance Notes: Performance Standards on Environmental and Social Sustainability".<sup>4</sup>***

15. The screening phase of the environmental and social risks and impacts assessment process should identify the existence of indigenous peoples in the project's area of influence that may be potentially affected by the accredited entity's project. If the screening identifies indigenous peoples, further analysis should be undertaken, using participatory methodologies, to collect baseline data on those communities, covering key aspects that may be impacted by the project. The analysis should also identify the impacts and potential benefits of the project to indigenous peoples and consider ways to enhance them, and the potential contributions of indigenous peoples to transformative climate action.

16. The breadth, depth, and type of assessment should be proportional to the nature and scale of the proposed project's potential impacts on indigenous peoples and the vulnerability of indigenous peoples.

17. A key aspect of the assessment is understanding the relative vulnerabilities of the affected indigenous peoples, how the project may affect them and how the project may enhance their role in contributing to transformative climate action. There needs to be a participatory process to define vulnerability and its criteria, such as a questionnaire or other tools developed in such a way that is understood and usable by communities. Training for trainers' sessions to use the tools should also be envisaged. The analysis of vulnerability will include consideration of indigenous peoples':

- (a) Economic, social and legal status;
- (b) Status, including under national and customary law, of the lands, territories and resources to which they have collective attachment;
- (c) Institutions, customs, culture and/or language;
- (d) Dependence on natural resources, including through customary and traditional livelihoods; and
- (e) Past and ongoing relationship to dominant groups and the mainstream economy.

18. Inputs from qualified specialists and accompanying meaningful consultations (see section 3.2 of these guidelines) with indigenous peoples are important to inform and support the assessment. The assessment also evaluates the capacity of the accredited entity to involve indigenous peoples in project design and implementation. Consultations continue throughout project design and implementation.

19. In certain circumstances, project benefits, such as enhancing access to roads, healthcare, and education, can have unintended adverse impacts on indigenous peoples due to their particular circumstances or vulnerabilities. These impacts may include loss of language and cultural norms, undermining of traditional governance structures, the creation of internal conflict, increased pressures and encroachment on lands, and pressures on or contamination of

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<sup>4</sup> From International Finance Corporation. 2012. *Guidance Note 7 Indigenous Peoples*. Available at <[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/publications/publications\\_policy\\_gn-2012](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_policy_gn-2012)>. Reprinted by permission. GCF recognizes that the IFC bears no responsibility for these guidelines or their use in the application of the GCF Indigenous Peoples Policy.

natural resources. The assessment, using participatory methodologies, identifies the potential for, and scale of, such adverse impacts and ways to avoid, mitigate or compensate for these impacts.

20. Indigenous peoples may be heterogeneous and may comprise multiple groups and different social units within these groups (such as individuals, clans, communities, and ethnic groups). Projects may be implemented at national, regional or local levels, and issues of cultural identity, geographic access, language, governance structures, cohesion and priorities may differ greatly between groups. Projects also may have different impacts on different subgroups within a community. For example, land for a project may be acquired from one clan, but such acquisition could impact other clans' traditional access to and use of such land and the resources located on it. The social assessment forms the basis for identifying the different groups and understanding the nature and significance of potential impacts on each of them.

21. Projects can adversely impact indigenous peoples' identity, natural resource-based livelihoods, food security, and cultural survival. For these reasons, accredited entities should avoid such impacts and instead explore viable alternative project designs in consultation and with the participation of indigenous peoples, and seek the advice of competent experts in an effort to avoid such impacts.

22. If adverse impacts are unavoidable, and indigenous peoples have given their consent to the project, accredited entities will minimize and/or compensate for these impacts in a manner commensurate with the nature and scale of impacts and the vulnerability of indigenous peoples and in a gender-responsive and culturally appropriate manner acceptable to indigenous peoples affected. Accredited entities, including through their executing entities, should work with indigenous peoples to prepare an IPP outlining the actions to avoid, minimize and/or compensate for adverse impacts in a culturally appropriate manner. Depending on local circumstances, a standalone IPP may be prepared, or it may be a component of a broader community development plan where indigenous peoples exist in the same area with other similarly affected communities or where indigenous peoples are integrated within a larger affected population. The plan should detail actions to avert, minimize and/or compensate for adverse social and economic impacts. The plan should also identify opportunities and actions to enhance the positive impacts of the project on indigenous peoples. Where appropriate, the plan may also include measures to support indigenous peoples' engagement in the conservation and sustainable management of the natural resources on which indigenous peoples depend or measures by the project to manage land usage by indigenous peoples. The plan should include a clear statement of roles and responsibilities, funding and resource inputs, a time-bound schedule of activities, and a budget.

23. 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 the effects to be addressed. In general, and where appropriate, an IPP should include the following elements:

- (a) **Baseline information.** Summarize relevant baseline information that clearly profiles indigenous peoples, including indigenous women, their circumstances and livelihoods, with descriptions and quantifications of the natural resources upon which indigenous peoples depend. Include the methodology and references that describe how this baseline information was obtained, preferably from independent and participatory environmental and social risks and impacts assessment processes;
- (b) **Key findings and analysis of impacts, risks and opportunities.** Summarize key findings, analysis of impacts, risks and opportunities and recommended possible measures to avert or mitigate adverse impacts, enhance positive impacts, conserve and manage their natural resource base on a sustainable basis and achieve sustainable community development in line with their plans;

- (c) **Measures to avoid, minimize and mitigate negative impacts and enhance positive impacts and opportunities.** Clearly describe the measures agreed to in the process of information disclosure, consultation and informed participation to avoid, minimize and mitigate potential adverse effects on indigenous peoples, and to enhance positive impacts. Include appropriate action times that detail the measures to be taken, the responsibilities and agreed schedules, including for implementation (who, how, where and when). Whenever feasible, avoidance or preventative measures should be given primacy over mitigatory or compensatory measures;
- (d) **Community-based natural resource management.** Where applicable, focus on the means to ensure the continuation of livelihood activities key to the survival of these communities and their traditional and cultural practices. Such livelihood activities may include grazing, hunting, gathering or artisanal fishing. This component clearly sets out how the natural resources upon which indigenous peoples depend, and the geographically distinct areas and habitats in which they are located, will be conserved, managed and utilized on a sustainable basis;
- (e) **Result of consultations (during the environmental and social risks and impacts assessment process), the FPIC and future engagement plans.** Describe the process of information disclosure, consultation and informed participation and where relevant the FPIC process, including good faith negotiations and documented agreements with indigenous peoples, and how issues raised have been addressed. The consultation framework for future engagement should clearly describe the process for ongoing consultations with, and participation by indigenous peoples (including women and men), in the process of implementing and operating the project;
- (f) **Benefit sharing plans.** Clearly describe measures to enable indigenous peoples to take advantage of opportunities brought about by the project, and to conserve and manage on a sustainable basis the utilization of the unique natural resource base upon which they depend. Such opportunities should be culturally appropriate;
- (g) **Tenure arrangements.** Describe who has rights over the targeted project land, both in State laws and under customary law, and how the legal status of the land will change under the project and what effect this has on rights-holders;
- (h) **Grievance redress mechanism.** Describe appropriate procedures to address grievances by indigenous peoples arising from project implementation and operation. When designing the grievance redress mechanism and procedures, the availability of judicial recourse and customary dispute settlement mechanisms among indigenous peoples will be taken into account. Indigenous women and men must be informed of their rights and the possibilities of administrative and legal recourse or remedies, and any legal aid available to assist them as part of the process of consultation and informed participation. The grievance mechanism should be readily accessible to indigenous peoples, including being able to engage with indigenous peoples in a language and mode most comfortable to them. The grievance redress mechanism should ensure anonymity; provide for fair, transparent and timely redress of grievances without costs to those who raise grievances; and, if necessary, provide for special accommodations for women, youth and the elderly, and other vulnerable groups within the community, to make their complaints;
- (i) **Costs, budget, timetable, organizational responsibilities.** Include an appropriate summary of the costs of implementation, budget and responsibility for funding as well as the timing of expenditure and organizational responsibilities in managing and administering project funds and expenditures; and
- (j) **Monitoring, evaluation and reporting.** Describe monitoring, evaluation and reporting mechanisms, including responsibilities, frequencies, feedback and corrective action

processes. Monitoring and evaluation mechanisms should include arrangements for ongoing information disclosure, consultation and informed participation with indigenous peoples (both women and men) and for the implementation and funding of any corrective actions identified in the evaluation process. Participatory monitoring such as community-based monitoring and information systems should be considered and supported.

24. Where the activities consist of projects or subprojects where indigenous peoples may be present, an IPPF will have to be prepared. The purpose of the IPPF is to clarify the principles, organizational arrangements and design criteria to be applied to subprojects or project components to be prepared during project implementation when indigenous peoples may be present in or have a collective attachment to the project area. Following identification of the subproject or individual project components and confirmation that indigenous peoples are present in or have a collective attachment to the project area, a specific IPP, proportionate to potential risks and impacts, is prepared. Project activities that may affect indigenous peoples must not commence until such specific plans are finalized and approved by GCF. The IPPF sets out:

- (a) The types of subprojects likely to be proposed for financing under the project;
- (b) The potential positive and adverse impacts of such programmes or subprojects on indigenous peoples;
- (c) A plan for carrying out the assessment for such programmes or subprojects;
- (d) A framework for ensuring the meaningful consultation (see section 3.2) tailored to indigenous peoples and, in the specified circumstances, a framework for ensuring their FPIC;
- (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; and
- (g) Disclosure arrangements for IPPs to be prepared as specified in the IPPF.

25. Where the government has a defined role in the management of indigenous peoples' issues in relation to the project, the accredited entity, including through its executing entity, will collaborate with the responsible government agency to achieve outcomes that are consistent with the objectives of the Policy and any other relevant GCF policies. In addition, where government capacity is limited, the accredited entity, including through its executing entity, will play an active role during the planning, implementation and monitoring of activities to the extent permitted by the agency.

26. The accredited entity will include information as part of the IPP or IPPF that, together with the documents prepared by the responsible government agency, will address the relevant requirements of the Policy. These may include:

- (a) The plan, implementation and documentation of the process of informed consultation and engagement as well as FPIC, where relevant;
- (b) A description of the government-provided entitlements of affected indigenous peoples;
- (c) The measures proposed to bridge any gaps between such entitlements and the requirements of these guidelines; and
- (d) The financial and implementation responsibilities of the government agency and/or the accredited entity.

27. Government legislation and regulations may define responsibilities for the management of indigenous peoples' issues and constrain the role and responsibilities of the accredited entity with regard to the management of adverse impacts on indigenous peoples. Furthermore, government legislation and regulations may be inconsistent with the requirements of the Policy and thereby limit an accredited entity's scope to implement the required processes and achieve the intended outcomes of the Policy. In such circumstances, accredited entities should seek ways to comply with the requirements and to achieve the objectives of the Policy, without contravening applicable laws and obligations of the State directly applicable to the activities under relevant international treaties and agreements. Accredited entities including through their executing entity, should offer to play an active role during the preparation, implementation and monitoring of the processes and should coordinate with the relevant government authorities those aspects of the processes that can be facilitated more efficiently by the accredited entity or other agents such as relevant individual experts or civil society organizations (CSOs). If the requirements of this Policy cannot be met or maintained, then the accredited entity is required to amend the proposal or activity so that the activity is not contravening the Policy.

28. Under certain circumstances, a project may be provided with unoccupied land for the project, unencumbered by any current claims, by a government agency or other authority. If land clearance or preparation has occurred in anticipation of the project, but not immediately preceding project implementation, the accredited entity should make a determination as to whether the process of securing the land and any requisite resettlement has occurred in a manner consistent with the requirements of the Policy (and the relevant interim ESS standard on Land Acquisition and Involuntary Resettlement ) and, if not, if any corrective action is feasible to address the situation. Under such circumstances, the following factors should be considered:

- (a) The length of the intervening period between land acquisition and project implementation;
- (b) The process, laws and actions by which the land acquisition and resettlement was carried out;
- (c) The number of people affected and the significance of the impact of land acquisition;
- (d) The relationship between the party that initiated the land acquisition and the project proponents; and
- (e) The current status and location of the people affected.

29. Where compensation procedures are not addressed under national law or policy, the accredited entity, including through its executing entity, should establish methods for determining adequate compensation and for providing it to indigenous peoples in accordance to international best practice, in consultation with and consent of indigenous peoples.

30. Where the responsible agency will enable the accredited entity to participate in the ongoing monitoring of affected persons, the accredited entity, including through its executing entity, should design and carry out a programme of monitoring with particular attention to those who are poor and vulnerable so as to track their standards of living and effectiveness of compensation, resettlement assistance and livelihood restoration. The accredited entity and the responsible agency should agree to an appropriate allocation of responsibilities with respect to completion audits and corrective actions.

### 3.1 Specific circumstances of GCF-financed activities

***The notes below clarify the requirements of the Policy in various circumstances of the GCF-financed activities as outlined in sections 7.1.1, 7.1.2, 7.1.3 and 7.1.4 of the Policy. The notes explain further avoidance of adverse impacts as an overall approach to implementing GCF-financed activities and access to mitigation and development benefits.***

31. Indigenous peoples may comprise multiple groups and different social units (e.g. individuals, clans, tribes, etc.). The project may impact the social units in different ways. For example, land take may affect all members' access to and use of land and resources while specifically impacting the land claims of only one clan, as well as any current use of the resources. The environmental and social assessment should identify affected groups and understand the nature of specific impacts.
32. When situations arise in which GCF-financed activities may potentially affect remote groups with limited external contact, also known as peoples "in voluntary isolation", "isolated peoples" or "in initial contact", the accredited entities will take all appropriate measures to recognize, respect and protect their lands and territories, environment, health and culture, as well as measures to avoid all undesired contact with them as a consequence of the GCF-financed activities. The aspects of the GCF financed activities that would result in such undesired contact will not be processed further.
33. Eligibility for compensation may either be individual or collectively based, or a combination of both. For example, with regard to land and natural resources, eligible indigenous peoples may include community members with customary rights of resource ownership and management, members with use rights, and members currently utilizing the resource. Determination of eligibility and the appropriate structure and mechanisms for the delivery and management of compensation should take into account: the laws, institutions, and customs of indigenous peoples; the direct and induced changes that the project will bring upon indigenous peoples, including changing relations with mainstream society; and international good practice.
34. The accredited entity, including through its executing entity and together with indigenous peoples, will design appropriate mitigation and compensation mechanisms to address project-induced adverse impacts. In certain circumstances, the delivery of agreed mitigation and compensation may benefit from the development of the human resource capacity of indigenous peoples so as to ensure the protection, sustainable management, and continued delivery of these benefits.
35. Where replacement land and resources are provided to indigenous peoples, legally valid and secure forms of land tenure should be provided. Allocation of land titles may occur on an individual or a collective basis based on results of the social assessment; the laws, institutions and customs of the indigenous peoples; and the direct and induced changes that the project will bring upon the indigenous peoples, including changing relations with mainstream society.
36. Agreed mitigation and compensation mechanisms (and associated development interventions) should be documented in an agreement and delivered as an integrated programme either through an IPP or a community development plan. The latter may be more appropriate where indigenous peoples live alongside other affected groups who are not indigenous but share similar vulnerabilities and related livelihoods.

### 3.2 Meaningful consultation

***The notes below explain further the requirements for meaningful consultation tailored to indigenous peoples as described in section 7.1.5 of the Policy. The notes provide the essential considerations and approaches for achieving meaningful consultations in the context of the Policy.***



37. Engagement of indigenous peoples should follow the GCF “Sustainability guidance note: Designing and ensuring meaningful stakeholder engagement on GCF-financed projects”.<sup>5</sup>

38. The process of meaningful consultation with indigenous peoples entails consultation that occurs freely and voluntarily, without any external manipulation, interference or coercion, and without intimidation. In addition, indigenous peoples should have access to relevant project information prior to any decision making that will affect them, in a timely, understandable, and culturally appropriate manner, including information on potential adverse environmental and social impacts affecting them at each stage of project implementation (i.e. design construction, operation and decommissioning). To achieve this objective, consultations should take place prior to and during project planning.

39. Meaningful consultation approaches should build upon existing customary institutions and decision-making processes utilized by indigenous peoples, and are designed together with the concerned communities. The capacity of the existing institutions and decision-making processes to deal with the wide array of new issues introduced by the GCF activity should be assessed. In many situations, projects introduce issues that existing institutions and decision-making processes are poorly equipped to address. Inadequate capacity and experience may result in decisions and outcomes that have detrimental consequences for indigenous peoples. Specifically, poor processes, decisions, and outcomes may lead to challenges to existing institutions, decision-making processes, and recognized leadership, and to disputes over agreements between indigenous peoples and the activity. Building awareness and capacity to address issues that can reasonably be predicted to occur can strengthen both indigenous peoples and project agreements with them. Such capacity building can be done in a number of ways, including but not limited to involving competent local organizations such as civil society organizations (CSOs) or government extension agencies; contracting with academic or research organizations undertaking applied or action research involving communities; linking up with existing support programmes for local communities run by government or other agencies; and providing resources and technical support for local municipal authorities in facilitating community engagement and strengthening. The concerned communities may themselves have their own customary institutions, suggestions regarding trusted partners, and types of capacity building that could be prioritized.

40. Accredited entities should keep in mind that the communities of indigenous peoples are not necessarily homogeneous, and there can be divergent views and opinions within them. Experience demonstrates that: the views of the traditional elders or leaders may differ from those who have received formal education; the views of the elderly may differ from those of the youth, and the views of men may differ from women. Nonetheless, in many cases, community elders or leaders, who are not necessarily the elected officials of these communities, play a key role. Furthermore, some segments of the community such as women, youth, and the elderly, may be more vulnerable to project impacts than others. The consultation should take into account the interests of these segments in the community while being cognizant of traditional cultural approaches that may exclude segments of the community from the decision-making process.

41. The meaningful consultation processes with and within indigenous peoples will frequently span an extended period of time. Providing adequate information to the members of the indigenous community about a project’s potential adverse impacts and proposed minimization and compensation measures may involve an iterative process involving various segments of the community. Thus:

- (a) Consultation should start as early as possible in the risks and impacts assessment process;

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<sup>5</sup> Available at <<https://www.greenclimate.fund/documents/meaningful-stakeholder-engagement>>.

- (b) Any engagement processes should aim to ensure that the concerned indigenous peoples are aware of and understand the risks and impacts associated with project development;
- (c) Information should be made available in an understandable format, using indigenous languages and oral communication, such as audiovisual, where appropriate;
- (d) The communities should have sufficient time for consensus building and developing responses to project issues that impact their lives and livelihoods; and
- (e) Accredited entities should allocate sufficient time and resources to fully consider and address indigenous peoples' concerns and suggestions.

42. Assessment of the capacity of indigenous peoples to engage in a process of meaningful consultation is an important requisite to the GCF requirements on engagement. The accredited entity may consider effective communication and capacity-building programmes to enhance the effectiveness of the meaningful consultation process with indigenous peoples and their informed participation in key aspects of the project. For example, the accredited entity including through its executing entity, should:

- (a) Seek the active participation of indigenous peoples throughout the key stages of the risks and impacts assessment process on matters that pertain to them;
- (b) Provide indigenous peoples an opportunity to assess the potential risks and impacts associated with the activity by facilitating cross-visits to comparable projects;
- (c) Enable indigenous peoples' access to legal and technical advice about their rights and accredited entitlements to compensation, due process, and benefits under national law, and environmental impacts of proposed measures;
- (d) Ensure that all views are adequately represented in decision making;
- (e) Facilitate a culturally appropriate decision-making process where no established decision-making process or leadership exists; and
- (f) Provide for capacity building activities prioritized by indigenous peoples, and indigenous peoples' involvement including in participatory monitoring and community development.

43. As part of the engagement process, indigenous peoples should be informed of the different levels of grievance redress mechanisms available to them (project level, accredited entity and GCF redress mechanisms). Indigenous peoples shall be informed that accessing the GCF IRM does not require prior engagement with the project or accredited entity grievance mechanism, though they should also be encouraged to engage with these other mechanisms.

44. For successful outcomes to be achieved for the mutual benefit of all, it is important that the parties have a shared view and understanding of the process for achieving meaningful consultation. These processes should ensure the full, effective and meaningful participation of indigenous peoples in decision-making, focusing on achieving agreement while not conferring veto rights to individuals or sub-groups, or requiring the accredited entity to agree to aspects not under their control. The accredited entity including through its executing entity, and indigenous peoples should agree on appropriate engagement and consultation processes as early as possible, commensurate with the scale of impact and vulnerability of the communities. This should ideally be done through a plan that identifies the legitimate representatives of indigenous peoples in accordance to indigenous peoples' customs and rules, the agreed consultation process and protocols, the reciprocal responsibilities of parties to the engagement process and agreed avenues of recourse in the event of impasses occurring. In cases where consultation protocols have been elaborated by indigenous peoples, these instruments should be used in seeking their consent. Where appropriate, it should also define what would constitute consent and the evidence necessary to establish consent from indigenous peoples.

Support for the agreed process from the affected population should be recorded and documented.

45. Accredited entities have a responsibility to work with indigenous peoples to ensure a meaningful engagement process, including achieving FPIC where appropriate. It is recognized that differences of opinion may arise, which in some cases may lead to setbacks or delays in reaching an agreement. At the outset, the parties should agree on reasonable tests or avenues of recourse to be applied in such situations. This might include seeking mediation or advice from mutually acceptable third parties. The engagement process between the accredited entity and indigenous peoples required in the Policy and other relevant policies of the GCF is separate from project-related processes and decisions of the government.

46. Further guidance on community development programmes is provided in the GCF “Sustainability guidance note: Designing and ensuring meaningful stakeholder engagement on GCF-financed projects”.<sup>6</sup>

### 3.3 Free, prior and informed consent

***The notes below provide further explanation and clarity on the requirements for FPIC as described in section 7.2 of the Policy. In the context of the Policy, the notes further define FPIC, the circumstances requiring FPIC, application and processes for achieving FPIC, resources, and guidance for assessing FPIC. The notes further clarify the application of FPIC and its requirement in GCF-financed activities in circumstances described in paragraph 48 of these guidelines, particularly where the activities pose impacts on land and natural resources subject to traditional ownership or under customary use or occupation (section 3.3.7 of these guidelines), where activities may lead to relocation of indigenous peoples (section 3.3.8 of these guidelines), and where activities may potentially impact cultural heritage or use cultural heritage of indigenous peoples for commercial purposes (section 3.3.9 of these guidelines)***

47. It is recognized that the definition and practices related to FPIC are evolving. FPIC comprises a process and an outcome. The process builds upon the requirements for meaningful consultation (which include requirements for free, prior and informed consultation and participation) and additionally requires good faith negotiation between the accredited entity and indigenous peoples. The outcome, where the good faith negotiation process is successful, is an agreement and evidence thereof. Good faith negotiation involves:

- (a) Willingness to engage in a process and availability to meet at reasonable times and frequency;
- (b) Provision of information necessary for informed negotiation;
- (c) Exploration of key issues of importance;
- (d) Use of mutually acceptable procedures for negotiation, including community-established protocols for consultation and consent;
- (e) Willingness to change initial position and modify offers where possible; and
- (f) Provision of sufficient time for decision making.

48. States have the right to make decisions on the development of resources pursuant to applicable national law, including those laws implementing host country obligations under international law. The Policy does not contradict the State’s right to develop its resources. A State may have obligations or commitments to ensure that indigenous peoples provide their free, prior, and informed consent for matters pertaining to the overall development of indigenous territories. Such State-level obligations are distinct from the project-level FPIC

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<sup>6</sup> Available at <<https://www.greenclimate.fund/documents/meaningful-stakeholder-engagement>>.

requirements described in the Policy. As described in paragraphs 27-30 of these Guidelines, where government processes involve project-level decision and actions, the accredited entity should review these processes in relation to the requirements of the Policy and GCF ESSs and address identified gaps or non-compliance.

### 3.3.1 Requirements for free, prior and informed consent

49. Over and above the requirement for meaningful consultation for projects adversely affecting indigenous peoples, projects are required to facilitate a process of FPIC with indigenous peoples with regard to project design, implementation and expected outcomes if these are associated with any of the following effects:

- (a) Impacts on lands and natural resources subject to traditional ownership or under customary use;
- (b) Relocation of indigenous peoples from lands and natural resources subject to traditional ownership or under customary use;
- (c) Impacts on cultural heritage that is essential to the identity, cultural, ceremonial, or spiritual aspects of indigenous peoples lives, including practice of traditional livelihoods, natural areas with cultural or spiritual values such as sacred groves, sacred bodies of water and waterways, sacred trees, and sacred rocks; or
- (d) Use of cultural heritage, including knowledge, innovations or practices of indigenous peoples for commercial purposes.

### 3.3.2 Application of free, prior and informed consent

50. FPIC applies to those aspects of GCF activity design, activities, and outcomes associated with the specific potential adverse impacts described in paragraphs 59, 61, 63 and 64 of the Policy and listed above in paragraph 48 of these guidelines, and which directly affect communities of indigenous peoples. In some cases, the scope of FPIC will be limited and targeted to specific portions of land or aspects of a project. Examples of such targeted FPIC include: (i) linear projects that pass through multiple human habitats may only require FPIC for the component that traverses indigenous peoples' lands; (ii) projects with multiple facilities, or comprising multiple sub-projects, some of which are located on indigenous peoples' lands, may only require FPIC for the facilities or sub-projects located on indigenous peoples' lands; (iii) for projects involving an expansion of existing facilities, FPIC should focus on the new project activities to the extent possible.

51. In certain cases, it may not be possible to define all aspects of the activity and its locations, identify affected communities (including indigenous peoples) and review project environmental and social assessment and related mitigation plans before decisions are taken about project design aspects (e.g. programmatic approaches). In the absence of these elements, achieving FPIC prior to approving a project may not be feasible or considered meaningful because the determination should be closely related to the defined impacts of a known project on indigenous peoples. The appropriate sequencing of achieving FPIC is generally to first agree on key principles through an overall framework, and then consult on specific aspects once designs are further advanced and locations are determined. Documents that are required to be submitted in the process of achieving FPIC should, in almost all cases, include a framework agreement on engagement and consultation and agreements demonstrating FPIC. The absence of such a framework agreement would need to be carefully justified.

52. In such circumstances the accredited entity, including through its executing entity, should:

- (a) Develop forward-looking stakeholder engagement strategies that ensure that relevant stakeholders are aware of potential development pathways;

- (b) Ensure that stakeholders have adequate awareness, understanding and access to information concerning their resource rights (lands, forests, tenure systems, government established compensation frameworks, etc.); and
- (c) Commit to implementing a process of FPIC for any subsequent project development adversely impacting indigenous peoples in the manner described in paragraph 48 of these guidelines once such impacts become known.

53. Circumstances may arise where a project is required to achieve both meaningful consultation for mainstream affected communities and FPIC for affected indigenous peoples, such as linear projects that traverse both non-indigenous and indigenous peoples' lands; and projects implemented in areas where both mainstream society and indigenous peoples reside in proximate but separate communities or in mixed communities. Since the achievement of meaningful consultation and FPIC as separate processes with different groups within a community or between proximate communities may be difficult and in some cases be a cause of division within the community, a single engagement process resulting in one agreement is generally recommended. In such cases, the process and agreement should reference the higher standard (i.e. good faith negotiations and agreement demonstrating FPIC). Whether the agreement entails different benefits for the differently affected groups will depend on the project context, the indigenous peoples involved and the nature of the activity's impacts.

54. Where government decision-making processes have been directly applied at a project level (e.g. land acquisition, resettlement), the accredited entity's due diligence process should assess whether these processes have occurred in a manner consistent with the requirements of the Policy and, if not, assess if any corrective action is feasible to address the situation (see paragraphs 27-30 of these guidelines). Where key decisions such as land acquisition and resettlement are not managed by the accredited entity, it may not be possible for the accredited entity to achieve all elements of the Policy, including the requirement of FPIC. In these cases, the accredited entity should assess the overall risks of proceeding with the project that may not meet aspects of the Policy and will not be eligible for GCF funding.

55. The FPIC process and outcome do not require unanimous support from all members of affected communities of indigenous peoples. FPIC should be viewed as a process that both allows and facilitates indigenous peoples to build and agree upon a collective position with regard to the proposed development cognizant that individuals and groups within the affected communities may retain differing views on various issues pertaining to the proposed development. Such collective "community consent" should derive from the group of affected communities as a whole, representing their view vis-à-vis the proposed development. Thus, an FPIC agreement captures the affected communities' broad agreement on the legitimacy of the engagement process and the decisions made.

56. FPIC entails consent for specific activities, impacts and mitigation measures as anticipated at the time when consent is given. While the agreement should be valid for the duration of the project, for projects with an extended operational lifespan, it is good practice to monitor the Policy or similar action plans and be flexible in adapting them as needed if circumstances change, while maintaining the overall principles, commitments, and mutual accountabilities outlined in the agreement. When the accredited entity proposes fundamental changes in the project affecting indigenous peoples, a new FPIC process shall be carried out.

### 3.3.3 Process of achieving free, prior and informed consent

57. Achieving FPIC requires that the accredited entity address both process (i.e. good faith negotiations) and outcome (i.e. evidence of agreement). The accredited entity, including through its executing entity, should document (i) the mutually accepted engagement and negotiation process between the accredited entity and indigenous peoples; and (ii) evidence of an agreement between the parties regarding the outcome of the negotiations. Impacts on

vulnerable groups within the communities should be adequately addressed during the negotiation and in the relevant documentation.

58. Designing a process to achieve the FPIC of indigenous peoples should, inter alia, take account of the following:

- (a) While the project environmental and social risks and impacts assessment process typically defines the project area of influence and identifies the population of directly affected communities of indigenous peoples, in certain circumstances the formal and informal leaders and decision-making bodies of the affected communities of indigenous peoples may be located outside this area;
- (b) As with many communities, communities of indigenous peoples may be affected by issues related to governance, leadership and representativeness. Assessment of these issues will inform the engagement and negotiation process. Where administrative and traditional systems recognize different leaders, where leadership is known to be highly politicized and/or only marginally representative of the affected population or if there are multiple groups representing different interests, FPIC should rely on identification, recognition and engagement of greater numbers or representativeness of stakeholder sub-groups;
- (c) The occurrence of conflict—whether past or present—within the affected communities of indigenous peoples or between the affected communities of indigenous peoples and other stakeholders (e.g. non-indigenous peoples, companies or the State) should be assessed in terms of the nature of the conflict, the different interest groups and the affected communities' approaches to conflict management and resolution mechanisms;
- (d) The role, responsibilities and participation of external stakeholders with vested interests in the outcome; and
- (e) The possibility of unacceptable practices (including bribery, corruption, harassment, violence, retaliation and coercion) by any of the interested stakeholders both within and outside the affected communities of indigenous peoples.

59. Particular attention should be given to groups within affected indigenous peoples who may be vulnerable, such as women, youth, elders, the poor and persons with disabilities. Addressing any limitations on their participation in the FPIC process helps to ensure that their interests and concerns are adequately considered and addressed as part of the process to establish FPIC.

60. The process of achieving the FPIC of indigenous peoples may require investment in building relevant institutions, decision-making processes and the capacity of affected communities. Accredited entities should approach the achievement of FPIC from a development perspective that prioritizes the sustainability of development activities implemented with indigenous peoples.

### 3.3.4 Documentation of FPIC

61. FPIC will be established through a process of good faith negotiations between the accredited entity and indigenous peoples. Where the good faith negotiations process is successful, an agreement should document the roles and responsibilities of both parties and specific commitments. This may include:

- (a) Agreed engagement and consultation process;
- (b) Environmental, social and cultural impact management (including land and resource management);
- (c) Compensation, benefit sharing and disbursement framework or arrangements;

- (d) Employment and contracting opportunities;
- (e) Governance arrangements;
- (f) Other commitments such as those pertaining to continued access to lands or waters, contribution to development, etc.; and
- (g) Agreed implementation/delivery mechanisms to meet each party's commitments.

62. The agreement between parties should include requirements to develop time-bound and appropriately resourced implementation plans such as a community development plan or an IPP. Examples of agreements include a memorandum of understanding, a letter of intent, and a joint statement of principles.

63. Confirmation of support for agreements is an important step in concluding the agreement. Agreements should have demonstrable support from the constituency defined through the risks and impacts assessment process and with whom the process of engagement and good faith negotiations has occurred. However, as noted in paragraph 54 of these guidelines, the FPIC process and outcome does not require unanimous support from all members of the affected communities of indigenous peoples. Documentation of the agreement (see paragraph 64 of these guidelines) should include evidence of support from the affected communities of indigenous peoples as well as concerns and opposition by particular sections of the community, what the reasons for the opposition were, where possible the proportion of the community expressing opposition, and what was done to address it. Where either the appropriate engagement process or agreement cannot be achieved, consideration should be given to third-party advice and mediation.

64. Projects with long life cycles may elect to develop an agreement that involves commitments being delivered through periodic development plans (e.g. IPP) covering defined project planning periods. The evolution of such agreements is project- and context-specific. Nonetheless, it may be anticipated that such agreements will typically evolve from a focus on project impact mitigation and development measures towards indigenous peoples'-managed development models supported by defined project contributions and/or benefit-sharing mechanisms.

65. Different types of documents, plans and agreements will typically be produced during the various phases of a project cycle. The environmental and social impact assessment process as described in the ESMS, environmental and social policy and the relevant interim ESS performance standard on Assessment and Management of Environmental and Social Risks and Impacts should be seen as an ongoing, iterative process combining analytical and diagnostic work; stakeholder engagement; and the development and implementation of specific action plans with appropriate monitoring mechanisms. The overall, guiding principle should be that while these documents may be prepared at any time during the project cycle, implementation action plans such as IPPs should be in place and mitigation measures taken prior to any direct adverse impacts on indigenous peoples occurring. Key documents normally produced are:

- (a) A framework document containing, inter alia, the principles of engagement, project design and implementation process as it relates to the communities of indigenous peoples, and principles for obtaining FPIC where required (see below);
- (b) An IPP or similar action plan; and
- (c) An FPIC agreement reflecting the mutual consent to the process and proposed actions, by the accredited entity and indigenous peoples. This agreement may refer to and endorse a proposed IPP or similar action plan, but it may also establish that an IPP or similar action plan be developed or finalized subsequent to FPIC having been obtained. The accredited entity shall confirm the consent has been provided by individuals, groups or legitimate representatives of indigenous peoples in the format agreed to by indigenous people. Where specific evidence of consent is missing or incomplete, every

attempt shall be made to obtain the missing or complete consents and if this is not feasible the accredited entity shall explain why it is not feasible and confirm that the missing or incomplete consents are not material or significant to the validity of the FPIC.

66. When the FPIC of indigenous peoples cannot be ascertained, the aspects of the project relevant to those indigenous peoples for which the FPIC cannot be ascertained will not be processed further. Where GCF has made the decision to continue processing the project other than the aspects for which the FPIC of indigenous peoples cannot be ascertained, the accredited entity will ensure that no adverse impacts result on such indigenous peoples during the implementation of the project.

### 3.3.5 Resources for free, prior and informed consent

67. Throughout the entire process of respecting FPIC, indigenous peoples must be consulted as a whole group for however long is necessary for them to understand, consider and analyze the proposals. The more time that is invested in establishing good communications at the beginning of a negotiation process, the more likely it is that negotiations can proceed in an agreed way thereafter. A rushed process will prevent communities from building a general consensus before final decisions are made. This can trigger disputes between and within communities, and with the accredited entity and government. The legitimacy of the agreement may be questioned, and the process may need to restart from the point where dissatisfaction arises. In the end, this requires more time and resources from all parties involved, and the disputes that arise from a rushed process may lead to a breakdown in the mutual trust and accountability critical to obtaining and sustaining consent. Being prepared to invest time and resources in the process substantially diminishes the risk of conflicts and disputes at later stages of the project operations and is key to the longer-term sustainability of these operations.

68. In addition to time, the availability of material and human resources is critical to a strong and verifiable process of respecting FPIC. This includes investment in people, communication materials and strategies, capacity-building activities, independent verification, and technical and legal advice. Indigenous peoples will often need adequate resources to build up their capacity to consider the proposed project or programme. Where indigenous peoples are interested in being involved in project design and implementation, additional resources will be needed for appropriate training and skills development. Project proponents should understand that respect for FPIC is as an inherent and necessary cost of project development. Where appropriate, accredited entities should find open and accountable ways to channel funds to communities to maintain the integrity of the process and the independence of indigenous peoples' role.

69. Indigenous peoples have the right to access independent sources of information throughout the process of respecting FPIC, including during the process of reaching consent and, in particular, prior to decision-making and agreement. The purpose of this is to allow communities to make informed decisions based on a comprehensive range of information of their own choice – including information on alternatives to the proposed development – independently of the project proponents' interests. Accredited entities, including through their executing entities, should facilitate local communities' access to independent sources of information, and local NGOs can play an important role in communicating independent information and/or advice.

### 3.3.6 Free, prior and informed checklist

70. The following provides a brief and simple list of questions that can be used to assess FPIC for any project:

- (a) Does the project staff have the knowledge and competence to work with the concerned indigenous peoples in a culturally appropriate manner?;



- (b) Has the project staff been trained on how to interact with indigenous peoples?;
- (c) Has a consultation and engagement strategy been developed, in agreement with the concerned indigenous peoples, taking into account indigenous peoples' own mechanisms, language and locations?;
- (d) Where relevant, have consultation and/or FPIC protocols developed by the concerned indigenous peoples been incorporated?;
- (e) Has the community, including individuals identified as legitimate leaders of the indigenous communities involved been met and consulted?;
- (f) Have the involved communities had sufficient time to get independent expert advice on the project?;
- (g) Have sufficient resources been provided for the community to be effectively engaged (e.g. obtain expert advice on the project)?;
- (h) Have adequate mechanisms and procedures for effective participation in the FPIC process been established?;
- (i) Have timely consultations (well prior to project design) been carried out?;
- (j) Have the indigenous communities involved been enabled to participate fully and effectively in project scoping, design, implementation, monitoring and evaluation, mitigation, and determination of the need for further review and management of the project?;
- (k) Has project information (including environmental and social assessment document; environmental social management plan; and evaluation) been provided in a timely fashion and through culturally appropriate means?;
- (l) Has the proper understanding of the information provided to the indigenous communities involved been verified?;
- (m) Is the consultation process documented?;
- (n) Has the documentation of the consultation process been disclosed in a timely matter and using appropriate languages, formats and locations?;
- (o) Has the consent been provided explicitly and recorded and affirmed in the format preferred by the community (for example, ensuring that evidence of consent is complete such as signature, thumbmarks, and identification)?;
- (p) Do the participatory monitoring and evaluation of the project include indicators that indigenous peoples determine to be relevant?;
- (q) Has the community been engaged in an adequate negotiation process on land and resources agreements, governance arrangements, legal and financial arrangements, employment and contracting opportunities, culturally appropriate benefits sharing, processes and mechanisms for monitoring, grievances and dispute resolutions, among other items?; and
- (r) Have there been complaints about the project design/concept and how have these been addressed?

**3.3.7 Impacts on lands and natural resources subject to traditional ownership or under customary use or occupation**

71. If issues related to land use as described in paragraph 59 of the Policy are identified in the screening phase, the accredited entity should ensure competent experts are engaged to carry out the outlined assessment with the active participation of indigenous peoples. The

assessment should describe indigenous peoples' traditional land and resource tenure system (both individual and collective) within the project's area of influence. The assessment should also identify and record all customary use of land and resources, including cultural, ceremonial or spiritual use, and any ad hoc, seasonal or cyclical use of land and natural resources (for example, for hunting, fishing, grazing, or extraction of forest and woodland products), and any potential adverse impacts on such use. Customary use of land and resources refers to patterns of long-standing community land and resource use 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. Cultural, ceremonial and spiritual uses are an integral part of indigenous peoples' relationships to their lands and resources, are embedded within their unique knowledge and belief systems, and are key to their cultural integrity. Such uses may be intermittent, may take place in areas distant from settlements, and may not be site-specific. Any potential adverse impacts on such use must be documented and addressed within the context of these systems. Any information from the accredited entity's assessment that identifies the existence of critical habitats and critical cultural resources consistent with the relevant ESS on "Biodiversity Conservation and Sustainable Management of Living Natural Resources and on Cultural Heritage" within the project area of influence will be relevant in the analysis and should be taken into account. Indigenous peoples' claims to land and resources not legally owned under national law should also be documented as part of the assessment process. The accredited entity should ensure that lack of documentation of land claims, or absence of land claims should not prejudice existing or future legal proceedings of indigenous peoples to establish legal title.

72. The priority objective of the assessment process is to identify measures to avoid adverse impacts on these lands, waters, resources, and indigenous peoples' use. Where avoidance is not feasible, mitigation, and/or compensation measures should be developed to ensure the availability of, and access to, the land and natural resources necessary for the livelihoods and cultural survival of indigenous peoples. Land-based compensation should be preferred, provided that suitable land is available. In addition, due process, such as appropriate notification and responses to inquiries for indigenous peoples should be observed. In some cases, land under indigenous peoples' claim may already be designated by the government for alternate uses, which may include nature reserves, mining concession areas, or as individual parcels by users who have obtained title to the land. In this case, the accredited entity should seek to involve the relevant government agency in any consultation and negotiation with indigenous peoples.

73. Whether the project should proceed with activities that may result in adverse impacts on these lands should be subject to securing the FPIC of indigenous peoples. In some cases, it may be possible for the accredited entity, including through its executing entity, to work with a national governmental agency to facilitate the legal recognition of lands claimed or used by indigenous peoples in connection with land titling programmes of the government. The accredited entity can base this work on the customary land tenure information gathered during the assessment process and help indigenous peoples to pursue land titles if indigenous peoples so request and participate in such programmes.

### **3.3.8 Relocation of indigenous peoples from lands and natural resources subject to traditional ownership or under customary use or occupation**

74. Because physical relocation of indigenous peoples is particularly complex and may have significant and irreversible adverse impacts on their cultural survival, the accredited entity is expected to make every effort to explore feasible alternative project designs to avoid any physical relocation of indigenous peoples from their communally held traditional lands or customary lands under use. The potential relocation may result from the project's acquisition of land, or through restrictions or alterations on land use or resources (for example, where the communally held traditional lands or customary lands under use by indigenous peoples are

designated by the relevant government agency for another use in conjunction with the proposed project, such as establishment of protected areas for resource conservation purposes). Any physical relocation should only be considered after the accredited entity has established that there is no feasible alternative to relocation, and the FPIC of indigenous peoples has been secured.

75. In case the host government has made the decision to relocate indigenous peoples, the accredited entity, including through its executing entity, should consult with relevant government officials in order to understand the rationale for such relocation and determine whether good faith negotiations based on informed participation of indigenous peoples has been implemented and successfully concluded regarding the aspects of the project and the relocation of indigenous peoples. Accredited entities are required to address gaps in process and outcomes where these are identified.

76. Upon conclusion of the FPIC process providing for the relocation of indigenous peoples, the accredited entity, including through its executing entity, will prepare a resettlement action plan/livelihood restoration plan consistent with the conclusion of the negotiation and in accordance the GCF ESS on “Land Acquisition and Involuntary Resettlement”. Such a plan should include a provision to allow indigenous peoples, where possible and feasible, to return to their lands when the reasons for their relocation cease to exist.

77. The requirements under paragraphs 61 and 62 of the Policy, are intended for situations where traditionally owned lands or customary use of resources are held and used by indigenous peoples communally. Where individual members of the affected communities of indigenous peoples hold legal title, or where the relevant national law recognizes customary rights for individuals, the requirements of GCF ESS on “Land Acquisition and Involuntary Resettlement” will apply. However, even where individuals within the affected communities of indigenous peoples hold legal title to land individually, the accredited entity should be aware that the decision of relevant individuals to cede title and to relocate may still be subject to a community-based decision-making process, as these lands may be not be considered private property but ancestral lands.

### 3.3.9 Cultural heritage

78. Knowledge, innovations, and practices of indigenous peoples are often referred to as traditional knowledge and include expressions of folklore or traditional cultural expressions. Such knowledge is also referred to as intangible cultural heritage. Further, knowledge, innovations, and practices of indigenous peoples often remain in use for sacred or ritual purposes and can be held secret by the community or designated members. Commercial development of intangible cultural heritage is the subject of current international discussions, with international standards emerging slowly. The one exception is in the commercial use of genetic resources and associated traditional knowledge of indigenous or traditional communities as reflected in the “Convention on Biological Diversity<sup>7</sup>” in which indigenous women’s vital role in preserving and managing biological diversity is also mentioned. Useful guidance in this area is provided by “The Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization”, the “Akwé: Kon Guidelines” and the “Tkarihwaié:ri Code of Ethical Conduct to Ensure Respect for the Cultural and Intellectual Heritage of Indigenous and Local Communities issued under the Convention on Biological Diversity”.<sup>8</sup> Examples of commercial development include commercialization of traditional medicinal knowledge or other sacred or traditional techniques for processing plants,

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<sup>7</sup> Secretariat of the Convention on Biological Diversity. 1992. Text of the Convention. Available at <https://www.cbd.int/convention/text/>.

<sup>8</sup> See References and Tools section for links to the documents

fibers or metals. Traditional cultural expressions such as the sale of art or music should be treated in accordance with national law and emerging international practice.

79. Accredited entities, including through their executing entities, should comply with applicable national laws, if any, regarding their use of knowledge, innovation or practices of indigenous peoples for commercial purposes and any international obligation or standard relevant to the project activities. Because such information, processes, and materials may be used for sacred or ritual purposes by indigenous peoples and may in some cases be kept secret, the accredited entity should seek the FPIC of the owner(s).

80. Where an activity proposes to use and develop intangible cultural heritage including knowledge, innovations, or practices of indigenous peoples, the accredited entity, including through its executing entity, should:

- (a) Investigate whether the indigenous cultural heritage is held individually or collectively prior to entering into any agreements with local indigenous holder(s) of the cultural heritage;
- (b) Obtain the FPIC of the indigenous cultural heritage holder(s) for its use; and
- (c) Share the benefits accruing from such use as appropriate with the indigenous peoples.

81. Expert and unbiased information in seeking the FPIC of indigenous holders of cultural heritage should be used, even if ownership of the item is in dispute. The FPIC of indigenous peoples' for the proposed commercial development should be documented, in addition to any requirements pursuant to national law. Where benefit sharing is envisioned, benefits should be determined by mutually agreed terms as part of the process of securing FPIC. Benefits may include, for example, development benefits in the form of employment, vocational training, and benefits pursuant to community development and similar programmes as well as from the making, marketing and licensing of some forms of traditional cultural expression. Accredited entities should be mindful of specific consent requirements under the relevant international conventions or national law, and may have to address identified gaps if any.

82. For some indigenous peoples, the use of indigenous names, photographs, and other items depicting them and the environment in which they live can be sensitive. Local norms and preferences should be assessed and indigenous peoples should be consulted before using such items, even for such purposes as naming project sites or pieces of equipment.

83. Similar requirements are available in the interim ESS standard on Cultural Heritage with respect to the cultural heritage of communities other than those of indigenous peoples.

### 3.4 Grievance redress mechanism

***The notes below elaborate the requirement for establishing grievance redress mechanisms outlined in section 7.3 of the Policy and aligned to the requirements of the relevant policies such as the Environmental and Social Policy and the terms of reference of the GCF IRM.***

84. It is important to establish an independent mechanism for stakeholders to raise concerns that may arise throughout the project's lifetime. The mechanism should be discussed and developed early on rather than left until disputes or breakdowns of consent occur. Deciding on the form of the grievance process should be part of the early consultation, IPP, IPPF or FPIC processes.

85. The grievance redress mechanism should allow consent to be re-established through a more accessible and local alternative to external dispute resolution processes.

86. Possible forms of remedy include, but are not limited to:

- (a) Return or restitution of lands, territories and resources, and other property and intangible resources, taken or affected without the consent of communities;
- (b) Restoration of damaged ecosystems and/or resources;
- (c) Payment for the relinquishment of rights;
- (d) Improved benefits for smallholders and workers;
- (e) Increased participation in project design, benefits and profits;
- (f) Payment in cash or kind for ceded lands or use of lands, preferably land-based compensation;
- (g) Compensation for damages and infringements of rights;
- (h) Compensation for losses of livelihood and income;
- (i) Compensation for losses of intangible heritage;
- (j) Payment of the costs of securing reparations, engaging in negotiations and seeking advice;
- (k) Agreement either to permanently suspend operations in the disputed area and/or proceed with a newly negotiated agreement involving all the requirements of an FPIC process;
- (l) Formal recognition/preservation of indigenous peoples identity, culture and history;
- (m) Formal guarantees of non-repetition; and
- (n) Formal procedures and sanctions in the case of repetition.

87. For the grievance redress mechanism to be well implemented, the budget should be adequate to support the grievance redress modalities and support access by indigenous peoples.

88. Accredited entities should ensure the availability of a project level grievance redress mechanism.

89. The GCF IRM is also available as part of any grievance redress mechanism of any proposal. The IRM responds to complaints by people who feel they have been or may be adversely affected by GCF projects or programmes failing to implement GCF operational policies and procedures. This includes allegations of a failure to follow the Policy and adequate environmental and social safeguards.

90. The IRM works collaboratively with other grievance redress and accountability mechanisms of accredited entities.

91. The IRM is independent of the GCF Secretariat and reports directly to the GCF Board.

92. Further details about the IRM are available on its website<sup>9</sup> and also in the "Updated Terms of Reference of the Independent Redress Mechanism".<sup>10</sup>

### 3.5 Indigenous peoples and broader planning

***The notes below further explain section 7.4 of the Policy particularly the potential roles of indigenous peoples in broader planning and preparation of strategies and other activities that will strengthen consideration and participation of indigenous peoples in climate actions.***

<sup>9</sup> See <<https://www.greenclimate.fund/independent-redress-mechanism>>.

<sup>10</sup> Annex II to decision B.BM-2017/10.

93. GCF financed activities may provide unique opportunities for indigenous peoples' broader development. Depending on the activity and context, the accredited entity, including through its executing entity, may catalyze and/or directly support the delivery of development programming to support the development of indigenous peoples. While addressing project-induced adverse impacts is a compliance requirement under the Policy, providing broader development opportunities is not. It is recommended as a good practice where opportunities exist. In large-scale projects, the accredited entity may be able to offer a more comprehensive set of development benefits, as part of its community or regional development effort, or effort to stimulate local enterprises and economy. The accredited entity may also look for opportunities to support existing programmes tailored to deliver development benefits to indigenous peoples, such as bilingual educational programmes; maternal, and child health and nutrition programmes; employment generation activities; and arrangements for micro-credit schemes. In engaging indigenous peoples, it is recommended that the distinction between rights and entitlements related to mitigation of GCF-induced adverse impacts on the one hand and broader development opportunities, on the other hand, be made clear, in order to avoid confusion and unreasonable expectations over what the accredited entity is required to do and what may be provided additionally in terms of benefits.

94. Implemented in cooperation with indigenous peoples, such development programming may include:

- (a) Supporting the development priorities of indigenous peoples through programmes (such as community-driven development programmes and locally managed social funds) developed by indigenous peoples or governments in cooperation with indigenous peoples;
- (b) Addressing the gender and intergenerational issues that exist among many indigenous peoples, including the special needs of indigenous women, youth, and children;
- (c) Preparing participatory profiles of indigenous peoples to document their culture, demographic structure, gender and intergenerational relations and social organization, institutions, production systems, religious beliefs, and resource use patterns;
- (d) Strengthening the capacity of indigenous peoples' communities and organizations to prepare, implement, monitor, and evaluate development programmes and interact with the mainstream economy;
- (e) Safeguarding indigenous knowledge, including by strengthening intellectual property rights; and
- (f) Facilitating partnerships among the government, indigenous peoples organizations, CSOs, and the private sector to promote indigenous peoples' development programmes.

## IV. Implementation

*The notes below elaborate further section VIII of the Policy particularly the implementation arrangements, role of the IPAG (section 8.1 of the Policy), information disclosure (section 8.3 of the Policy), accountability (section 8.5 of the Policy), country ownership and engagement (section 8.6 of the Policy), competencies and capacity development (section 8.8), and resource allocation (section 8.9).*

### 4.1 Implementation arrangements

95. The GCF Indigenous Peoples Specialist, acting as the indigenous peoples focal point of GCF, will have an operational responsibility to manage the implementation of the Indigenous

Peoples Policy, including the IPAG. The IPAG and the Indigenous Peoples Specialist will work together to develop the terms of reference, functions and annual plans of the IPAG.

96. The GCF Indigenous Peoples Specialist will report to the Senior Management Team and to the Board, as may be requested, on the status of the implementation of the Indigenous Peoples Policy, including the work of the IPAG.

## 4.2 Information disclosure

97. The Policy requires the timely disclosure of relevant information to indigenous peoples to be done in a form and language(s) understandable to them. It should be an integral part of consultation and participation. In the case of the IPP and other detailed documents, relevant information to be disclosed to the affected indigenous peoples could be reported in abbreviated form, in addition to having the complete documentation available. Such documents would include key findings and provisions and could be provided as brochures written in clear local language, describing the benefits and mitigation measures to be taken, including contact information for grievances and further project information.

98. For those projects likely to affect many illiterate people, pictorial depictions and oral representations of the IPP can be used. When there is no widely used written form of the local language, it is quite possible that the narrative of the pictorial brochures or posters will have to be written in the national language, but the verbal presentation of such information will be done in the local language.

99. In the interest of transparency and wide dissemination, the accredited entity could ensure that full and abbreviated versions of the IPP – in the draft and updated forms – are disclosed locally. It should consider the best ways to go beyond the minimal disclosure requirements (e.g. deposit of such documents in the local library) to expand the arena of IPP disclosure via methods such as delivery of the IPP directly to rural townships and indigenous peoples organizations, posted on village communal walls, described in a village meeting, or distributed as brochures to households. The abbreviated form would describe the project very briefly; list the anticipated impacts, major proposed mitigation measures, and project benefits; outline the grievance redress mechanism; and include contact details of the project contact information office for more information.

## 4.3 Competencies and capacity development

100. To help developing countries effectively access and deploy resources from GCF, GCF provides early support for readiness and preparatory activities through a dedicated Readiness and Preparatory Support Programme. It supports national designated authorities or GCF focal points, nominated by countries, to engage with GCF in the following four areas:

- (a) Establishment and strengthening of national designated authorities or focal points;
- (b) Development of strategic frameworks for national engagement with the Fund, including the preparation of country programmes;
- (c) Selection of implementing accredited entities or intermediaries, and support for accreditation; and
- (d) Initial pipelines of programme and project proposals.

101. The Readiness and Preparatory Support Programme provides a good opportunity to ensure that indigenous peoples' issues and role is fully acknowledged and realized. It is important that through Readiness support developing countries better understand and describe indigenous peoples specific risks and opportunities, and the potential to maximize the development impact of GCF programming for indigenous peoples in line with the Policy.

## References and tools

### 1 Other relevant GCF policies

Environmental and Social Policy

[https://www.greenclimate.fund/documents/20182/574763/GCF\\_policy\\_-\\_Environmental\\_and\\_Social\\_Policy.pdf/aa092a12-2775-4813-a009-6e6564bad87c](https://www.greenclimate.fund/documents/20182/574763/GCF_policy_-_Environmental_and_Social_Policy.pdf/aa092a12-2775-4813-a009-6e6564bad87c)

Information Disclosure Policy

[https://www.greenclimate.fund/documents/20182/574763/GCF\\_policy\\_-\\_Information\\_Disclosure\\_Policy.pdf/eca387d2-06b3-42c9-89f9-4976f2e802f4](https://www.greenclimate.fund/documents/20182/574763/GCF_policy_-_Information_Disclosure_Policy.pdf/eca387d2-06b3-42c9-89f9-4976f2e802f4)

Gender Policy and Action Plan

### 2 Other relevant GCF guidelines

Guidelines for the Environmental and Social Screening of Activities Proposed under the Simplified Approval Process

Readiness and Preparatory Support Guidebook

Project Preparation Facility Guidelines

GCF Toolkit Mainstreaming Gender

Green Climate Fund Decisions, Policies and Frameworks As agreed by the Board of the Green Climate Fund Through December 2017

Sustainability Guidance Note: Designing and ensuring meaningful stakeholder engagement on GCF-financed projects

Sustainability guidance note: Screening and categorizing GCF-financed activities

### 3 Links to other GCF policies and documents

Guiding framework and procedures for accrediting national, regional and international implementing accredited entities and intermediaries, including the Fund's fiduciary principles and standards and environmental and social safeguards (decision B.07/02);

Guidelines for the operationalization of the fit-for-purpose accreditation approach (decision B.08/02);

Gender policy and action plan (decision B.09/11);

Comprehensive Information Disclosure Policy of the Fund (decision B.12/35);

Country coordination and multi-stakeholder engagement;

REDD-plus results-based payments" (decision B.17/18);

Initial results management framework of the Fund (decisions B.07/04 and B.08/07);

Initial monitoring and accountability framework for accredited entities (decision B.11/10);

GCF risk management framework (document GCF/B.17/12); and

Updated Terms of reference of the Independent Redress Mechanism (decision B.BM-2017/10).



#### 4 International Finance Corporation Performance Standards for Environmental and Social Sustainability

The IFC PS can be found at:

[http://www.ifc.org/wps/wcm/connect/c8f524004a73daeca09afdf998895a12/IFC\\_Performance\\_Standards.pdf?MOD=AJPERES](http://www.ifc.org/wps/wcm/connect/c8f524004a73daeca09afdf998895a12/IFC_Performance_Standards.pdf?MOD=AJPERES).

Performance Standard Guidance Notes

A set of eight Guidance Notes, corresponding to each PS, offers guidance on the requirements contained in the PS. In addition, the World Bank Group Environmental, Health and Safety (EHS) Guidelines are technical reference documents with general and industry-specific examples of good international practice and are linked to the PS through PS2 and PS3. The Guidance Notes and EHS Guidelines can be found at:

[http://www.ifc.org/wps/wcm/connect/Topics\\_Ext\\_Content/IFC\\_External\\_Corporate\\_Site/IFC+Sustainability/Sustainability+Framework/Sustainability+Framework+2012/Performance+Standards+and+Guidance+Notes+2012/](http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/Sustainability+Framework/Sustainability+Framework+2012/Performance+Standards+and+Guidance+Notes+2012/).

#### 5 Links to indigenous peoples policies of some of the accredited entities

African Development Bank (AfDB) - <https://www.afdb.org/en/topics-and-sectors/topics/quality-assurance-results/safeguards-and-sustainability-series/>

Asian Development Bank (ADB) - <https://www.adb.org/site/safeguards/indigenous-peoples>

Caribbean Development Bank (CDB) - [http://www.caribank.org/uploads/2013/11/C4.2-SIA\\_Guidelines\\_2004.pdf](http://www.caribank.org/uploads/2013/11/C4.2-SIA_Guidelines_2004.pdf)

Central American Bank for Economic Integration (CABEI) - <https://www.bcie.org/en/institutional-strategy/strategic-axes/environmental-sustainability/>

Centre de Suivi Ecologique (CSE) - <https://www.cse.sn/index.php/en/>

China Clean Development Mechanism Fund Management Center (China CDM Fund Management Center) - <http://www.cdmfund.org/eng/index.jhtml>

Conservation International Foundation (CI) - <https://www.conservation.org/How/Pages/Partnering-with-Communities.aspx>

Corporación Andina de Fomento (CAF) - [https://www.caf.com/media/2759391/d0-7\\_s\\_e\\_safeguards\\_manual\\_to\\_caf-gef\\_projects\\_may\\_2015\\_28.pdf](https://www.caf.com/media/2759391/d0-7_s_e_safeguards_manual_to_caf-gef_projects_may_2015_28.pdf)

Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) - <https://www.ca-cib.com/sites/default/files/2017-08/Politique-RSE-05-2017-EN.pdf>

European Bank for Reconstruction and Development (EBRD) -

European Investment Bank (EIB) - <http://www.eib.org/infocentre/press/news/all/environmental-and-social-safeguards.htm>

Food and Agriculture Organization of the United Nations (FAO) - <http://www.fao.org/indigenous-peoples/en/>

Inter-American Development Bank (IDB) - <https://idblegacy.iadb.org/en/topics/gender-indigenous-peoples-and-african-descendants/indigenous-peoples,17815.html>

International Bank for Reconstruction and Development and International Development Association (World Bank) <http://www.worldbank.org/en/topic/indigenouspeoples>

International Finance Corporation (IFC) -

[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/sustainability-at-ifc/policies-standards/performance-standards/ps7](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards/ps7)

International Fund for Agricultural Development (IFAD) -

<https://www.ifad.org/en/document-detail/asset/39432502>

International Union for Conservation of Nature (IUCN) -

<https://www.iucn.org/theme/governance-and-rights/our-work/indigenous-and-traditional-peoples>

Japan International Cooperation Agency (JICA) -

[https://www.jica.go.jp/english/our\\_work/social\\_environmental/guideline/index.html](https://www.jica.go.jp/english/our_work/social_environmental/guideline/index.html)

United Nations Development Programme (UNDP) -

<http://www.undp.org/content/undp/en/home/democratic-governance-and-peacebuilding/rule-of-law--justice--security-and-human-rights/indigenous-peoples.html>

United Nations Environment Programme (UNEP) -

<http://web.unep.org/about/majorgroups/indigenous-peoples-and-their-communities>

World Wildlife Fund, Inc. (WWF) -

[http://wwf.panda.org/our\\_work/people/people\\_and\\_conservation/our\\_work/indigenous\\_people/](http://wwf.panda.org/our_work/people/people_and_conservation/our_work/indigenous_people/)

## 6 Other materials

ILO (International Labour Organization). 1989. "Convention Concerning Indigenous and Tribal Peoples in Independent Countries." ILO, Geneva. <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C169>

Secretariat of the Convention on Biological Diversity. 1992. "Convention on Biological Diversity." 1992. Secretariat of the Convention on Biological Diversity, Montreal. The Convention's Article 8(j) is dedicated to indigenous peoples and local communities. The dedicated website (<https://www.cbd.int/traditional/>) provides a hub of relevant decisions, policies, programmes and events.

———. 2002a. "Bonn Guidelines on Access to Genetic Resources and Fair and Equitable Sharing of the Benefits Arising out of Their Utilization." Secretariat of the Convention on Biological Diversity, Montreal. <https://www.cbd.int/decision/cop/default.shtml?id=7198>. The guidelines provide information on establishing legislative, administrative, or policy measures for access and benefit sharing and for negotiating contractual arrangements for access and benefit sharing.

---. 2002b. "Guidelines for incorporating biodiversity-related issues into environmental impact assessment legislation and/or processes and in strategic environmental assessment," in decision VI/7. <https://www.cbd.int/decision/cop/default.shtml?id=7181>

———. 2004. "Akwé: Kon Guidelines for the Conduct of Cultural, Environmental and Social Impact Assessments regarding Developments Proposed to Take Place on, or which are likely to Impact on, Sacred Sites and on Lands and Waters Traditionally Occupied or Used by Indigenous and Local Communities." Convention on Biological Diversity, Montreal. <https://www.cbd.int/decision/cop/default.shtml?id=7753>. The voluntary guidelines provide general advice on the incorporation of cultural, environmental, including biodiversity related, and social considerations of indigenous and local communities into new or existing impact-assessment procedures.

———. 2010a. "Nagoya Protocol (COP 10 Decision X/1) on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention on

Biological Diversity.” CBD, New York.

<https://www.cbd.int/decision/cop/default.shtml?id=12267>. The international agreement aims at sharing the benefits arising from the use of genetic resources in a fair and equitable way.

———. 2011b. “The Tkarihwaí:ri Code of Ethical Conduct to Ensure Respect for the Cultural and Intellectual Heritage of Indigenous and Local Communities.” Secretariat of the CBD, Montreal. <http://www.cbd.int/decision/cop/?id=12308>. The code provides guidance in activities/interactions with indigenous and local communities.

———. 2016. “Mo’otz Kuxtal voluntary guidelines for the development of mechanisms, legislation or other appropriate initiatives to ensure the “prior and informed consent”, “free, prior and informed consent” or “approval and involvement”, depending on national circumstances, of indigenous peoples and local communities for accessing their knowledge, innovations and practices, for fair and equitable sharing of benefits arising from the use of their knowledge, innovations and practices relevant for the conservation and sustainable use of biological diversity, and for reporting and preventing unlawful appropriation of traditional knowledge.” <https://www.cbd.int/doc/decisions/cop-13/cop-13-dec-18-en.pdf>

---. 2018a. “Rutzolijirisaxik Voluntary Guidelines for the Repatriation of Traditional Knowledge of Indigenous Peoples and Local Communities Relevant for the Conservation and Sustainable Use of Biological Diversity.” <https://www.cbd.int/doc/decisions/cop-14/cop-14-dec-12-en.pdf>

---. 2018b. “Voluntary glossary of key terms and concepts within the context of Article 8(j) and related provisions” <https://www.cbd.int/doc/decisions/cop-14/cop-14-dec-13-en.pdf>

United Nations. 2007. “United Nations Declaration on the Rights of Indigenous Peoples.” UN, Geneva. [http://www.un.org/esa/socdev/unpfii/documents/DRIPS\\_en.pdf](http://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf).

World Bank. 2005. “Indigenous Peoples.” Operational Policy 4.10, World Bank, Washington, DC. <http://go.worldbank.org/TE769PDWN0>. This policy underscores the need for borrowers and World Bank staff members to identify indigenous peoples, consult with them, and ensure that they participate in and benefit from Bank-funded operations in a culturally appropriate way. It also aims to ensure that adverse impacts on indigenous peoples are avoided or, if avoidance is not feasible, are minimized or mitigated.

World Bank. 2018. ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities ensures that the development process fosters full respect for the human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods of Indigenous Peoples. ESS7 is also meant to avoid adverse impacts of projects on Indigenous Peoples, or when avoidance is not possible, to minimize, mitigate and/or compensate for such impacts – see <http://pubdocs.worldbank.org/en/837721522762050108/Environmental-and-Social-Framework.pdf#page=89&zoom=80> . It is also supported by Draft Guidance Note: [PDF](#), [Word](#) and the [World Bank Group Environmental, Health and Safety Guidelines](#).

IACHR. 2009. Indigenous and Tribal People’s Rights over their Ancestral Lands and Natural Resources - Norms and Jurisprudence of the Inter-American Human Rights System. <http://www.oas.org/en/iachr/indigenous/docs/pdf/AncestralLands.pdf>.

IACHR. 1988. Additional Protocol to the American Convention on Human Rights in the Area of Economic, Social and Cultural Rights "Protocol of San Salvador". <http://www.oas.org/en/iachr/mandate/Basics/sansalvador.asp>

ICMM (International Council on Mining and Metals). 2010. Good Practice Guide: Indigenous Peoples and Mining. ICMM: London. <http://www.icmm.com/library/indigenouspeoplesguide>.

IFC (International Finance Corporation). 2001a. Handbook for Preparing a Resettlement Action Plan.

[http://www1.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+sustainability/publications/publications\\_handbook\\_rap\\_wci\\_1319577659424](http://www1.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/publications/publications_handbook_rap_wci_1319577659424). This 100-page handbook provides step-by-step guidance on the resettlement planning process and includes practical tools such as implementation checklists, sample surveys, and monitoring frameworks.

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