

**QUESTIONNAIRE FOR THE UN SYSTEM AND OTHER
INTERGOVERNMENTAL ORGANIZATIONS REGARDING WRITTEN
CONTRIBUTIONS TO THE UNPFII**

INTER AMERICAN DEVELOPMENT BANK

(1) Given the Permanent Forum’s decision that the eighth session will include follow-up to recommendations on:

- a) –Economic and Social Development**
- b)—Indigenous Women**
- c)—Second International Decade of the World’s Indigenous People**

Please include information on how your agency is dealing with these important issues and the regional areas¹ that are specific to your agency’s work.

The Inter-American Development Bank (IDB) works towards solving development challenges in 26 countries of Latin America and the Caribbean through partnership with governments, private sector and organizations of civil society.

Besides lending money and providing technical cooperation to governments in Latin America, IDB engages in social, economic and financial research. Furthermore, IDB as a development Bank gives advice and technical assistance to governments in the areas of education, poverty reduction and agriculture. The IDB also plays a lead role on cross-border issues such as trade, infrastructure and energy. Bank’s clients range from central governments to city authorities and small businesses.

a) Economic and Social Development

IDB’s commitment to promoting sustainable development is enshrined in two complementary strategies: (i) the Strategy for Sustainable Economic Growth, and (ii) Strategy for Poverty

¹ UNPFII’s seven socio-cultural regions are Africa; Asia; Central and South America and the Caribbean; the Arctic; Central and Eastern Europe, Russian Federation, Central Asia and Transcaucasia; North America; and the Pacific.

Reduction and Promotion of Social Equity. The principles and directives of both strategies apply to indigenous people's development.

The *Strategy for Sustainable Economic Growth* (2003) aims to raise levels of growth for investment, income and per capita GDP that would lead to improved living standards, poverty reduction and the preservation or enhancement of countries' natural resource base. The strategy has four priority areas: modernization of the state; competitiveness; social development; regional integration.

The *Strategy for Poverty Reduction and Promotion of Social Equity* (2003) promotes a speedy progress in reducing poverty by tackling its root causes. It explicitly recognizes that inclusion and greater social equity are essential elements of development and must go hand in hand with economic growth. To this end, the strategy identifies actions that IDB must take in order to assist borrowing countries to reach the Millennium Development Goals (MDGs) in the areas of health, education, environment, empowerment and poverty reduction targets, which were adopted by the international community in 2000.

In addition, IDB has a specific commitment to support development with identity of indigenous peoples. This commitment is expressed by the *Operational Policy* (765), and the *Strategy for Indigenous Development* (GN-2387-5), which were approved by the Board in February 2006, and its implementation began in August of the same year. In the context of the implementation of OP-765, IDB financed several operations:

Indigenous Entrepreneurship Program. In 2008, a long-term indigenous entrepreneurship program was launched and a study was carried out in nine countries in Latin America on the topic of indigenous peoples and business. To follow this study, the Gender and Diversity Unit of the Bank held a technical workshop with the participation of indigenous entrepreneurs who presented a variety of businesses and lessons learned from those experiences. The study found that there is a broad natural and social capital in the hands of indigenous peoples. However, their development potential is currently constrained by exclusion to financial services, lack of recognition of collaterals, lack of venture capital and low capacity of management. The study concluded that there is a potential to build up strategic partnerships with the private sector with appropriate incentives and socio-culturally adequate economic governance schemes. A portfolio of projects from middle to large was set up in different sectors such as agro industry,

financing, health services, forestry, fishing, tourism, hydroelectric, and urban developments. In the second stage of this initiative, the Bank will finance selected projects through private sector. Moreover, the Bank will address this potential financial market to empower indigenous peoples through the use of natural and socio-cultural capital, thereby, fostering communal entrepreneurship development.

Indigenous Economic Governance. This initiative aims to improve the linkages of indigenous peoples with states and market. On this end, the management of economic resources is increasingly becoming an issue of utmost importance for the relation of indigenous peoples with the private and public sectors. In 2008, GDI compiled seven case studies on economic governance involving indigenous peoples in order to understand these linkages and update the models. These studies are: (i) remittances in Mexico and Guatemala, (ii) community based forest management in Guatemala, (iii) constraints for investment in tourism in Kuna Yala, Panamá; (iv) health financing outsourcing with indigenous associations in Colombia; (v) direct budget transfers to indigenous *resguardos* in Colombia; (vi) Amazonía Gas and Camisea experiences related to the hydrocarbon industries, and (vii) indigenous territorial governance in Bolivia. In 2009, a workshop will be organized to present conclusions and identify technical cooperation that the Bank can support.

Land Titling. The research “Land Privatization, Titling and Indigenous Peoples in Latin America”, which was focused on Peru, Bolivia, Honduras and Mexico, was produced and disseminated in a conference with stakeholders. The conclusions of the research stated that the Bank should review the paradigms and schemes of indigenous common land privatization by considering innovative approaches to support the investments in indigenous territories, while ensuring community’s food source. The research also included an important assessment on the gender perspective in this topic of lands and property. Based on the result of this research, in 2009, GDI will work in cooperation with relevant divisions to improve the Bank’s capacity on operations related to land titling and natural resources management in indigenous territories.

Isolated and Indigenous Peoples in Initial Contact. The Bank supports regional efforts to protect the rights of isolated and indigenous peoples in initial contact. The program aims to create consensus to promote a regional framework to protect those peoples, who are or could be decimated upon contact given their lack of defenses against infectious diseases. It is

envisaged that national and regional working groups will adopt a set of standards in the fields of territorial titling or reservation, access protection and the supply of proven adequate health services for these endangered populations that inhabit border areas of the Amazonian forest and Northern Chaco. The donation will be managed by the Amazonian Cooperation Treaty Organization (OTCA) with current headquarters in Brasilia in coordination with seven chancellorships and with the Amazonian Watershed Indigenous Organization (COICA) under the framework of the 2009 Georgetown Declaration.

Recovery, Promotion and Mobilization of Aymara Cultural and Natural Heritage. This technical cooperation is supporting municipalities' efforts on dealing with the impacts of border divisions in the life of Aymara's indigenous peoples. IDB's counterpart "Aymara without Borders" is supporting four Aymara municipalities, *mancomunidades* of Peru, Bolivia and Chile, in the areas of trans-bordering, customs, economic development, tourism and recuperation of cultural heritage.

Indigenous and Afro Latino Scholarship Program. This regional program was launched in 2008, and placed 80 students (50% women) from Bolivia, Colombia, Ecuador and Peru. The participating educational institutions are: Mount Hood Community College, Oregon; Alamo Community College, Texas; the *Universidad Sergio Arboleda*, Colombia; and the *Universidad Nacional del Litoral*, Argentina. The scholarship will last two years and its main objective is to promote the opportunities for higher education for indigenous and Afro-Latino youth. It is expected that the program will improve the economic and social conditions of native young people, and foster intercultural understanding and mutual respect.

Orígenes Program of Chile-II Phase (loan). Indigenous participation is the cornerstone of the program that has two components: (i) assist the needs of the Aymara, Atacameño and Mapuche communities through innovative interventions based on their culture, and (ii) promote institutional change and capacity building of state apparatus so that public agencies can provide culturally appropriate services. The program applies a cross-sector, cross-cultural, decentralized and participative approach.

Comprehensive Development of Autochthonous Communities of Honduras (loan). The Program seeks to improve the productive and human development capacities and opportunities for communities. It also aims to boost the internal organization and representativeness of the indigenous and afro-descendant organizations at the local, regional and national level as well as government agencies that deal with indigenous peoples. Moreover, the program will strengthen the *Secretaría de Gobernación y Justicia* in its regulatory role with respect to the native population. The Program has a holistic, intersectorial, and participatory approach---it incorporates gender and environmental aspects into its interventions.

Indigenous Mining Circuit in Cauca. This technical cooperation is supporting indigenous peoples from the Cauca Region in Colombia, to assess their possibilities to add up different non metallic mines under their control to produce a series of second-tier outputs that would help the development of the majorities. Colombian mining legal framework allows indigenous peoples to request "indigenous mining zones" where they have preference rights to mining. In Cauca indigenous *resguardos* have secured rights over bauxite, sulfur, lime and phosphoric rock prospects. Some of these mines are currently under exploitation as raw materials, but it the possibility exist to combine outputs and produce flocculants for poor municipalities' aqueducts, basic fertilizers to increase productivity in the Andean region and puzolane cement for social interest housing.

b) Indigenous Women

1. The “*Program for the Support of Women’s Leadership and Representation*” (PROLEAD) is the Bank’s leading initiative to promote women’s civic and political participation and access to decision-making positions in Latin America and the Caribbean. The Program provides grants to civil society organizations and supports training and research initiatives aimed at fostering women's effective leadership in local and national political development processes. In 2008 PROLEAD supported the following initiatives focused on indigenous women:

1.1 *Program for the support of Indigenous Women’s political participation in the Andean region.* As a follow-up to the commitments assumed by the Bank at the Summit of Indigenous Women of the Americas held in Mexico in 2002, PROLEAD awarded a US\$120,000 grant to

the *Organización Nacional Indígena de Colombia* (ONIC) to implement a project aimed at building the leadership capacity of indigenous women in the five countries of the Andean region. ONIC trained 155 indigenous women leaders who in turn replicated the training modules, training an additional 352 indigenous women in five countries. The training sought to promote and generate awareness of indigenous women's rights and to provide them with the tools to effectively mainstream gender in their organizations. Following the implementation of the project, ONIC's Congress voted to institutionalize the Leadership School and incorporated a gender perspective in its yearly strategic plan.

1.2 *Indigenous women setting the legislative agenda.* To ensure the incorporation of indigenous women's perspectives in the region's legislative agenda, PROLEAD sponsored the participation of 7 indigenous women legislators in the conference "Towards the Construction of a Legislative Agenda for Development with a Gender Perspective for the Americas" held in Colombia in November 2008. More than 50 legislators from across the Americas gathered to produce a series of recommendations directed towards fostering the adoption of gender-oriented policies in the region. The recommendations have been shared with national parliaments and will be followed-up by participants in collaboration with the FIPA during 2009.

2. *The Social Inclusion Trust Fund* (SITF) is a multi-donor fund established in 2003 with contributions from Norway, the UK and Canada as an instrument to advance the Bank's agenda on social inclusion. In 2008 the SITF funded the following initiatives on indigenous women issues:

2.1 *Supporting Choco's Sexual and Reproductive Health Policy.* The program was designed to support the implementation of the sexual and reproductive health policy in Choco, through strengthening of the local government's capacities to undertake its responsibilities in the education and health sector of cities such as Quibdó, Istmina, Tadó, Condoto y Bahía Solana.

2.2 *Financial Training for Quichua Indigenous Organizations.* The project aims to provide financial training to 105 families of alpaca wool producers, traditional spinners and weavers of handicraft products. The project assists the beneficiaries towards developing profitable individual or collective enterprises in surrounding markets as well as new markets.

2.3 Technical cooperation for *Evaluating the Impact of Peru's PARSALUD Program on Health Outcomes of Indigenous Women*. PARSALUD-I was a loan oriented to reduce maternal mortality and morbidity rates in Peru. In this context, the above mentioned technical cooperation (which is about to conclude) is currently assessing whether PARSALUD-I has enhanced and/or opened access to maternal services for indigenous and rural women. Moreover, it is assessing PARSALUD's effectiveness on its activities, which are oriented to reduce cultural barriers and identify the reasons of their lack of access to health care. Given that PARSALUD-II is an operation in the IDB pipeline, an adequate assessment of the impact of PARSALUD-I will allow for lessons to be incorporated in the design of the second phase.

2.4 *Promoting Diversity in Women Artisans Program*. This technical cooperation allowed 16 indigenous and afro-descendants businesswomen from Latin America and the Caribbean to get training in management, business development, marketing, and communications skills in the 2008 regional summit "Vital Voices of the America: Women as a Bridge to a More Prosperous Future" host by Vital Voices Global Partnership in Buenos Aires, Argentina.

2.5 *Support to Indigenous and Afrodescendant Policy Institutions*. This technical cooperation supports the restructuring of *Instituto Nacional de Desarrollo de los Pueblos Indígenas, Amazónicos y Afroperuano* – Peru (INDEPA) and *Instituto Nacional de Asuntos Indígenas* – Argentina (INAI). IDB in compliance with its Operational Policy on Indigenous Peoples collaborate and support the institutionalization of both agencies while improving capacities and management for social inclusion of afro-descendant and indigenous peoples issues.

2.6 *Indigenous Peoples Development Program for the Sierra Nevada de Santa Marta – Colombia*. The project is designed to support the indigenous peoples of the Sierra Nevada in the development of productive activities as well as strengthening institutional capacity to meet their basic nutritional, physical, and social needs according their cultural values and traditions. This is being carried out through support of productive activities both within their traditional economy and the market economy. This technical cooperation also supports the fourth component of the larger IDB/UNDP program for the recovery of ancestral lands for the physical and cultural survival of the indigenous peoples of the Sierra Nevada.

2.7 *Strategy and Integral development plan of Regions of Kuna Yala and Ngobe-Buglé – Panama*. The objectives of this technical cooperation are: a) provide technical support to

Comarca de Ngobe Buglé and the Panama's government to carry out a dialogue process that allows the creation of participative strategy and an integral development plan with identity; and b) identify alternatives of direct IDB participation to fund developing projects designed to benefit these communities.

3. The *Gender Mainstreaming Fund* (GMF) supports activities that enhance gender mainstreaming throughout the project cycle; improve the availability and quality of technical support and analysis of gender issues; and strengthen institutional mechanisms. In 2008, the GMF financed the following initiative:

3.1 *Program design of rural energy in Kuna Yala Communities*. The general objective is support the rural electrification program for Comarca Kuna Yala with a socio-cultural and gender equality perspective.

c) Second International Decade of the World's Indigenous People

The IDB has not established a specific agenda related to the Second International Decade of the World's Indigenous People, however, in the framework of the implementation of the Indigenous Policy and Strategy, the IDB has strengthened its commitment to mainstream the priorities of indigenous peoples' development with identity and safeguards their rights in all operations of IDB's portfolio.

In this context, the IDB is expected to approve in 2009 the *Gender and Diversity Fund*. The Bank will invest US\$10 million of its own resources and will launch a fundraising strategy to raise additional funds from the donor community. The overall objective of the proposed Fund is to contribute to the equitable and culturally appropriate development of IDB member countries by fostering gender equality, combating discrimination and supporting development with identity. As such, the Fund will reinforce the IDB's actions to support indigenous peoples' initiatives.

(2) Outline the obstacles your agency faces in implementing the Permanent Forum's recommendations, including those addressed specifically to your agency.

IDB as multilateral institution responds to the demand of its clients (Latin American and Caribbean governments) in terms of loans and technical cooperation. The prioritization of its clients' demand need a continue effort of strengthening. Currently, IDB's Indigenous Policy OP-765 will work towards this aim through the promotion of identity of indigenous peoples.

The forthcoming Gender and Diversity Fund will produce new opportunities and additional resources to support and promote indigenous peoples' initiatives.

(3) Outline the facilitating factors that enable your agency to implement the Permanent Forum's recommendations, including those addressed specifically to your agency.

In regard to the Permanent Forum's recommendation number 17, the IDB launched the Sustainable Energy and Climate Change Initiative (SECCI) located in the Infrastructure and Environment Sector (INE). SECCI's goal is to support the LAC region in its urgent challenge to find economically and environmentally sound energy options. Its core objectives are to expand the development and use of renewable energy sources, energy efficiency technologies and practices, and carbon trading in the region, as well as to promote and finance climate change adaptation strategies that reduce the regions climate vulnerability.

The proposed Climate Investment Funds (CIFs) is an important new source of interim funding through which the Multilateral Development Banks (MDBs) may provide additional grants and concessional financing to developing countries to address urgent climate change challenges. The CIFs would enable a dynamic partnership between the MDBs and developing countries to undertake policy reforms and investments that achieve a country's development goals through a transition to a climate-resilient economy and a low carbon development path.

On the other hand, the safeguard policy for indigenous peoples is contemplated in the IDB Operational Policy OP-765 where one of the objectives establishes to "*Safeguard indigenous peoples and their rights against adverse impacts and exclusion in Bank-funded development projects*".

In the case of recommendation number 19, the Bank is launching new initiatives related to indigenous peoples' natural resource management, environment-friendly technologies,

biodiversity and cultural technologies. For instance, as stated earlier, the technical cooperation for the recovery, promotion and mobilization of Aymara cultural and natural heritage.

As to the recommendation number 39, the IDB launched the IDB Biofuels Sustainability Scorecard. SECCI and the Structured and Corporate Finance Department (SCF) of the IDB have created a Biofuels Sustainability Scorecard based on the sustainability criteria of the Roundtable on Sustainable Biofuels. The primary objective of the Scorecard is to encourage higher levels of sustainability in biofuels projects by providing a tool to think through the range of complex issues associated with biofuels. Since the scientific debate around these complex issues continues to evolve, the Scorecard should be seen as a work-in-process and will continue to be updated and revised as needed.

Other facilitating factors are:

- Country Offices in each borrower Country of Latin America and Caribbean
- Civil Society Consultative Committees in country offices
- Commitments on the Millennium Development Goals
- IADB membership in the UNPFII Interagency Support Group

(4) Given the Forum's recommendation for the adoption of policies on indigenous peoples' issues, please specify whether your agency:

(a) has a policy or other similar tool on indigenous peoples' issues;

IDB has the *Operational Policy on Indigenous Peoples (OP-765)* and the *Indigenous Peoples Development Strategy (GN-2387-5)*, which were approved by the board in 2006. This policy on one hand, promotes the development with identity of indigenous peoples, which encapsulates indigenous peoples' relationship with the environment, sustainable management of their territories and natural resources, as well as institutionalization of indigenous political system and governance. On the other hand, the policy safeguards indigenous peoples from Bank's financed projects that may impact their territories and social and cultural systems. IDB also has a *Strategy for the Participation of Civil Society* as it relates to its activities, in which indigenous people's participation is delineated within the framework of respect vis-à-vis their modes of organization. Finally, IDB has the *Involuntary Resettlement Policy (OP-*

710), which is not a specific instrument for indigenous peoples, but it establishes the procedure to dialogue and negotiate with an indigenous population in case they are affected.

(b) has recent programs on indigenous peoples’ issues;

The IDB has the current programs:

- The Diversity Junior Professional Program allows eligible candidates to work at the IDB headquarters with the possibility to be absorbed as staff workers.
- The Diversity Internship Program, held at the IDB twice a year, allows the participation of indigenous and afro-descendant students in 2-3 months of internship at the IADB headquarters.

(c) has budgetary allocations on indigenous peoples’ issue

The IDB has no specific budget for indigenous peoples’ issues, the operations in this area are financed through different windows. For instance, in case of non-reimbursement funds the IDB has: Social Inclusion Fund, Gender mainstreaming Trust Fund, Japanese Fund, Korean Fund, Danish Fund, among others. There are other windows that combined reimbursement funds with non-reimbursement, for instance, the Multilateral Investment Fund and the Indigenous Social Entrepreneurship.

(d) has projects/activities on indigenous peoples’ issues?

*(In order to facilitate the quantification of data by the Forum, please indicate the **number** of programmes and projects/activities devoted to indigenous peoples issues in the past year).*

IDB Indigenous Operations in Execution in 2008		
Type of Operation	Number of Operations	Amount (US\$)
Loans	9	363,421,585
Technical Cooperations	50	23,295.106

Total	59	386,716,691
Source: IDB Projects Database 2009 and SCL/GDI Projects Database 2009.		

(5) Outline whether your agency have regular or ad hoc capacity-building programs on indigenous peoples' issues for staff, or a plan for capacity-building activities in this area, at headquarters or in the field?

OP-765 Toolkit. The OP-765 toolkit (software) for the operational policy of indigenous peoples was developed in 2008. This is an instrument for mainstreaming and complying with social safeguards. For instance, this software allows an early detection of all Bank's projects in preparation where an indigenous component can be inserted. It also detects how projects may bring social and environmental harm to indigenous peoples, and based on that finding it recommends the procedure to be followed. Currently, this toolkit is being tested by multi-sectoral specialists for its friendly usage and efficiency. The toolkit will qualitatively improve the two key mandates of the OP-765 policy: (a) mainstream indigenous peoples' priorities for development with identity in Bank's operations, and (b) safeguard indigenous peoples' rights from possible negative effects caused by projects financed by the Bank.

International Day of the World's Indigenous Peoples. On September 18, Dr. Rodolfo Stavenhagen, former UN Special Rapporteur on Human Rights and Fundamental Freedoms of Indigenous People, made a presentation at a public ceremony held at IDB headquarters on the situation of indigenous peoples in Latin America. Luis Alberto Moreno, IDB President, also addressed the audience and committed the Bank to strengthen its work on development with identity. On September 19, a panel discussion was held with the participation of Dr. Stavenhagen and Dr. Shelton Davis from Georgetown University. Attendees included representatives of the Organization of American States, Washington University, indigenous non-governmental organizations, and members of the Board of Directors of the IDB.

(6) Does your agency have a focal point on indigenous issues? If so, please provide the name and contact information of this person.

The Gender and Diversity Unit is the institutional body in charge to promote and coordinate indigenous peoples' issues. The contact information:

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(7) Please provide a list of conferences and other meetings under your agency regarding indigenous issues in the current year as well as next year.

- IDB's Annual Meeting: To be held in Medellín, Colombia on March 26, 2009. The Latin American leaders of indigenous organizations have been invited to participate in the event with civil society. This meeting presents an important opportunity to establish a dialogue between the IDB and the region's civil society, where participants can express their concerns and points of view to the IDB's higher management.
- 50th Meeting of IDB Governors: To be held in Medellín, Colombia from March 27 – 31, 2009. Indigenous leaders have been invited to participate.
- EXPODESAROLLO: In the context of its Annual Meeting, the Bank has organized EXPODESAROLLO – a top level setting to exchange information regarding development projects and to highlight public/private cooperation for development. The IDB will have an exclusive stand where indigenous peoples, gender and afro-descendant issues will be showcased. The central element will be the panel on indigenous entrepreneurship where a select group of indigenous entrepreneurs will share their economic proposals and experiences.