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IFAD and Indigenous Peoples

Statement of Mr. Lennart Båge, President of IFAD

on the occasion of the observance of the
[International Day of the World's Indigenous Peoples](#)

**United Nations Headquarters
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In the 25 years since it was created, IFAD has maintained an exclusive focus on reducing poverty in rural areas throughout the world.

By working closely with rural poor people to understand their aspirations and the barriers they face to getting ahead, IFAD supported projects help reduce poverty in some of the world's most remote and fragile places and among its poorest and most marginalized people.

IFAD works with poor rural people, governments, donors, non-governmental organizations and many other partners to fight the underlying causes of poverty. Projects supported by IFAD strengthen the capacity of rural poor people and their organizations to advocate and negotiate on their own behalf. They increase rural poor people's access to assets that others throughout the world use to improve their lives, but many people take for granted:

- Secure rights to land, water and natural resources
- Markets for buying and selling products
- Financial services to save money and to borrow
- Technology, research, skills and knowledge to take advantage of opportunities

Poverty is closely linked to marginalization and among the most vulnerable and marginalized of the rural poor are indigenous peoples, who make up one-third of the 900 million extremely poor rural people in the world. For a host of political and historical reasons, many have been pushed onto the least fertile and most fragile lands. In these isolated and harsh environments, many indigenous people find it difficult to grow enough food to eat, to earn a living, to be educated and learn new skills, to get medical care and to take steps to improve their lives.

Living in remote areas, far from centres of commerce and power, they may also find it difficult to influence the policies, laws and institutions that can improve their circumstances and shape their futures. Many indigenous peoples, for example, do not have the legal right to live on the lands they depend on for survival or to use the resources they have managed sustainably for sometimes thousands of years. Increasingly, these valuable resources are exploited by outsiders, with few benefits flowing to indigenous communities and little regard for natural environments. This exploitation of resources can sometimes result in indigenous peoples being displaced from their traditional lands.

As indigenous peoples become aware that their rights are being ignored, they are increasingly frustrated. Today, many of the world's conflict zones are inhabited by indigenous communities. Areas where ethnic minority groups are subjected to extreme forms of civil rights violations have become flashpoints of insurgency. The geographical overlap between areas of on-going conflicts and areas where indigenous peoples live suggests that ending their marginalization would promote the stability that the poor need to take advantage of development opportunities.

IFAD's special interest in supporting indigenous peoples is based not only on poverty reduction, social justice and humanitarian concerns. The Fund also values the enormous unrealized potential of indigenous peoples.

For many indigenous peoples, culture and traditions are exceedingly important. If poverty is to be eradicated in their communities, indigenous cultures, value systems, knowledge and aspirations must form the basis of all actions. Indigenous peoples' value systems are often based on a close relationship with natural resources, for both subsistence and spiritual needs. Consequently, indigenous peoples play a crucial role in the stewardship of the Earth's natural resources and biodiversity.

Indigenous peoples, in particular women, have rich and varied local systems of traditional knowledge. These systems include vast knowledge about ecosystem management, technologies, medicinal plants and local crops. Managed sustainably, territories where indigenous peoples live hold considerable economic potential as sources of water, timber and high-value niche products such as medicinal plants, organic foods and hand-woven fabrics. While these kinds of products are increasingly the focus of commercial interest, indigenous communities rarely receive a fair share of the economic benefits. And possibilities for the future are increasingly diminishing as private companies apply for patents on plants and other resources that have traditionally been used by indigenous peoples. Legal instruments are needed to prevent the over-extraction of timber, minerals and plants, as well as to protect the intellectual property rights of indigenous peoples.

IFAD works with indigenous peoples mainly in Asia and the Pacific and in Latin America and the Caribbean. In these regions, IFAD has invested USD 736 million in projects in support of indigenous peoples. This represents approximately 20 per cent of the total loans in these regions. IFAD has developed a strong understanding of how to address issues of crucial importance to indigenous peoples, such as:

- Secure access to their lands
- Empowerment through capacity-building and genuine participation
- Recognition and revitalization of indigenous knowledge and culture
- Promotion of inter-cultural awareness

- Support to bilingual and cross-cultural education
- Enhancement of indigenous identity and self-esteem
- Promotion of women's capacity for autonomous action in the face of constricting social sanctions and structural inequalities
- Strengthened institutions and organizations

Securing land rights has been a central focus of IFAD's work with indigenous peoples. IFAD-supported initiatives have increasingly recognized the importance of helping indigenous peoples to secure collective rights to their ancestral territories and natural resources. Initiatives have included providing funding for establishing legal defence funds for reducing transaction costs of legal cases. For example, in Nepal an innovative project has helped indigenous men and women get information and training on their rights and how to assert them.

IFAD has experience in initiating culturally sensitive approaches, in revitalizing traditional knowledge systems and in blending them with modern technology in a broad range of areas, including:

- soil and water conservation
- crop and livestock husbandry
- participatory research
- traditional medical practices

By working closely with several indigenous peoples' communities, IFAD has gained experience in preventing conflicts and supporting peacemaking. This experience includes supporting the involvement of women as peace brokers.

IFAD has also supported the development of pro-indigenous peoples partnerships, both through advocacy campaigns and participation in events highlighting poverty and sustainable development. It established close networks with both the indigenous caucus and like-minded partners at the World Summit, and helped to establish an informal interagency forum in Latin America. The Regional Programme in Support of Indigenous peoples in the Amazon Basin (PRAIA), supported by IFAD, has had a pioneering role in working with indigenous peoples in the region that is now being widely recognized. However, IFAD believes that more strategic interventions and more effective advocacy is required to place indigenous peoples' perspectives and concerns before decision-makers at all levels.

Following are some examples of where IFAD's experience can support broader initiatives, through partnerships with governments and other organizations.

- **Strengthening or recovering indigenous peoples' rights in their ancestral lands and related resources.** Working in close collaboration with the International Land Coalition (housed at IFAD) and other partners, IFAD can expand its programmes to assist national governments in implementing reforms that restore the rights of indigenous peoples to their traditional territories and the corresponding natural resources. This would involve support for participatory demarcation, legal recognition and titling. In addition, in collaboration with CIFOR, IFAD would engage in a programme for improving forest governance as a means of conflict prevention or resolution.

- **Supporting the preparation and implementation of land management plans incorporating indigenous knowledge.** In collaboration with the Global Mechanism of the United Nations Convention to Combat Desertification (hosted at IFAD), IFAD will assist indigenous communities in establishing a process to document indigenous knowledge systems in natural resources management. The Global Mechanism and IFAD will start this process in Meso America. This work will systematize information required to draw up and implement environmentally sound indigenous management plans, including – where appropriate – the blending of traditional and modern technologies in a context of participatory research and development. This documentation would be complemented with assistance in fostering legislation for protecting indigenous intellectual property rights.
- **Working out innovative mechanisms for compensating indigenous peoples for the environmental services they provide to the local, regional and global economy.** In Asia, in collaboration with the International Agroforestry Centre and a consortium of national and international partners, IFAD is supporting a regional initiative aimed at developing working models to compensate indigenous communities for the environmental services they provide. This initiative is focusing on watershed services, carbon sequestration, biodiversity protection and eco-labelling. These mechanisms will use market instruments to assign a value to the environmental services. Based on the experience gained from this initiative and others in Latin America, IFAD expects to collaborate with governments and other partners to ensure that indigenous peoples benefit from these and other financing mechanisms to pursue, simultaneously, the goals of poverty reduction, sustainable natural resources management and environmental service delivery.

For IFAD, the way forward is to recognize the following principles when working with indigenous peoples, and indeed with all marginalized groups:

- Support local ownership of projects
- Support responsible community actions and good governance of public resources by improving dialogue between villagers and their local authorities
- Re-orient bureaucracies so that they are more sensitive to issues of concern to indigenous peoples
- Up-scale isolated successes
- Hand over control of resources to communities that demonstrate capacity and willingness to raise and manage their own resources.