

Document: EC 2009/57/W.P.6/Add.1  
Agenda: 7  
Date: 17 July 2009  
Distribution: Public  
Original: English

**E**



Enabling poor rural people  
to overcome poverty

## **Comments of the Office of Evaluation on the IFAD Policy on Engagement with Indigenous Peoples**

Evaluation Committee — Fifty-seventh Session  
Rome, 20-21 July 2009

---

For: **Review**

## **Note to Evaluation Committee members**

This document is submitted for review by the Evaluation Committee.

To make the best use of time available at Evaluation Committee sessions, members are invited to contact the following focal point with any technical questions about this document before the session:

**Luciano Lavizzari**

Director, Office of Evaluation

telephone: +39 06 5459 2274

e-mail: [l.lavizzari@ifad.org](mailto:l.lavizzari@ifad.org)

Queries regarding the dispatch of documentation for this session should be addressed to:

**Deirdre McGrenra**

Governing Bodies Officer

telephone: +39 06 5459 2374

e-mail: [d.mcgrenra@ifad.org](mailto:d.mcgrenra@ifad.org)

## Comments of the Office of Evaluation on the IFAD Policy on Engagement with Indigenous Peoples

1. In line with the provisions of the Evaluation Committee's terms of reference and Rules of Procedure, the Executive Board agreed in December 2008 that the IFAD Policy on Engagement with Indigenous Peoples would be discussed by the Evaluation Committee together with the Office of Evaluation's comments thereon prior to the Board's consideration of the policy at the September 2009 Board session.
2. This new policy is a positive development in that it attempts to "enhance IFAD's development effectiveness in its engagement with indigenous peoples' communities in rural areas, and especially to empower them to overcome poverty, building upon their identity and culture."<sup>1</sup>
3. Overall, the document comprehensively outlines the issues and challenges faced by indigenous peoples throughout the world, and demonstrates how their status is linked with extreme poverty and marginalization. The document appears to be the product of due consultation with indigenous peoples' leaders and others closely associated with the topic. It also reflects a wide review of international literature on the topic.
4. In its introduction, the document provides a clear definition of indigenous peoples, and describes in detail the international legal framework surrounding indigenous peoples' issues.
5. The policy correctly highlights the large proportion of IFAD-financed projects and programmes<sup>2</sup> that have supported the development of indigenous peoples, and infers that there is a great deal of knowledge and lessons learned on this subject. In this regard, the document would benefit from a more in-depth analysis of IFAD's own experiences and the lessons it has learned in supporting indigenous peoples, which are widely documented in project completion reports and other Management reviews and in evaluation reports by the Office of Evaluation (OE). The policy would also gain from the inclusion of an annex listing all IFAD-assisted projects that have addressed indigenous peoples' issues.<sup>3</sup> This would reassure readers that the proposed policy is founded on a solid and systematic analysis of past IFAD experience.
6. One lesson emerging from selected OE evaluations that is not sufficiently addressed by the policy is that indigenous peoples often live in areas affected by conflict (e.g. India, Pakistan, the Philippines, Viet Nam), which require specific approaches and expertise in design and supervision and which pose challenges that are not necessarily widespread in other project areas. For example, the evaluation of the Andhra Pradesh Tribal Development Project in India observed that the *Naxalite* insurgency prevalent in the project area was largely caused by the perceived exploitation of tribal peoples in terms of their access to natural resources. However, the bottom-up and participatory approaches promoted by the project, accompanied by the involvement of NGOs, reassured the *Naxalites* and as a result they did not disrupt the IFAD-supported project activities.
7. Assessing IFAD's experience to date is particularly important in convincingly articulating IFAD's comparative advantage and specialization in indigenous peoples' development. This is briefly discussed in paragraph 7 of the policy. In this regard and in support of the Paris Declaration on Aid Effectiveness goal of increased donor harmonization and coordination, a short account of the priorities and experiences of

<sup>1</sup> IFAD Policy on Engagement with Indigenous Peoples, paragraph 1.

<sup>2</sup> An average of 22 per cent of the annual lending programme over the last six years.

<sup>3</sup> The IFAD Rural Finance Policy (2000), for example, included a list of projects and programmes with rural finance components, which were analysed as an input in the development of the policy.

other major development organizations that support indigenous peoples would also have been useful. Such stocktaking would allow for a comparison and possible benchmarking of IFAD's experiences and priorities with those of other development organizations, thereby allowing the policy to bring out IFAD's value added in relation to indigenous peoples' development.

8. While the policy provides a comprehensive and useful overview of indigenous peoples' issues, it is less clear in terms of how the policy is to be implemented. Additional guidance would be required to provide IFAD staff with sufficient operational direction, especially country programme managers, who will be at the forefront in implementing the policy. Implementing the policy will require clarity with respect to compliance and reporting, as well as the incentives to staff for implementation. IFAD may therefore wish to develop more specific and comprehensive guidelines for the full application of the policy in country strategies as well as project and programme design<sup>4</sup> (along the lines of the Decision Tools for Rural Finance that complement IFAD's Rural Finance Policy). These guidelines could also set out overall in-house responsibilities for ensuring that the policy is adhered to in operational terms.<sup>5</sup>
9. The need to align ongoing investments with the new policy will require attention as well. This would be particularly important for recently approved projects and programmes, or those that have not yet reached mid-point in terms of implementation and disbursement.
10. Furthermore, the policy includes an initial discussion of the cost implications of the policy's implementation (paragraph 41). This may need further development, and these additional resources will have to be factored into the Fund's administrative budget proposal for next year and beyond. The costs involved in retrofitting policy requirements to ongoing operations will also need to be included.
11. The policy indicates that the Fund will devote attention to policy dialogue to advocate in favour of indigenous peoples' issues (paragraph 36), as well as to the development and further strengthening of partnerships (paragraph 38) with other stakeholders. These areas are indeed extremely important to the achievement of the policy's ultimate objectives. As such, adequate resources – to document good practices for example – will need to be devoted to making an impact at the policy level. The recent completion evaluation of the Philippines Cordillera Highland Agricultural Resource Management Project cited the project as a good example of how, through policy dialogue, indigenous practices for land use and management can gain recognition by government agencies.
12. The policy correctly takes into account the importance of ensuring that indigenous peoples have been adequately consulted and are broadly in agreement with the development interventions to be funded by IFAD (paragraph 19). However, on a case by case basis, differences could emerge among the Government, the private sector and indigenous peoples groups in the development of a specific investment, with possible implications for the Fund's relationship with the various stakeholders. As such, the Fund may need to define more clearly the mechanisms for assessing whether the provisions of the **free, prior and informed consent** principle have been fulfilled before deciding to pursue a specific investment proposal fully.

<sup>4</sup> Please see OE's comments on the IFAD Rural Finance Policy, presented to the April 2009 sessions of the Evaluation Committee and Executive Board. OE commended IFAD on the preparation of decision tools for the implementation of the IFAD Rural Finance Policy, which provide detailed guidance to IFAD staff involved in the development of investment programmes.

<sup>5</sup> OE notes that the policy specifies that the cross-departmental Policy Reference Group on Indigenous Issues will remain in existence, although it is not clear whether this would serve as a policy forum or as an operational/guidance unit. Paragraph 42 of the policy sets out the role of this group, which will, apparently: (i) monitor policy implementation; (ii) oversee mainstreaming of engagement with indigenous peoples throughout IFAD's work; (iii) liaise with other indigenous peoples' organizations at the international level; and (iv) continue to manage the Indigenous Peoples Assistance Facility. These appear to be ambitious terms of reference for what is essentially a reference group at present.

13. The intention to invite one or more indigenous peoples' representatives to be part of the country programme management team (CPMTs) is commendable, especially in the formulation of country strategic opportunities programmes (COSOPs). Given the nature of the COSOP preparatory process however, and the often political and divided nature of indigenous peoples' representation at the national level, mechanisms will need to be devised to ensure that the diversity of indigenous peoples views are adequately represented in the CPMTs. On a related issue, IFAD is committed to ensuring that the rural poor (in this case indigenous peoples) are duly engaged in the CPMT process, however, the challenges involved in ensuring that the diverse stakeholders (e.g. government officials, private sector representatives, NGOs) engage constructively in the COSOP and project design and implementation processes will need to be considered.
14. The policy includes a welcome section on the need for strengthening monitoring and evaluation (M&E) at the project level. Given that IFAD is moving away from individual projects to the country programme as the unit of account, enhancing M&E to support indigenous peoples' livelihoods at the country programme level (in COSOP formulation, implementation, monitoring and reporting) will need attention.
15. On another issue, paragraph 33 clearly outlines the need for complementary grant funding for national capacity-building and knowledge generation on indigenous issues. It is therefore important that such a provision is made in the new IFAD grants policy currently under development, which will be considered by the Board in December 2009.
16. Finally, provisions should be made for annual reporting by Management on the implementation of the policy, and also for a comprehensive evaluation (once an appropriate period – five years for instance – has passed since policy approval).