

INDIGENOUS PEOPLES AND THE GREEN CLIMATE FUND



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AND THE
GREEN CLIMATE FUND

Indigenous Peoples and the Green Climate Fund

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Finally, we would like to thank Oak Foundation for the generous support it continues to provide Tebtebba in the important work of indigenous peoples in the Green Climate Fund.

Acronyms

AE	Accredited Entity
AIDSEP	Asociación Interétnica de Desarrollo de la Selva Peruana
AIPP	Asia Indigenous Peoples' Pact
AMA	Accreditation Master Agreement
BM	Board Meeting
CADPI	Centro para la Autonomía y Desarrollo de los Pueblos Indígenas
CANDELA	Comercio Alternativo de Productos No Tradicionales y el Desarrollo para Latino América Perú
CAO	Compliance Advisory Ombudsman
CBR	Community-Based REDD+
CBDR	Common But Differentiated Responsibilities
CBMIS	Community-Based Monitoring and Information Systems
CCBA	Climate Community and Biodiversity Alliance
CCM	Country Coordinating Mechanisms
CERDA	Centre of Research and Development for Upland Areas
CHIRAPAQ	Centro de Culturas Indígenas el Perú
CIDA	Canadian International Development Agency
CIF	Climate Investment Funds
COFIDE	Corporación Financiera de Desarrollo
COP	Conference of Parties

CONAP	Conferederación de Nacionalidades Amazónicas del Peru
CSO	Civil Society Organization
CTF	Clean Technology Fund
DGM	Dedicated Grant Mechanism
DIPY	Dignité Pygmée
DRC	Democratic Republic of Congo
ENDA	Enhanced Direct Access
EE	Executing Entity
ESIA	Environmental Social Impact Assessment
ESMS	Environmental Social Management System
ESS	Environmental and Social Safeguards
FAO	Food and Agriculture Organization
FCPF	Forest Carbon Partnership Facility
FENAP	Achuar People Federation
FIP	Forest Investment Programme
FP	Focal Point
FPIC	Free, Prior and Informed Consent
FPP	Forest Peoples Programme
GCF	Green Climate Fund
GEF	Global Environmental Facility
IE	Implementing Entity
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IIPFCC	International Indigenous Peoples' Forum on Climate Change
ILEPA	Indigenous Livelihoods Enhancement Partners
ILO	International Labour Organisation
INDC	Intended Nationally-Determined Contributions
IPAF	Indigenous Peoples Assistance Facility

IPCC AR	Intergovernmental Panel on Climate Change Assessment Report
IPLC	Indigenous Peoples and Local Communities
IPO	Indigenous Peoples' Organization
IRM	Independent Redress Mechanism
ITAP	Independent Technical Advisory Panel
IWGIA	International Work Group for Indigenous Affairs
LDC	Least Developed Countries
M&A	Monitoring and Accountability
MDB	Multilateral Development Bank
MINAM	Ministry of Environment of Peru
MPIDO	Mainyoto Pastoralists Integrated Development Organisation
MRV	Measurement, Reporting and Verification
NDA	National Designated Authority
NDC	Nationally-Determined Contributions
NEFIN	Nepal Federation of Indigenous Nationalities
NEMA	National Environment Management Authority
NIE	National Implementing Entity
NGO	Non Government Organization
PACJA	Pan-African Climate Justice Alliance
PROFONANPE	Peruvian Trust Fund for National Parks and Protected Areas
PS	Performance Standards
PPCR	Pilot Program for Climate Resilience
RBF	Results-Based Finance
RBP	Results-Based Payments
REDD+	Reducing Emissions from Deforestation and Forest Degradation, including enhancement of forest carbon stocks, sustainable management of forests and conservation

RRI	Rights and Resources Initiative
SBI	Subsidiary Body for Implementation
SME	Small and Medium-sized Enterprises
SIDS	Small Island Developing States
SREP	Scaling Up Renewable Energy in Low Income Countries Program
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNPFII	United Nations Permanent Forum on Indigenous Issues
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
UNSSRIP	United Nations Special Rapporteur on the Rights of Indigenous Peoples
WB	World Bank
WCIP	World Conference on Indigenous Peoples
WRI	World Resources Institute

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Introduction

By Helen Biangalen-Magata

In 2010, the United Nations Framework Convention on Climate Change (UNFCCC) established the Green Climate Fund (GCF) as its financial operating entity to disburse funds for low emission and climate resilient projects and programmes developed by the public and private sectors.

The Fund was established during the 16th meeting of the Conference of Parties (COP) of the climate change convention in Cancun, Mexico. It aims to promote a paradigm shift by funding both mitigation and adaptation projects to contribute to the sustainable development of developing countries. It was envisioned to spend half of its fund for adaptation projects, half of which is for adaptation in most vulnerable countries like least developed countries (LDCs), African states and small island developing states (SIDS); and the other half for mitigation projects.

Aiming to raise US\$100 billion by 2020, the Fund started approving project proposals beginning at the 11th Board Meeting (BM) held in Zambia in November 2015. By the end of 2016, the Fund had already approved a total of 35 projects and committed up to \$1.5 billion.¹

At the rate the work is progressing, the GCF is expected to disburse more funds in the coming board meetings.

How is the work of the GCF relevant to indigenous peoples?

¹ <http://www.greenclimate.fund/projects/portfolio>.

It is important to reiterate that indigenous peoples are among the most vulnerable to impacts of climate change, despite their undeniable contributions to climate change adaptation and mitigation. Indigenous peoples are also at the forefront of negative effects

of unsafeguarded mitigation measures and actions—which are taken in response to climate change. Thus, indigenous peoples pay a ‘double negative price’ for Climate Change. They suffer from direct adverse climate change impacts, as well as from actions or measures taken to stop climate change from occurring or developing further (Riamit, 2016).

The United Nations Special Rapporteur on the Rights of Indigenous Peoples (UNSRIP), Ms. Victoria Tauli-Corpuz, also reiterates that the inclusion of indigenous peoples in the GCF is a matter of human rights.

Indigenous peoples are the ones who are land-based and are direct managers of the forests. They are not mere advocates—they are the actual occupants of the remaining resources in the most parts of the world (Tauli-Corpuz, 2016).

The GCF is already disbursing huge amounts of money to developing countries, and without necessary safeguards and full participation of indigenous peoples in place, the Fund will become just another multilateral bank that implements projects that could impact on indigenous communities negatively.

Recognizing the crucial stake of indigenous peoples on climate change and in the GCF, Tebtebba, together with the International Work Group for Indigenous Affairs (IWGIA) and the Forest Peoples Programme (FPP), supported an indigenous representative who attended the initial meetings of the GCF, including the Transitional Committee meeting in April 2011 in Mexico. That first meeting revolved around the design and scope of the Fund. Mrinal Kanti Tripura of Maleya Foundation, Bangladesh was the sole representative of indigenous peoples in the succeeding formal board meetings of the

Fund up to its 4th Board Meeting at the GCF's headquarters in Songdo, South Korea in 2013.

In 2015, Tebtebba was able to secure additional resources from the Oak Foundation to engage with the Green Climate Fund. Tebtebba organized a small team of indigenous peoples, the Indigenous Peoples' Advocacy Team on the GCF and Climate Finance, which started participating in the GCF in a more sustained and intensive manner, beginning with the 9th Board Meeting in March 2015. The team is currently composed of Tebtebba, based in the Philippines, Indigenous Livelihoods Enhancement Partners (ILEPA) of Kenya, Centro para la Autonomía y Desarrollo de los Pueblos Indígenas (CADPI) of Nicaragua, supported by an indigenous peoples' advocate.²

Tebtebba and the IP Advocacy Team have also provided the indigenous peoples' caucus in the climate change processes (IIPFCC) with regular updates on the work on GCF and solicited its support, e.g., in the elaboration of and in highlighting indigenous peoples' demands on the GCF in its submissions to the UNFCCC, and in relation to ways forward.

The key calls of indigenous peoples in relation to the GCF are: the establishment of a fund-wide Indigenous Peoples Policy, on safeguards and redress mechanism, full and effective participation of indigenous peoples, and direct access to funds to support indigenous peoples' local adaptation and mitigation strategies (see IP Letter to the Board dated October 22, 2015 for B. 11).

To date, indigenous peoples have submitted 16 letters and submissions to the GCF from 2015 to February 2017 on issues in relation to the proposed Indigenous Peoples Policy, safeguards, participation, free, prior and informed consent (FPIC), grievance and redress mechanism, and access of indigenous peoples, among others.

Among the key achievements and lessons gained so far are the following:

² The members of the IP Advocacy Team are Stanley Kimaren Ole Riamit of ILEPA, Helen Biangalen-Magata of Tebtebba, Eileen Mairena-Cunningham of CADPI, and Francesco Martone.

Internal Capacity building. First, there was an obvious need for indigenous peoples to understand what the Green Climate Fund is all about. Tebtebba facilitated a Global Training on Indigenous Peoples and the GCF and Climate Finance on September 8-9, 2015 in Bangkok, Thailand. This was participated by the members of the Indigenous Peoples' Global Partnership on Climate Change, Forests and Sustainable Development.³

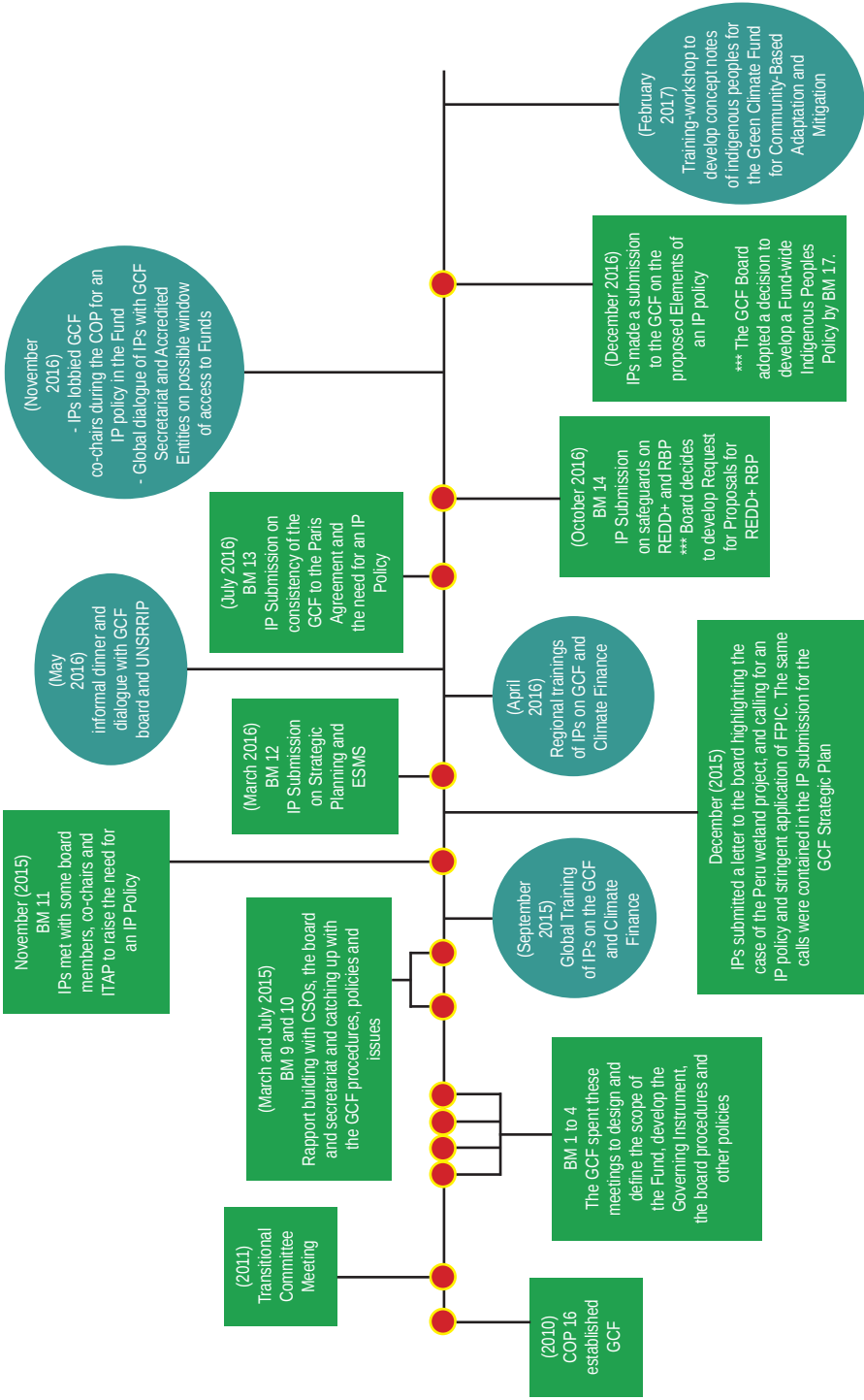
This global training was proceeded by three regional trainings in Africa, Latin America and Asia in April on the same year (see Workshop reports in Chapter 2 of this book). At the sidelines of COP 22 in Marrakech in November 2016, Tebtebba and partners, together with the UN Development Programme, organized the "Dialogue on the Engagement of the Green Climate Fund and its Accredited Entities with indigenous peoples and a possible funding window for indigenous peoples."

All of these gatherings were aimed to inform and strengthen the capacities of indigenous peoples' organizations and networks to understand, monitor, evaluate and engage in the GCF and other climate finance relevant for indigenous peoples. This is to ensure that the interests and rights of indigenous peoples are safeguarded from potential adverse social and environmental impacts of the funds.

In order to better understand opportunities in GCF in terms of financial access for indigenous peoples, the back-to-back "Training-workshop to develop concept notes of indig-

³ The Indigenous Peoples' Global Partnership on Climate Change, Forests and Sustainable Development was organized by Tebtebba in 2009. This indigenous peoples' global partnership is composed of 18 indigenous organizations and NGOs from 13 countries working on community strengthening, self-determined development and increasing indigenous communities' resilience to climate change. It is composed of: Tebtebba; Aliansi Masyarakat Adat Nusantara (AMAN) and Institut Dayakologi (ID) - Indonesia; Maleya Foundation - Bangladesh; Silingan Dapit Sa Siddakang Mindanao (SILDAP) and Naundep ni Napaknuhan ni Kalanguya (NNK) - Philippines; Centre for Indigenous Peoples' Research and Development (CIPRED) - Nepal; Centre of Research and Development in Upland Areas (CERDA) - Vietnam; Lelewal - Cameroon; Mainyoto Pastoralist Integrated Development Organisation (MPIDO) and Indigenous Livelihoods Enhancement Partners (ILEPA) - Kenya; Dignite Pygmee (DIPY) and Union Pour l'Emancipation de la Femme Autochtones (UEFA) - Democratic Republic of Congo; Asamblea Mixe para el Desarrollo Sostenible (ASAM-DES) - Mexico; Centro de Culturas Indígenas el Perú (Chirapaq) - Peru; Centro para la Autonomía y Desarrollo de los Pueblos Indígenas (CADPI) - Nicaragua; Conselho Indígena de Roraima (CIR) - Brazil; Federacion por la Autodeterminacion de los Pueblos Indígenas (FAPI) - Paraguay.

Timeline of Indigenous Peoples' Engagement with the Green Climate Fund



enous peoples for the Green Climate Fund for Community-Based Adaptation and Mitigation” was held from 4-8 February 2017 in Bangkok, Thailand. The training-workshop was co-organized with the UNDP and participated by 24 indigenous peoples from nine countries.

This meeting was fruitful as it led to the drafting and agreement of a framework for an Indigenous Peoples’ Global Programme (see Chapter 1: IP Global Program). This framework is envisioned to establish an enduring indigenous peoples-led programme that provides resources to indigenous peoples in developing countries to address climate change in the context of their own needs and sustainable development. It also establishes the minimum criteria that indigenous peoples want to see in a GCF-accredited entity that they want to work with.

Lobby and policy advocacy: The IP Advocacy Team, since the 9th BM, has been consistently attending board meetings and working with civil society organizations (CSOs) to ensure that indigenous peoples’ concerns are visible and are supported in the GCF. The team has gained so much from working with CSOs, and with the active observers from the North and South,⁴ which have been constructive in giving information so that the IP Advocacy Team could navigate better in the “new” environment.

Lobbying and networking with the GCF Secretariat has also proven to be helpful; but the ultimate lobby and advocacy work with the board members has, by far, been the most challenging and rewarding at the same time. The work on lobby and advocacy range from writing letters and submissions to board, making sure that the CSO interventions are strong and supportive of indigenous peoples’ issues, and holding face-to-face meetings with both the GCF Secretariat, executive director and board members, among others. These are usually done during and in between board meetings, the UNFCCC intersessional meetings and even during the Conference of Parties (COP) meetings.

⁴ The GCF has two representatives from the northern and southern CSOs, called active observers. The active observers participate in board meetings, but without voting powers. There are also alternate members of the active observers.

In May 2016, Tebtebba co-organized with the UN Special Rapporteur on the Rights of Indigenous Peoples, Ms. Victoria Tauli-Corpuz, an informal dinner of indigenous peoples with the GCF. This was a breakthrough in terms of further opening spaces for indigenous peoples, and the UNSRRIP was instrumental in achieving this. The informal dinner, participated in by indigenous peoples' representatives and some GCF board members and Secretariat, helped "break the ice" in terms of connecting indigenous peoples with the GCF. Indigenous peoples presented their calls and the board members and secretariat, as well as the UNSRRIP, gave their views and suggested ways forward on how best to carry forward these proposals.

In COP 22 in Marrakech in November 2016, the IP Advocacy Team, together with representatives of the indigenous peoples caucus, had an informal meeting with one of the GCF's co-chairs and the incoming executive director to share indigenous peoples' calls. The idea of a focal person for indigenous peoples in the Secretariat was raised and discussed with a positive response from the co-chair.

These informal meetings have contributed towards effectively communicating and increasing awareness of indigenous peoples' issues and concerns within the GCF.

Research and national advocacy: The GCF puts premium on country ownership and so it allocated readiness funds for countries to ensure that states are setting up necessary arrangements for them to be able to access GCF funds. For indigenous peoples to be able to engage effectively, there is a need to study and understand the national context on climate-related finance, how the National Designated Authorities (NDA) in these countries are carrying out their readiness activities, how indigenous peoples participate in the process, and how they are affected.

Five partners of Tebtebba, namely Dignité Pygmée (DIPY) of DRC, Centre of Research and Development in Upland Areas (CERDA) of Vietnam, Centro de Culturas Indígenas el Perú (CHIRAPAQ) of Peru, Centro para la Autonomía y Desarrollo de los Pueblos Indígenas (CADPI) of Nicaragua,

and Indigenous Livelihoods Enhancement Partners of Kenya are doing national case studies on GCF country readiness and indigenous peoples.

The results of the scoping study will inform steps not just of indigenous peoples, but also their NDAs and the GCF Board. It will also guide the strategy engagement of indigenous peoples in the GCF and at the national levels to ensure that no harm is caused and that rights of indigenous peoples as enshrined in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) are respected in the whole process of the GCF.

The case studies would also reinforce the need to provide climate finance to indigenous peoples' adaptation and mitigation actions. These will be popularized and will be used as guide by other indigenous peoples in other countries in their national and local education and policy advocacy work.

Networking: For indigenous peoples, the work on the GCF entails a lot of networking with other like-minded CSOs and other NGOs who are sympathetic to the plight of indigenous peoples. Tebtebba welcomed a number of institutions that have started reaching out to Tebtebba and the Indigenous Peoples' Advocacy Team to express their willingness to support indigenous peoples' calls to the GCF.

In 2016, a call for nomination for an alternate southern CSO active observer was undertaken. A member of the Indigenous Peoples' Advocacy Team, Kimaren Ole Riamit (executive director of ILEPA) was nominated. His nomination was supported by CSOs from the south. This opportunity has given indigenous peoples an important space to highlight indigenous peoples' proposals in the board meetings, with support from the CSOs.

During the 15th BM, a decision was adopted by the the GCF on the development of an Indigenous Peoples Policy (Decision B. 15/01) which:

(a) Requests the Secretariat to prepare for consideration by the Board, at its seventeenth meeting, a fund-wide Indigenous peoples' policy; and

(b) Invites submissions from the members and alternate members of the Board, and observer organizations in relation to the development of the GCF Indigenous peoples' policy by the sixteenth meeting of the Board.

This decision has been welcomed far and wide by indigenous peoples. The main focus of Tebtebba and the Indigenous Peoples' Advocacy Team, with the support of a growing number of indigenous peoples' organizations and networks, as well as with support NGOs and advocates, is to elaborate an IP Policy, and work towards its eventual adoption.

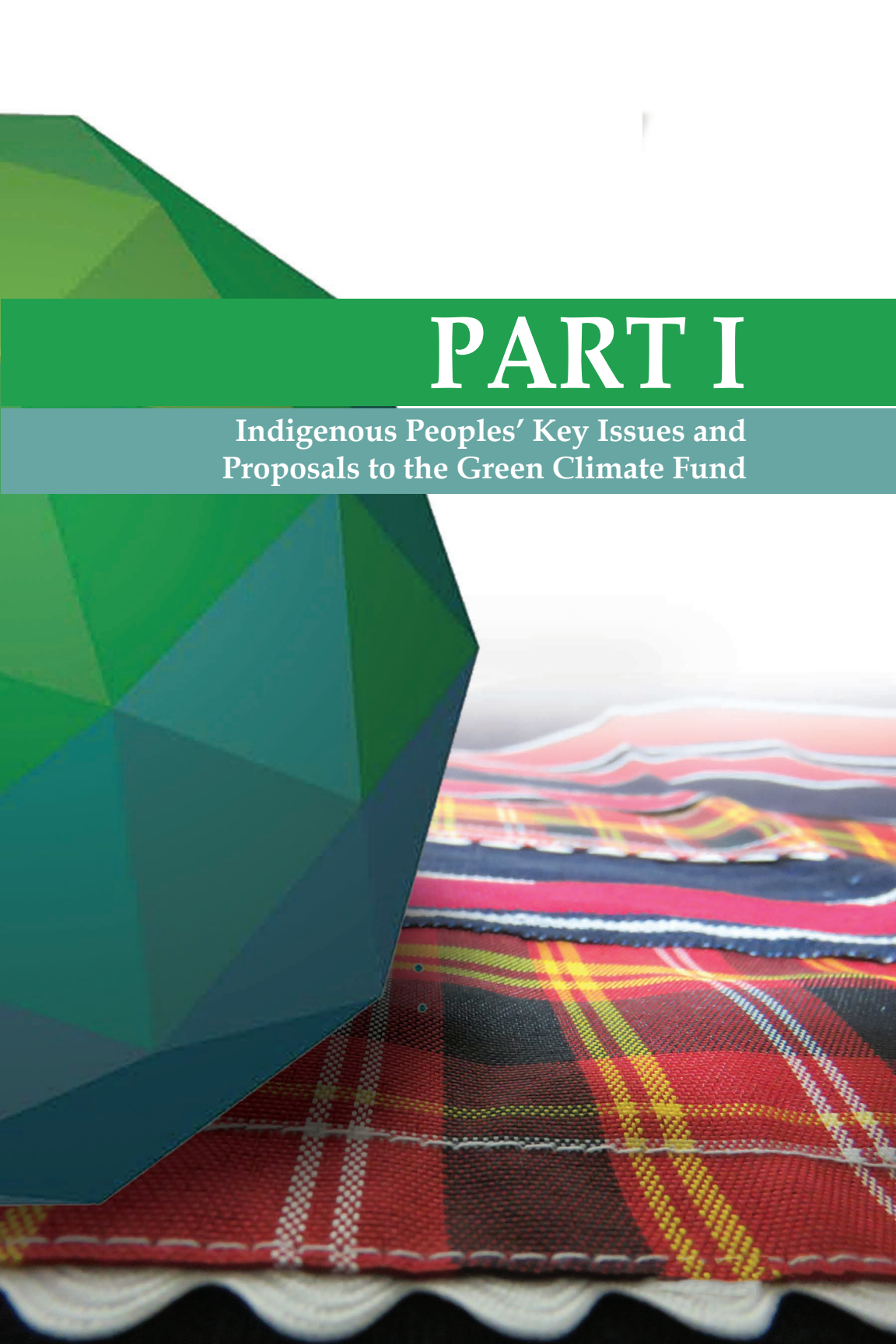
Raising indigenous peoples' interests at the GCF is a long and continuing arduous process that requires a lot of energy and effort. The IP Advocacy team, albeit small, has made significant inroads in the GCF and is opening spaces for indigenous peoples to meaningfully engage with the GCF at global and national levels, in a manner that puts indigenous peoples' rights and concerns front and center.

This publication was conceived to consolidate the reports, letters and briefing notes of indigenous peoples' engagement with the GCF thus far. It also aims to celebrate the achievements and account for the challenges and opportunities that indigenous peoples face in the Green Climate Fund.



From top: Informal exchange cum dinner with indigenous peoples and the GCF organized by the UN Special Rapporteur on the Rights of Indigenous Peoples Ms. Victoria Tauli-Corpuz, 25 May 2016; IP Advocacy Team meets with the Samoan Ambassador Aliioaiga Feturi Elisaia (left) during BM 14, October 2016; Training-Workshop to Develop Concept Notes of Indigenous Peoples for the GCF, 4-8 February 2017.





PART I

Indigenous Peoples' Key Issues and
Proposals to the Green Climate Fund



Chapter 1

Indigenous Peoples' Submissions





A.

Indigenous Peoples
Policy

AN INDIGENOUS PEOPLES POLICY FOR THE GREEN CLIMATE FUND

(This IP policy for the GCF has been agreed by the Indigenous Peoples' Global Partnership on Climate Change, Forests and Sustainable Development in 4-8 February 2017 in Bangkok, Thailand)



Background

The Fund's Governing Instrument¹—as well as other policies such as the Interim Environment and Social Standard (ESS)² and the draft Environment and Social Management Standard (ESMS)³—refer to the GCF's obligation to fully and effectively engage with indigenous peoples in the design, development and implementation of the strategies and activities to be financed by the Fund, while respecting their rights. More recently, in its 15th meeting, the Board has given a mandate to the Secretariat to develop a Fund-wide Indigenous Peoples policy for the Green Climate Fund for consideration at the 16th meeting of the Board.⁴

¹ "XIII. STAKEHOLDER INPUT AND PARTICIPATION: 71. The Board will develop mechanisms to promote the input and participation of stakeholders, including private-sector actors, civil society organizations, vulnerable groups, women and indigenous peoples, in the design, development and implementation of the strategies and activities to be financed by the Fund."

² https://www.greenclimate.fund/documents/20182/114264/1.7_-_Environmental_and_Social_Safeguards.pdf/e4419923-4c2d-450c-a714-0d4ad3cc77e6.

³ https://www.greenclimate.fund/documents/20182/24913/DCP_15-12-2016_-_GCF_Environmental_and_Social_Management_System.pdf/3b05eb86-4636-4179-aa1d-cbfcec34037e.

⁴ "Requests the Secretariat to prepare for consideration by the Board, at its seventeenth meeting, a fund-wide Indigenous Peoples Policy; and (b) Invites submissions from the Board, and Alternate members and observer organizations in relation to the development of the GCF Indigenous Peoples Policy" http://www.greenclimate.fund/documents/20182/490910/GCF_B.15_02_-_Report_on_the_activities_of_the_Co-Chairs.pdf/d1ec152c-e2d5-446a-ac29-79a4e5ec5d03.

The obligation to respect human rights and to engage indigenous peoples in climate change policies and actions has been explicitly recognized in the Cancun Agreement.⁵ The need to respect the rights of indigenous peoples has been further reiterated in the preamble of the Paris Agreement.⁶ The Paris Agreement goes on to acknowledge the positive contribution of indigenous peoples' traditional knowledge systems in achieving its goals⁷ and to recognize the need to strengthen practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change.⁸

In this submission we present the recommendations of indigenous peoples' organizations and support groups regarding the content, framework and purpose of an Indigenous Peoples Policy for the Green Climate Fund that can ensure that the objectives of these agreements are realized in practice while respecting the rights and interests of indigenous peoples.



Rationale

Indigenous peoples (men and women) play key roles in, and offer invaluable contributions to, climate change adaptation and mitigation through their traditional knowledge and sustainable resource management systems and practices, which are critical in achieving the goals of the Green Climate Fund. Despite their small carbon footprint, indigenous peoples are among the most vulnerable to climate change and to

⁵ <https://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf>.

⁶ "Acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples," Preamble, Paris Agreement <http://unfccc.int/resource/docs/2015/cop21/eng/10a01.pdf#page=2>.

⁷ "Parties acknowledge that adaptation action should follow a country-driven, gender-responsive, participatory and fully transparent approach, taking into consideration vulnerable groups, communities and ecosystems, and should be based on and guided by the best available science and, as appropriate, traditional knowledge, knowledge of indigenous peoples and local knowledge systems."

⁸ "Recognizes the need to strengthen knowledge, technologies, practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change, and establishes a platform for the exchange of experiences and sharing of best practices on mitigation and adaptation in a holistic and integrated manner."

the consequences of ill-conceived solutions to climate change, including specific adverse impacts on indigenous women.

An Indigenous Peoples Policy is required to provide guidance, due diligence rules and operational standards for the Fund, Accredited Entities and stakeholders in order to support countries in the implementation of their climate change programmes. The Policy could also, if well-designed, enhance the contributions of indigenous peoples to climate change solutions in line with the goals of this Fund, on a foundation of respect for their rights and well-being, and in a manner that can avoid future grievances. The policy will also allow for a comprehensive and holistic approach to indigenous peoples-related matters that pertain to the Fund's activities and goals.



Proposed Objectives

The objectives of the Indigenous Peoples Policy of the Green Climate Fund should cover, at a minimum, the following:

- a. To support and promote the positive contributions of indigenous peoples to climate change mitigation and adaptation;
- b. To enable the critical role of indigenous peoples in assisting the Fund to achieve its transformational goals, with regard to more effective, sustainable and equitable climate change results, outcomes and impacts;
- c. To avoid and mitigate possible adverse impacts of the Fund's activities on indigenous peoples' rights, interests and well-being;
- d. To ensure the respect of the rights of indigenous peoples in the whole spectrum of the Fund's activities and initiatives, in full alignment with applicable international obligations and standards such as ILO Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP);
- e. To recognize and respect in all activities financed by the Green Climate Fund, indigenous peoples' rights

to collectively own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired;

- f. To recognize and effectively apply the principle of Free, Prior and Informed Consent (FPIC), in accordance with relevant international laws and standards, and international best practice principles; and
- g. To promote and ensure the full and effective participation of indigenous peoples at all levels of the Fund's activities and initiatives.



Policy Principles

The Fund's Indigenous Peoples Policy consists of the following elements:

- ***Respect for indigenous peoples' rights, the related application of Free, Prior and Informed Consent (FPIC), and the full and effective participation of indigenous peoples on activities that may affect them***

The Fund's projects and programs shall respect the rights and responsibilities set forth in the UNDRIP, and other applicable international instruments relating to indigenous peoples. This includes the well-recognized right to own, develop, control and administer their traditional lands, resources and territories.

Also, GCF FPIC safeguard requirements should include clear procedures to ensure credible independent verification of compliance with this core standard by the GCF and its accredited entities.

Additionally, the Fund's social standards and activities shall fully respect not only indigenous peoples' rights to land, territories and resources, but also to their cultural and spiritual heritage and values, traditional knowledge, resource management systems

and practices, occupations and livelihoods, customary institutions and overall wellbeing.

The Green Climate Fund, National Designed Authorities, Accredited Entities, Intermediaries and Implementing Entities shall ensure the full and effective participation of indigenous peoples in Fund's supported policies, processes, programs and projects that may affect them, positively or negatively, or infringe their rights and ability to sustain their way of life. Participation standards should include a clear requirement for the meaningful participation of indigenous peoples and affected communities in social and environmental impact assessments conducted by independent entities for GCF projects and investments, including requirements for review of draft ESIA studies by rights-holders, their collective organisations and their freely chosen advisors prior to the approval of a project or accreditation of an entity. This shall require the development and implementation of an Indigenous Peoples Engagement Plan, which describes a clear mechanism for sustained engagement and effective participation, including full disclosure of information, as well as meaningful consultation and informed participation processes and the activities, known at that time, that will require FPIC prior to their commencement. Indigenous peoples' representatives, duly selected by them, shall participate in initial identification, development, implementation, monitoring and evaluation in relevant projects.

The representatives of indigenous peoples that will engage in relevant GCF projects, processes, programs and projects will be chosen by indigenous peoples themselves in accordance with their own procedures, and mechanisms for representation.

The Fund shall ensure the inclusion and effective participation of indigenous peoples (including women and youth) in the conduct of the environmental, social and cultural impact studies and assessment. The Fund shall apply an interdisciplinary approach, including

the participation of indigenous experts, taking into consideration the cultural and social dimensions, and the views and concerns of indigenous peoples shall be taken into account. Relevant case studies and reports prepared by indigenous peoples shall be given due consideration. Further, an independent and validation of findings shall be carried out with the participation of affected indigenous peoples, including the determination of risk categories of proposed project prior to the finalization/approval of the assessment report.

The Fund shall ensure the effective application of FPIC for projects that may impact indigenous peoples' traditional ownership and users' rights on lands, territories, resources, livelihoods and cultures. FPIC shall be an iterative process, requiring indigenous peoples' **consent before any GCF-funded project related initiative is undertaken, on the basis on their own independent deliberations and collective decision-making process, customs values and norms**, based on adequate information to be provided in a manner that is understood by them; and a process of transparent and inclusive consultations, including with women and youth, and free of coercion or intimidation. A specific *Guidance on the application of Free, Prior and Informed Consent and Engagement of Indigenous Peoples in the Green Climate Fund* will be developed in consultation with indigenous peoples, their organizations and advisors, and adopted based on this policy.

- ***Indigenous peoples under voluntary isolation***

The GCF shall respect the right of indigenous peoples under voluntary isolation to remain in said isolated condition and to live freely according to their culture. In order to safeguard the collective and individual physical, territorial, and cultural integrity of these peoples, projects that may have potential impacts on these peoples, their lands and territories, or their way of life, will have to include the appropriate

measures to recognize, respect and protect their lands and territories, environment, health and culture, and to avoid contact with them as a consequence of the project.

- ***Environmental and Social Safeguards***

The Environmental and Social Safeguards of the GCF shall be consistent with the scope, principles and criteria of this policy.

- ***Indigenous Peoples' Traditional Knowledge and Livelihood Systems***

The Fund recognizes indigenous peoples' traditional knowledge and traditional ecosystem and resource management systems are critical contributions to achieving the goals and purposes of the Green Climate Fund.

The GCF recognizes and respects indigenous peoples' cultural heritage as well as traditional knowledge held by indigenous peoples and the indigenous ways of ownership and knowledge transmission, and shall promote the participation and leadership of traditional knowledge holders in projects.

- ***Indigenous Women***

The GCF shall acknowledge the positive role and contributions of indigenous women in climate change-related actions and their particular vulnerability to climate change.

The Fund shall support the empowerment, effective participation and leadership of indigenous women in GCF-financed projects through the implementation of the provisions under the GCF's *Gender Policy and Action Plan in combination with this Policy*.

- ***Resettlement***

The GCF shall not finance activities that would result in the involuntary resettlement (forced eviction) of indigenous peoples. GFC will seek to avoid funding activities that may involve physical displacement (i.e., relocation or loss of shelter), whether full or partial and permanent or temporary, or economic and occupational displacement (i.e., loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of Project. In exceptional circumstances where resettlement is necessary, they will only be lawful if they meet the following criteria: (i) authorized by national law; (ii) carried out in accordance with international human rights law; (iii) undertaken solely for the purpose of promoting the general welfare; (iv) reasonable and proportional; and (v) follow due process standards and are regulated so as to ensure full and fair compensation and rehabilitation as well as right of return, if applicable.

- ***Comprehensiveness, in scope and coverage***

The Fund will apply its Indigenous Peoples Policy to all its climate mitigation and adaptation activities, including in preparatory and readiness stages. It will be applied by all international, regional, national or subnational, public or private entities that are supported by the GCF.

The GCF will look for guidance to the many commonly accepted and applied definitions of indigenous peoples⁹ respecting self-identification as indigenous or tribal as a fundamental criterion for determining the application of this policy. At a minimum, this policy will apply to indigenous peoples as characterized in Article 1 of ILO Convention 169.¹⁰ Further to this, the GCF

⁹ See <http://tinyurl.com/o7r5n8e>.

¹⁰ (a) tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations;

will assess the presence of a number of characteristics, drawing on the working definition used by the UN.¹¹

- ***Direct Access to Funding***

The GCF shall provide appropriate access to grant financing for indigenous peoples, tailored to their requirements and needs and priorities, in order to support their initiatives and efforts for climate change mitigation and adaptation projects and programs as key to the achievement of the Goals of the GCF.

- ***Accountability, Grievances, and Conflict Resolution***

Proponents of GCF-funded projects and programs affecting indigenous peoples shall establish an effective grievance and dispute resolution mechanism at the project level, in order to address indigenous peoples' project-related concerns. This mechanism shall take into account customary laws, dispute resolution mechanisms, and justice systems of indigenous peoples as appropriate, ideally utilizing independent indigenous experts. Such bespoke indigenous mechanism should not preclude the option to use the wider GCF accountability mechanism and accountability mechanisms of project proponents (Accredited and Executing Entities), ensuring that potential claimants are provided with the necessary financial and technical support to access such mechanisms. The use of GCF

(b) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.

2. Self-identification as indigenous or tribal shall be regarded as a fundamental criterion for determining the groups to which the provisions of this Convention apply.

¹¹ These characteristics include, among others: collective attachment to customary and traditional territories, lands and resources, including groups for whom such attachments have been forcibly severed; priority in time in the lands and territories they occupy; distinct cultural, social, economic institutions, potentially including distinctive languages, customary laws, and other distinct forms of social organization; and experience of subjugation or marginalization in relation to dominant society. This draws on the work of Jose R. Martinez Cobo, the Special Rapporteur of the Sub-Commission on Prevention of Discrimination and Protection of Minorities, in his Study on the Problem of Discrimination against Indigenous Populations.

grievance mechanisms will not preclude or prejudice access to any other redress mechanisms (judicial, administrative, domestic or international) otherwise available to indigenous peoples.

The GCF Independent Redress Mechanism and the Indigenous Peoples' Focal Point shall be available, accessible, transparent and be actively involved in complaints brought forward by indigenous peoples to the GCF.

- ***Competencies and Capacity Building***

The GCF shall develop the capacity of its key advisory and decision-making bodies to understand and properly address indigenous peoples' issues and rights, including in the modalities for the appointment of its Board members and Secretariat management and staff. The Secretariat shall appoint a senior staff member(s) with competencies in indigenous peoples' issues to lead the implementation of this Policy. The GCF shall also ensure indigenous peoples, or those with expertise in indigenous issues are included in the Accreditation Panel, the Investment Committee, the Risk Management Committee and the Private Sector Advisory Group and technical advisers.

The GCF shall support specific capacity building programs for indigenous peoples to ensure their full and effective engagement with the GCF at all levels (Secretariat, Board, NDAs and IEs). This support shall include at a minimum activities related to consultation, advocacy, institutional building for project implementation and management, as well as effective engagement of indigenous peoples in the formulation of project proposals and monitoring and evaluation.

Implementation Framework/Mechanisms

The development of mechanisms and practices in support of the effective implementation of the GCF's Indigenous Peoples Policy are vital for the long-term operation of this Policy. As such, the GCF will establish specific mechanisms to facilitate implementation on the basis of the Indigenous Peoples Policy.

The Board will oversee the implementation of the Policy through the review of periodic monitoring reports from the Secretariat, impact evaluation reports from the Evaluation Unit and reports from the Independent Redress Mechanism. The Secretariat will undertake its due diligence for the implementation of this Policy through the accreditation of AEs and intermediaries and the project approval and monitoring process. It will subsequently report to the Board on the progress made towards implementing the Policy.

An **Indigenous Peoples Focal Point** within the Secretariat will be designated and appointed, to support effective and timely engagement with indigenous peoples. He/she will provide support to GCF Secretariat, indigenous peoples and accredited entities on issues related to this Policy and will facilitate the work of the Indigenous Peoples Advisory Group. The Indigenous Peoples Focal Point will also lead the review and updating of this and other relevant GCF Policies.

An **Indigenous Peoples Advisory Group** will be established to enhance coordination between GCF entities and indigenous peoples. The key function of the group shall be to provide advice to the Indigenous Peoples Focal Point, and the NDAs and IEs in case of projects affecting indigenous peoples, on the operationalization and reviewing of this Policy, particularly on the appropriate modality to enhance dialogue among indigenous peoples, GCF entities and other experts.

The GCF Secretariat and Accredited Entities shall undertake a periodic assessment of the implementation of its Indigenous Peoples Policy complementary to the environmental and social safeguards (ESS) process, which will require the collection of baseline data, and to (a) determine how the GCF can improve its response to the needs of indigenous peoples;

(b) identify the drivers of change in order to achieve adaptation or mitigation goals; (c) identify and design the specific and culturally-appropriate elements to be included in the policies/projects/programmes; (d) estimate the implementation budgets; (e) select specific output, outcome and impact indicators for indigenous peoples; and (f) design project/programme implementation and monitoring institutional arrangements that develop effective participation of indigenous peoples.

An **Indigenous Peoples Policy Implementation Framework** will also be developed and adopted. The Framework will address the following priority areas: (a) governance and institutional structure; (b) operational guidelines; (c) capacity building; (d) outputs, outcomes, impacts and paradigm-shift objectives used for monitoring, reporting and evaluation; (e) resource allocation and budgeting; and (f) knowledge generation and communications.

Signatories:

1. African Biodiversity Network (ABN), Kenya
2. African Women's Network for Community Management of Forests (REFACOF), Cameroon
3. Aksi! For gender, Social and Ecological Justice, Indonesia
4. Alyansa Tigil Mina (ATM), Philippines
5. Asian Indigenous Women Network, Philippines
6. Asociación Ak Tenamit, Guatemala
7. Articulação Pacari plantas medicinais do Cerrado, Brasil
8. Bangladesh Indigenous Peoples Network on Climate Change and Biodiversity (BIPNET)
9. Both ENDS, The Netherlands
10. Cambodia Indigenous Peoples' Organization, Cambodia
11. Center of Indigenous Cultures of Perú (CHIRAPAQ), Peru
12. Center for Indigenous Peoples' Research and Development (CIPRED), Nepal
13. Centre of Research and Development in Upland Areas (CERDA), Vietnam
14. Centro para la Autonomía y Desarrollo de los Pueblos

- Indígenas (CADPI), Nicaragua
15. Center for Indigenist Development - Philippines, Inc. (CIDev-Phil)
 16. Civic Response, Ghana
 17. Columban Missionaries, Ireland
 18. Dignité Pygmée, Democratic Republic of Congo
 19. Federación por la Autodeterminación de los Pueblos Indígenas (FAPI), Paraguay
 20. Federation of Community Forestry Users Nepal (FECOFUN), Nepal
 21. Forest Peoples Programme, UK
 22. Foro Indígena del Abya Yala (FIAU), Latin America and the Caribbean
 23. Friends of the Earth, Malaysia
 24. Fundación para el Ecodesarrollo y la Conservación (FUNDAECO), Guatemala
 25. Global Environment Centre, Malaysia
 26. Heinrich Böll Foundation, North America
 27. Hodopathy Ethno Medicine Doctor's Association of India (HEDAN), India
 28. Human Health Aid, Burundi
 29. If Not Us Then Who?, USA
 30. Indigenous Environmental Network, United States of America
 31. Indigenous Information Network, Kenya
 32. Indigenous Knowledge and Peoples Network SWBC, Nepal
 33. Indigenous Livelihood Enhancement Partners (ILEPA), Kenya
 34. International Alliance of Indigenous and Tribal Peoples of the Tropical Forests (IAITPTF) Global Network
 35. Indigenous Peoples Hub Africa
 36. Interamerican Association for Environmental Defense, Latin America
 37. International Rivers
 38. International Work Group for Indigenous Affairs (IWGIA), Denmark
 39. Institut Dayakologi- West Kalimantan, Indonesia
 40. Jharkhand Wanaadhikar Abhiyan (JAWA), India
 41. Kitanglad Integrated NGOs (KIN), Philippines
 42. Kua'aina Ulu Auamo, Hawaii

43. La Asociación Ixacavaa de desarrollo e información indígena de Costa Rica
44. La Plataforma Dominicana de Afro descendientes, Dominican Republic
45. Lelewal, Cameroon
46. Mainyoito Pastoralists Integrated Development Organization (MPIDO), Kenya
47. Maleya Foundation, Bangladesh
48. Marine Ecosystems Protected Areas (MEPA) Trust Fund, Antigua and Barbuda
49. Mindanao Peoples' Peace Movement- Katawhang Lumad (MPPM-KL), Philippines
50. Naga Women Union (NWU), India
51. Naga Peoples Movement for Human Rights (NPMHR), India
52. Nama Traditional Leaders Association, Namibia
53. National Alliance of Women (NAWO) India
54. National Coordinator-GEF/SGP, Antigua and Barbuda
55. National Indigenous Women's Federation (NIWF) , Nepal
56. National Alliance of Women (NAWO) India
57. Nepal Federation of Indigenous Nationalities (NEFIN), Nepal
58. Network for Indigenous Peoples of Solomon (NIPS), Solomon Islands
59. Nirmanie Development Foundation, Sri Lanka
60. Ogiek Peoples Development Program (OPDP)
61. Organo Electoral- Tribunal Supremo Electoral, Bolivia
62. Philippine Rural Reconstruction Movement (PRRM), Philippines
63. Pikhumpongan Dlibon Subanen Inc. (PDSI), Philippines
64. Promotion of Indigenous and Nature Together (POINT), Myanmar
65. PRISMA (Programa Regional de Investigacion sobre Desarrollo y Media Ambiente), El Salvador
66. Rainforest Foundation Norway (RFN), Norway
67. RECOFTC - The Center for People and Forests, Asia-Pacific

68. Red de Cooperación Amazónica-REDCAM, Venezuela
69. Red de Mujeres Indígenas y Biodiversidad, Latin America
70. Rights and Resources Initiative, USA
71. Sámi Parliament of Norway
72. Sengwer Indigenous Peoples' Program
73. Silingang Dapit South Eastern Mindanao (SILDAP), Philippines
74. SONIA ("Society for New Initiatives and Activities") for a Just New World, Italy
75. Surty Diza, National Steering Committee Member, DGM Indonesia
76. Taiwan Indigenous Conserved Territories Union, Taiwan
77. Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education), Philippines
78. The Society for Alternative Learning and Transformation (SALT), Kenya
79. Third World Network, Malaysia
80. Torang Trust, (Jharkhand)India
81. Transparency International, South Korea Chapter
82. Trinamul Unnyan Sangstha, Bangladesh
83. Unissons nous pour la Promotion des Batwa (UNIPROBA), Burundi
84. Universidad Intercultural Maya de Quintana Roo, Mexico
85. Ugnayang Pambansa para sa Katutubong Kaalaman at Talino (UPAKAT), Philippines
86. Union pour l'Émancipation de la Femme Autochtone, Democratic Republic of Congo
87. United Organisation for Batwa Development in Uganda (UOBDU), Uganda
88. Women's Environment and Development Organization (WEDO), USA
89. Worldview-The Gambia
90. Youth Federation of Indigenous Nationalities (YFIN), Nepal
91. Zo Indigenous Forum, India

As of 31 March 2017

INDIGENOUS PEOPLES' LETTER TO THE GCF BOARD B. 15

29 November 2016

The Green Climate Fund Board
175, Art Center-Daero, Yeonsu-gu
Incheon 406-840,
Republic of Korea

Dear Green Climate Fund Board Members:

The upcoming Board meeting in Samoa will offer the possibility of discussing the elements and modalities for an Environmental Social Management System for the GCF. To that regard we wish to reiterate the need for the GCF to develop and adopt an Indigenous Peoples' Policy. Such a proposal was already stressed in a Tebtebba-Forest Peoples Programme submission on the Environmental and Social Management System sent to the Board in February 2016. It has been endorsed by a total of 66 indigenous peoples' organizations, NGO and CSO support groups and networks and can be accessed at this link: <http://www.forestpeoples.org/sites/fpp/files/news/2016/02/Indigenous%20Peoples'%20Submission%20to%20the%20GCF%20ESMS.pdf>.

We are therefore taking the liberty of sharing with you a brief note on the proposed elements of Decision B. 15/01 for the Green Climate Fund to consider. We believe this is an urgent matter that should be put on the Board agenda for the coming Board meetings in 2017.

The Decision B. 15/01 should clearly spell out the legal framework, including applicable international human rights standards and obligations and customary law, as well as consultation and engagement criteria for indigenous peoples and relevant safeguards. Other climate funds and international organizations (for instance, the UN Development Group, UN-REDD or the Adaptation Fund) have already adopted indigenous peoples' policies that are aligned to higher standards and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). These are potentially useful precedents to build on, thereby ensuring coherence among climate funds.

Furthermore, it should be recalled that the Cancun Agreement explicitly acknowledges the obligation to respect the rights of indigenous peoples in any climate change programme and action, while the Paris Agreement also recognizes the positive contribution of indigenous peoples' traditional knowledge in adaptation.

An Indigenous Peoples' Policy therefore would serve various purposes. The first one is to align GCF policies and safeguards to the highest standards and best practice, while serving the purposes of the Paris Agreement and other relevant international commitments on climate change.

Secondly, the adoption of an Indigenous Peoples' Policy will significantly contribute to a transformative, high-impact paradigm-shift by enabling and providing opportunities for indigenous peoples to apply traditional knowledge and traditional management systems in mitigation and adaptation that prove to be both efficient and cost-effective. The adoption of an Indigenous Peoples' Policy is also urgent, in consideration of the fact that many projects in the GCF pipeline might potentially impact or possibly engage indigenous peoples. This policy should apply as a minimum standard to all GCF-funded projects, regardless of the legal status of indigenous peoples.

Attached please find elements of the proposed Indigenous Peoples' Policy for the Board's consideration.

ELEMENTS OF A PROPOSED GREEN CLIMATE FUND'S POLICY ON INDIGENOUS PEOPLES

GCF programs and projects must follow a human rights-based approach, and respect and fulfil obligations from applicable international human rights obligations and standards, such as the UNDRIP and ILO Convention 169, as well as customary law. Particular attention should be paid to indigenous peoples' collective rights to land, territories and resources, resource-use and customary rights. A specific provision should deal with indigenous peoples in voluntary isolation.

Free, prior and informed consent should be adhered to and respected in accordance to highest standards and best practice. It should be meant as an iterative process whereby consent is sought and obtained at every stage and at all levels (local to global) of a project cycle. Full and effective participation, engagement and representation of indigenous peoples (including indigenous women, youth and persons with disability) must be ensured at all stages of GCF activities.

Accordingly, the GCF should envisage the establishment of an Indigenous Peoples' Advisory Body, the provision of tailored oversight and consultative mechanisms, as well as the appointment of an indigenous peoples' focal point in the GCF Secretariat, in accordance to GCF Governing Instruments' provisions. Representatives of potentially affected communities should be given the opportunity to communicate directly to the Secretariat, the GCF Board, ITAP and to the Independent Redress Mechanism, to be complemented with community-based grievance mechanisms.

The policy should also spell out the modalities by which indigenous peoples can contribute to project and program evaluation and assessment by means of Community-Based Monitoring and Information Systems (CBMIS). Relevant performance and compliance indicators should be developed with the participation of indigenous peoples. As regards access to information, this will have to be disclosed in a timely, effective and culturally-appropriate manner.

Indigenous peoples' traditional knowledge and traditional ecosystem management systems' contribution to achieving

the goals and purposes of the Green Climate Fund should be acknowledged. Tailored modalities should be envisaged in support of these systems, such as among others, by means of direct funding modalities. The role of women should be recognized as well as the need to protect and enhance traditional knowledge and ensure equitable access to benefit-sharing.

Capacity building should be envisaged for the GCF Secretariat and NDAs, Accredited Entities and NIEs to enhance understanding of indigenous peoples' rights, the Indigenous Peoples' Policy, and capacity to comply with international standards and obligations on the rights of indigenous peoples. Such opportunities might be provided in readiness programs, in occasion of the preparation of concept notes by NDAs, and of proposals by NIEs, in full consultation with indigenous peoples.

Adopted during the Dialogue on the Engagement of the Green Climate Fund and its Accredited Entities with Indigenous Peoples and a Possible Funding Window for Indigenous Peoples held on 12-13 November 2016 in Marrakech, Morocco during the UNFCCC COP 22.

INDIGENOUS PEOPLES' LETTER TO THE GCF BOARD B. 13

16 June 2016

The Green Climate Fund Board
Songdo, South Korea

Distinguished Board Members,

We take the liberty of writing to you to solicit your views and action on matters that we deem of crucial relevance in order to ensure that the Green Climate Fund effectively delivers its expected transformative impacts in supporting adaptation and mitigation action.

In particular, we wish to call your attention to the urgent need for the Fund to develop and adopt an Indigenous Peoples' Policy in line with the highest internationally-recognized norms and standards such as the UN Declaration on the Rights of Indigenous Peoples.

The reasons for this urgent call are various and have to do with the need to ensure alignment and consistency of the Green Climate Fund activities and operations with the vision, purpose and goals of the Paris Agreement.

Furthermore, such a step would be required in order to position the Fund in the highest level of environmental, social and human rights standards as regards climate finance, while enabling the Fund to deliver high quality and high impact results.

As a matter of fact, and as you will also discuss in the upcoming Board meeting to be held in Songdo this June, the Fund will have to strive to ensure consistency with and support to the Paris Agreement outcomes and related actions.¹ As one of the key financing mechanisms, the Fund is called on to guarantee that its actions are consistent both with the country ownership and the overall goal of limiting temperature increase and trigger robust mitigation and adaptation efforts.

As far as the Paris Agreement is concerned, there are some key elements that have to do with indigenous peoples and that the Fund will have to take into due account in the design, planning and implementation of projects and programmes. The Paris Agreement explicitly refers to the need to ensure the respect of the rights of indigenous peoples in any climate change-related activity and acknowledges the potential contribution and the need to strengthen indigenous peoples' traditional knowledge in climate change mitigation and adaptation.²

It should also be stressed that the summary for policymakers in the contribution of Working Group II to the Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC), Climate Change 2014: Impacts, Adaptation, and Vulnerability, noted that "Indigenous, local, and traditional knowledge systems and practices, including indigenous peoples' holistic view of community and environment, are a major resource for adapting to climate change, but these have not been used consistently in existing adaptation efforts. Integrating such forms of knowledge with existing practices increases the effectiveness of adaptation."³

The positive contribution of indigenous peoples' traditional knowledge in adaptation should be clearly acknowledged by the GCF when developing its Adaptation Planning processes,

¹ "The GCF and the Paris Agreement," GCF B13_06

² Decision 1/CP.21 Adoption of Paris Agreement - Preamble: "Acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights (...) the rights of indigenous peoples..." art 7 para 5. "Parties acknowledge that adaptation should (...) be based on and guided by best available science, and, as appropriate, traditional knowledge of indigenous peoples and local knowledge systems; art. 135 "recognizes the need to strengthen knowledge, technologies, practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change."

³ <http://unfccc.int/resource/docs/2014/sbsta/eng/inf11.pdf>.

building up on current best practices and approaches.⁴ We therefore call on the Board to ensure that explicit reference to the role and contribution of indigenous peoples' traditional knowledge is made in the document on Adaptation Planning Processes that will be discussed and adopted at B.13.⁵

Hence, positive action by the Fund to integrate and support indigenous peoples' traditional knowledge in adaptation can indeed contribute to effectiveness of adaptation efforts.

In this context, we are concerned that the Fund's interim Performance Standards—those sections related, for instance, to indigenous peoples and to land acquisition—do not offer an adequate system of safeguards. While limited in their scope, and even lower than internationally-recognized standards, as in the case of Free, Prior and Informed Consent, these do not even consider the issue of traditional knowledge and the modalities and criteria according to which traditional knowledge can positively contribute to adaptation and mitigation.

Furthermore, the experience we have had with the Fund this far hints to the need to develop and adopt a specific consultation policy for indigenous peoples. All these elements would then form part of a free-standing Indigenous Peoples' Policy.

We would also wish to stress the fact that an effective system of safeguards and an Indigenous Peoples' Policy should not be considered as a hurdle, but rather as an enabler for positive and effective outcomes of GCF activities. Take, for example, the recognized positive link between the recognition of indigenous peoples' rights to land, territories and resources and the effective and economically viable conservation of forests and resulting mitigation action. Scientific data and evidence show that securing land rights is key to the survival of indigenous peoples and, at the same time, for sustainable reduction of emissions and, hence, climate change mitigation. For instance,

⁴ For an example of how indigenous peoples' traditional knowledge can be integrated in adaptation planning, please see: "Weathering uncertainty. Traditional Knowledge for Climate Change assessment and adaptation": UNESCO, UNU, 2012 <http://unesdoc.unesco.org/images/0021/002166/216613E.pdf>; see also Conference proceedings of UNESCO Conference "Resilience in a time of uncertainty: indigenous peoples and climate change", 26-27 November 2015, an international conference contributing to COP 21 Conference, <http://indigenous2015.org/>.

⁵ http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_05_-_Adaptation_planning_processes.pdf/8833fcb7-d30a-4cb2-ad44-4051b8ec0256?version=1.0.

a study carried out by the Rights and Resources Initiative and World Resources Institute (WRI) on 130 cases in 14 countries shows that forests managed by communities register less deforestation and store more carbon than other forests.⁶

Furthermore, such link is explicitly recognized, among others, in the Forest Investment Facility Results Framework that includes indicators on the extension of forest areas under customary tenure and indigenous peoples' traditional rights.⁷ The Carbon Fund Methodological Framework also recognizes the importance of land tenure and land rights of indigenous peoples and local communities as a crucial prerequisite for effective and sustainable emission reduction.⁸

The need for the Fund to take the operational implications of the positive contribution of indigenous peoples' traditional knowledge in mitigation and adaptation actions in forests is even more compelling when considering that four of the key GCF deliverables for this year are directly or indirectly pertinent. In B.14, the Board intends to finalize the "operationalization of results-based payments for forestry-related activities," while in B.15 it will finalize "alternative policy approaches such as joint mitigation and adaptation approaches for the integral and sustainable management of forests" and "mobilization of private-sector finance in order to progress GCF forestry-related results areas." One thing that strikes the eye here is the continued use of the term forestry rather than forests, implying only an approach to forest management that risks excluding non-use values.

Pending the definition and adoption of a comprehensive Indigenous Peoples' Policy, an initial step towards the right

⁶ See also WRI: "Securing rights, combating climate change" July 2014 <http://www.wri.org/securingrights>

RRI-Teetebba: "Recognizing indigenous and community rights, priority steps to advance development and mitigate climate change," September 2014 <http://www.rightsandresources.org/wp-content/uploads/Policy-Brief-RRI-Teetebba-Securing-Indigenous-and-Community-Lands.pdf>;

Oxfam, RRI et al. "Common ground. Securing land rights, safeguarding the Earth"; March 2016 https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/bp-common-ground-land-rights-020316-en_0.pdf.

⁷ http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Results_Framework_final.pdf.

⁸ <https://www.forestcarbonpartnership.org/sites/fcp/files/2014/March/March/FCPF%20Carbon%20Fund%20Methodological%20Framework%20Final%20Dec%2020%202013.pdf>.

direction, at least as regards the linkage between land rights, forest conservation/management and beneficial mitigation impacts, can be for the Board to support the adoption of a specific indicator on indigenous peoples in the criterion 9 of the GCF Performance Indicators that would explicitly recognize the relevance of recognized tenure and territorial rights, including customary land rights of indigenous peoples and local communities.⁹

In order for the Fund to maximize such a positive linkage and effectively enable indigenous peoples to contribute to the Fund's stated goals, effective and high-level safeguards need to be accompanied by a robust Indigenous Peoples' Policy that not only spell out the "preconditions," such as the recognition and respect of the rights to land, territories and resource, but also the positive actions and enablers to ensure that indigenous peoples' contribution by means of traditional knowledge and livelihoods, including upholding and advancing the status and rights of indigenous women, is fully respected and ensured.

While the interim safeguards, i.e., the IFC Performance Standards, do represent an, albeit limited as explained above, set of safeguards to possibly prevent harm, the GCF does not have any policy in place to "do good" as regards indigenous peoples' possible contribution to the Fund's stated goals and objectives.

We therefore would strongly urge you to agree on a process for the development and adoption of an Indigenous Peoples' Policy as matter of urgency, in such a way that indigenous peoples are fully engaged, and consulted. The key elements of a GCF Indigenous Peoples' Policy and an additional FPIC Protocol, have already been spelled out in a joint FPP-Tebtebba submission on the GCF Environmental and Social

⁹ [4] a possible formulation of criterion 9 could be as follows: "Hectares of land or forests under sustainable management or improved management, **recognised tenure and territorial rights, including traditional rights of indigenous peoples and local communities**, leading to reduced GHG emissions and/or enhancement of carbon stocks." We take note of the proposed language contained in the relevant document for discussion at B13, according to which the criterion would include respect for social and environmental safeguards, and wish to reiterate that the linkage between land rights and avoided deforestation needs to be clearly stated. In this sense we also invite the Board to make an explicit recommendation to the UK International Climate Initiative that would be tasked with the role of developing relevant methodologies. http://www.greenclimate.fund/documents/20182/226888/GCF_B.13_26_-_Further_development_of_some_indicators_in_the_performance_measurement_frameworks.pdf/0ad22e10-703d-49ae-baad-cb87669d0223?version=1.1.

Management System,¹⁰ as well as in an Indigenous Peoples' Organizations' joint letter to the GCF Board in November 2015.¹¹

Finally, we wish to express our concern at the Fund's intention to speed up the adoption of a policy or programme on Results-Based Payments and REDD+, for the reasons explained above, and for the insufficient level of information and consultation with indigenous peoples thus far.

As to the substance of a future RBP policy for the GCF, we believe that the Cancun Agreement and relevant REDD+ safeguards might offer a good starting base to develop—as an important contribution to the development of a broader Indigenous Peoples' Policy—an initial safeguard framework for the planned GCF actions in Results-Based Payments. In some cases, the REDD+ Safeguards in the Cancun Agreement have been followed up by high-level operational guidance and principles that, while based on these, do in fact upgrade and align them to higher standards. This is the case, among others, with the REDD+ SES (Social and Environmental Standards) of the CCBA (Climate Community and Biodiversity Alliance)¹² or—as regards to the Free, Prior and Informed Consent and the engagement and participation of indigenous peoples in REDD+—the UN-REDD Guidelines for Free, Prior Informed Consent,¹³ the related “legal companion,”¹⁴ and UN-REDD guidance on the engagement of indigenous peoples.¹⁵

Furthermore, while developing its own RBP policy or guidance and related programming, the GCF should also recog-

¹⁰ <http://www.forestpeoples.org/sites/fpp/files/news/2016/02/Indigenous%20Peoples%20Submission%20to%20the%20GCF%20ESMS.pdf>; the need for the Fund to adopt an Indigenous Peoples' Policy and an additional protocol on the proper interpretation, application and implementation of FPIC is also substantiated in the findings of a FPP:Tebebbba briefing on a GCF mitigation project in the Peruvian wetlands, published in December 2015 http://www.forestpeoples.org/sites/fpp/files/publication/2015/12/briefingpaper-fpic-ippolicy_0.pdf.

¹¹ <http://www.forestpeoples.org/sites/fpp/files/news/2015/11/Letter-to-GCFBoard.pdf>.

¹² <http://www.redd-standards.org/process-for-using-redd-ses>.

¹³ <http://www.unclearn.org/sites/default/files/inventory/un-redd05.pdf> - these guidelines can be used as guidance for the benchmarking and implementation of the REDD+ Cancun safeguards, as well as the FPIC-related interim Performance Standard.

¹⁴ http://www.unredd.net/index.php?option=com_docman&Itemid=134&view=documnt&alias=8792-legal-companion-to-the-un-redd-programme-guidelines-on-fpic-8792&category_slug=legal-companion-to-fpic-guidelines-2655.

¹⁵ http://www.unredd.org/Stakeholder_Engagement/Guidelines_On_Stakeholder_Engagement/tabid/55619/Default.aspx.

nize the importance of ensuring non-carbon benefits, such as biodiversity conservation, land tenure, governance, food security and ecosystems integrity, as further reiterated in the Paris Agreement. We would therefore be interested to know what process the Fund will put in place to ensure alignment of the interim Performance Standards with the Cancun REDD+ safeguards, and their higher level iterations, such as the UN-REDD guidelines and REDD+ SES of the CCBA, and how and when indigenous peoples, including indigenous women, will be formally consulted.

We look forward to a constructive dialogue and a fruitful discussion on these and other crucial issues at the upcoming Board meeting in Songdo.

Signatories:

1. Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education), Philippines
2. Community Knowledge Support Association, Lao PDR
3. Silingang Dapit sa Sidlakang Mindanao (SILDAP), South Eastern Mindanao, Philippines
4. Centro de Culturas Indígenas del Perú (CHIRAPAQ), Peru
5. Maleya Foundation, Bangladesh
6. Sengwer Indigenous Peoples Programme, Kenya
7. Nepal Federation of Indigenous Nationalities, Nepal
8. Borromeo Motin, Romblon State University, Philippines
9. IP Working Group on REDD+ (IPWG-REDD+), Cambodia
10. Theodore Solang, IP advocate, Philippines
11. Rocky Valderrama, Bugkalot/Ilongot Confederation, Philippines
12. Nepal Indigenous Nationalities Preservation Association (NINPA), Nepal
13. Centre for Support of Indigenous Peoples of the North/ Russian Indigenous Training Centre, Russian Federation

14. Lelewal, Cameroon
15. Esther Camac, Asociacion IXACAVAA de Desarrollo e Informacion Indigena, Costa Rica
16. Abe Somalinog, Transparency International, Korea Chapter, South Korea
17. Third Word Network, Malaysia
18. Friends of the Earth, Malaysia
19. Labour, Health and Human Rights Development Centre, Nigeria
20. Center for Indigenous Peoples' Research and Development, Nepal
21. Alliance of Community Cooperatives of Ethnic Groups in Northern Vietnam (ACCEV), Vietnam
22. The Heritage of Ogiek and Mother Earth, Kenya
23. Centre of Research & Development in Upland Area (CERDA), Vietnam
24. Nga Tirairaka o Ngati Hine, Aotearoa, New Zealand
25. Timuay Justice and Governance (TJG), Philippines
26. Center for Indigenist Development - Philippines (CIDEv-Phil), Philippines
27. Teduray, Lambangian Youth and Student Association (TLYSA), Philippines
28. Forest Peoples' Programme, UK
29. Institut Dayakologi, Indonesia
30. Vladislav Tannagashev, Shor Society of Kazas Revival, Russia
31. Youth Federation of Indigenous Nationalities Nepal (YFIN), Nepal
32. Centro para la Autonomía y Desarrollo de los Pueblos Indígenas (CADPI), Nicaragua
33. Indigenous Environmental Network (IEN), US
34. Saami Council and Sapmi, Norway
35. Indigenous Film Archive (IFA), Nepal
36. Aleli Bawagan, University of the Philippines, Philippines
37. National Indigenous Women Forum (NIWF), Nepal
38. International Working Group on Indigenous Affairs (IWGIA), Denmark
39. Asia Indigenous Peoples' Pact (AIPP), Thailand
40. Peoples' Development Institute (PDI), Philippines

THE GREEN CLIMATE FUND AND FREE, PRIOR AND INFORMED CONSENT AND A CALL FOR THE ADOPTION OF AN INDIGENOUS PEOPLES' POLICY: THE LESSONS FROM A WETLAND PROJECT IN PERU

A briefing compiled by the Forest Peoples Programme and Tebtebba¹

December 2015

Under considerable expectations and pressure to deliver shortly before the beginning of the UNFCCC 21st Conference of the Parties to be held in Paris, the Board of the Green Climate Fund (GCF) considered the first projects for funding at its meeting in Zambia in early November, 2015. One project presented to the GCF by Peruvian Implementing Entity (IE) PROFONANPE contains a proposal for wetland management with the participation of indigenous peoples in the province of Loreto in the eastern Amazon region. Being the first project adopted by the Green Climate Fund that has relevance for indigenous peoples, it represents an important precedent and a case study to substantiate the need for the Fund to develop strong monitoring, compliance and recourse mechanisms as well as an indigenous peoples' policy based on the highest international standards and aligned to international human rights instruments and standards such as the UN Declaration on the Rights of Indigenous Peoples.

As a matter of fact, the project has raised concerns on the Green Climate Fund's capacity to ensure the respect of the indigenous peo-

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ples' rights to territories, land and resources, effective consultation and Free, Prior and Informed Consent. Such concern was evidenced in formal communications between the Achuar People Federation (FENAP) and PROFONANPE. FENAP rejected the possibility of any top-down or external project being carried out in its territory, since it could violate the Achuar "plan de vida" and their rights to land, territory and resources, while other Indigenous Peoples' organizations allegedly supported the project and gave their consent. This also raised concerns over the way PROFONANPE was handling the relationship with Indigenous peoples' organizations, and the ensuing conflicts and divisions among indigenous peoples in the region.

The Board decided to approve the project, on the basis that some of the communities in the project sent letters of support, but agreed that the funds could be disbursed only after some conditions are met, notably that evidence is provided that communities do effectively provide their Free, Prior and Informed Consent. However, concerns remain about the lack of independent monitoring capacity to ensure that these standards and obligations are upheld throughout the project cycle.

While the debate on the PROFONANPE project at the Green Climate Fund focused mostly on procedural matters, its potential impact on the ground, in a region where indigenous organizations and communities are claiming their rights to land, territories and resources, and their "Plan de Vida" might be significant.

The PROFONANPE case shows that the Green Climate Fund will need to develop its own capacity to fully assess and ensure compliance with international human rights standards and obligations relevant to indigenous peoples. In order to be accountable and apply appropriate standards, the PROFONANPE experience demonstrates the need for the GCF to adopt a robust policy on indigenous peoples, which must fully recognize the relevance of international standards and obligations such as those enshrined in the UNDRIP. It must adopt the core FPIC standard and must also enable direct access to GCF funding for indigenous peoples' own projects and climate initiatives.

Introduction

In its meeting held in early November 2015 in Zambia, the Board of the Green Climate Fund approved—among others—a first batch of projects presented by Implementing Entities (IE).² One project approved by the GCF is the initiative for “Building the Resilience of Wetlands in the Province of Datem del Marañón in Peru,” presented by the Peruvian IE PROFONANPE.³

The project proposes to reduce deforestation and carbon emissions in the Datem region, focusing on working with local government and 120 communities (mostly indigenous). It further aims at strengthening protected areas created by the local government as well as creating a new protected area. It also includes supporting development of land use plans and ecological zoning for the area and a component dedicated to supporting community enterprises.

Potential impacts on indigenous peoples

The project area is home to eight indigenous peoples and it is clear that the project has direct implications for their rights to lands, resources and to prior consultation, all of which are binding obligations for the Peruvian state and with which private sector actors, including international agencies such as the GCF, must also ensure consistency. Of immediate concern are the following issues:

- It is unclear how the creation and consolidation of protected areas in this region will affect the ongoing efforts of indigenous peoples’ to secure recognition of their collective customary lands, a grassroots process on land rights, which is very well advanced in this

² TWN Info Service on Climate Change (Nov15/02) 9 November 2015.

Third World Network “Green Climate Fund approves first set of funding proposals after debate” <http://www.twn.my/title2/climate/info.service/2015/cc151102.htm>.

³ http://www.gcfund.org/fileadmin/00_customer/documents/MOB201511-11th/04_Add.01_-_FP001_and_NOL_20151015_fin.pdf.

region. These land and territorial rights initiatives are not mentioned anywhere in the project proposal nor is there any information about how indigenous peoples' rights to customary lands and territories will be guaranteed.

- It is unclear how the development of state-sponsored management plans and the ecological categorization of forests will affect indigenous peoples' well-established rights to customary resource use. Indeed, the project documents do not address the ongoing efforts of indigenous peoples in this region to establish their own territorial and environmental governance initiatives. It is of particular concern that the project argues that these management plans will effectively replace the need for indigenous peoples to secure tenure rights, but at the same time highlights that these rights will be conditional on continued compliance of indigenous peoples with the conditions that are established.
- The project includes ambitious targets for emissions reductions through reducing deforestation by half over the 10 year life cycle of the project. However, given the low levels of deforestation in the region, it remains unclear where these reductions will be secured, raising concerns that indigenous peoples' traditional land use practices and customary resource use may be targeted. Nowhere in the project are there any guarantees that indigenous peoples' customary rights to resource use will be fully respected and unrestricted.

Whose support? The case for the adoption of an Indigenous Peoples' Policy by the Green Climate Fund and the stringent and effective application of Free, Prior and Informed Consent

In spite of the significant potential impacts on indigenous peoples in a region where communities are claiming their land rights and seeking to implement their “Plan de Vida,” much of the discussion on the project developed around procedural matters. While procedural and participatory issues are important, a failure to pay proper attention to substantive land, territorial and livelihood rights in the initial phase of the Green Climate Fund’s funding activities might set up risky precedents and jeopardize the Fund’s capacity to respect high level social, human rights and environmental standards, in particular as regards indigenous peoples. The pressing need for more solid right-based due diligence in GCF project screening and approval is made even more compelling when considering the Fund’s intention to significantly step up its funding portfolio in the coming years.

The initial announcement of the intention of considering a project in indigenous lands in Peru stirred the concern of various NGOs, and Peruvian indigenous peoples' organization AIDESEP, that in June 2015 sent a letter to the GCF expressing their opposition to PROFONANPE as a recipient of GCF funds. This was before it was revealed that the programme would be in the Datem region. AIDESEP highlighted the negative experience of indigenous peoples’ organizations with previous work of PROFONANPE in Peru being it only focused on conservation and natural parks. Furthermore, they continue to insist that actions working with indigenous peoples to implement forest protection in indigenous territories should be implemented by funding mechanisms controlled by indigenous peoples themselves. They point out that in Peru the

Dedicated Grants Mechanism established, which forms part of the Forest Investment Programme (FIP) pilot in Peru, is now operational and would be the most appropriate mechanism for these kinds of projects,⁴ since it would ensure the direct participation of indigenous peoples.

In the same month, the Council of the Federation of Achuar Nationality in Peru (FENAP) met and issued a statement in which it rejected the invitation by PROFONANPE and Peruvian NGO CANDELA to attend a meeting in Achuar territory. The Achuar and FENAP reject any project that contradicts the Achuar “Plan de Vida,” could undermine their collective rights to own, manage and control an integral territory or risk violating their traditional ownership rights over natural resources. FENAP also expressed its disagreement with any project that would oblige indigenous peoples to renounce their rights to an integrated territory and reject any contract that would imply State’s control of natural resources that should be under their traditional ownership.⁵

The project proponent claimed to have the support and endorsement of all affected indigenous communities and organizations. However, while discussions may have been held with some of the concerned communities and there may well be enthusiasm for some components of the project, there is no clear evidence that the full details of the project and its potential impacts on indigenous peoples’ rights have been discussed with affected communities. Effective compliance with the obligation to secure the free, prior and informed consent of affected indigenous peoples according to international standards and best practice is therefore questionable in this case. The full proposal on the GCF website, for example, was available only in English and, other than some general statements of support for PROFONANPE and the project from some communities and organizations, there was no evidence provided that the full scope and nature of the project that had been presented to communities and organizations during

⁴ AIDSESP (Asociación Interétnica de Desarrollo de la Selva Peruana), carta a Gabriel Quijandria viceministro de MINAM y co-presidente del Fondo Verde para el Clima y Henrik Harboe, co-presidente del FVC, Lima, 15 de Junio 2015.

⁵ Consejo Directo de la Federación de la Nacionalidad Achuar del Perú (FENAP), statement “Acta de San Lorenzo” 14 June 2015; FENAP (Federación de la Nacionalidad Achuar del Perú) letter to PROFONANPE, 22 June 2015 ; (courtesy AmazonWatch).

these meetings or that the potential adverse impacts on indigenous peoples, including those outlined above, had been fully addressed.

In a letter to the Pastaza and Morona Santiago Project Manager of PROFONANPE, the FENAP presidency reiterated its position that “PROFONANPE has never consulted with or obtained the free, prior, and informed consent of the Achuar People of the Pastaza River basin within the jurisdiction of FENAP, to either enter our territory or carry out projects within the Achuar zone.”⁶ Another letter to PROFONANPE by the ACHUARTI IRUNTRAMU ATI ORGANIZATION on the contrary confirmed support to the project.⁷ The same position was conveyed in writing by representative organizations of the Kandozi people.

It should, also, be pointed out that according to the report of the Independent Technical Advisory Panel of the GCF (that was not made available prior to the Board discussion), PROFONANPE had consulted with 80 communities and 21 organizations. However, these consultations were carried out in a mere two weeks, and there seemed to be inconsistencies in the number of communities reported to have in fact been consulted. Additional concerns related to lack of grievance mechanisms and no clear institutional role for indigenous peoples in Project delivery. The way PROFONANPE handled the consultation has also already generated tensions between and among indigenous organizations, and risks undermining indigenous institutions.

When challenged by NGOs and IPOs present at the Zambia meeting about the obligation for project proponents to ensure that the right of indigenous communities to give (or withhold) their Free, Prior and Informed Consent, the GCF Secretariat stressed that PROFONANPE is an NGO and therefore according to their interpretation should not be obliged to respect the principle of FPIC. Furthermore, they argued that the Implementing Entity provided extensive documentation on consultations effectively carried out and a commitment to continue consulting with communities after project approval.

In fact, the process followed by PROFONANPE, and the interpretation of FPIC that was underlying the Secretariat’s

⁶ FENAP letter to Sr. Yolanda Guzman, Gerente del proyecto Pastaza y Morona, “respeto de las decisiones del pueblo Achuar”, San Lorenzo, November 2nd, 2015.

⁷ Minutes from the Extraordinary Assembly of the ATI organization, September 1st, 2015.

justifications to go ahead with the project approval, show that these do not take due account of international obligations in relation to FPIC, that require that the *community* or *people* affected is consulted, in a timely manner and on the basis of full information, not merely that some representative organizations (particularly where they have not been expressly authorized by the wider group to decide on the project) are consulted.

Furthermore the Secretariat interpretation that the legal status of the project proponent has any impact on the requirement for complying with the Interim GCF Standards is disputable. As a matter of fact, these Standards are applied as a function of borrowing funds from the GCF, irrespective of the nature of the borrowing entity. They reflect the obligation on State actors—and the undertaking by the IFC (at a minimum), and arguably the direct *obligation* on the IFC or any lender that would adopt these, such as the GCF—to respect international human rights law norms and to ensure that all third parties respect such norms.⁸ The Interim Standards are drawn in their entirety from the IFC performance standards, and as such contain a requirement to obtain FPIC from indigenous peoples, which applies in the process of accreditation, in assessing the capacity of the entity seeking accreditation to manage social and environmental risks, and in the conduct of proposed activities.⁹

⁸ The World Bank Group has at different times disputed or leaned towards accepting that it has obligations under international human rights law treaties. While as a legal point this has not been finally resolved, in practice the Bank has generally sought to sidestep the issue by voluntarily adopting such standards as binding on its operations (as is the case with the IFC and GFC). For a recent discussion of the evolution of the World Bank Group's legal position on this issue, see Philip Alston, Report of the Special Rapporteur on Extreme Poverty and Human Rights, 4 August 2015, UN Doc. No. A/70/274, especially at paras 6-21.

⁹ As a matter of fact, the interim ESS will be applied at the level of project and program identification, preparation and implementation, and will be used to establish criteria for accrediting, assessing institutional capacities of accrediting entities and for identifying, measuring and managing environmental and social risk. According to the IFC Performance Standards, FPIC must be sought in case of projects that might imply:

- a. impacts on land and natural resources subject to traditional ownership or under customary use;
- b. relocation of IPs from lands and natural resources subject to traditional ownership or under customary use;
- c. use of cultural resources for commercial purposes.

When adopting the IFC performance standards as interim standards for the GCF, the Board did not take into account the Secretariat proposal recommending that “at least during initial phase, not to adopt the IFC performance standards in total but to establish the safeguards of the fund in a style similar to the Adaptation Fund's environmental and social principles which include relevant risk issues from the IFC performance standards.” The Secretariat proposal to the Board also explicitly stated that: “Projects/programmes will be consistent with the rights and responsibilities set forth in the United Nations Declaration

Hence the Secretariat argument that implied that PROFONANPE is not obliged to respect FPIC is misconceived: by virtue of PROFONANPE receiving GCF funding, GCF has an obligation to ensure that PROFONANPE respects FPIC obligations. The Secretariat's incorrect understanding of these obligations provides additional evidence for the need for the Board and Secretariat to develop and adopt a specific policy on indigenous peoples, as called for in a joint Tebtebba-FPP letter to the Board endorsed by dozens of IPOs and NGOs and sent shortly after the beginning of their Zambia meeting.¹⁰

Eventually, the Board decided to approve the PROFONANPE funding proposal, but made disbursement conditional to the accomplishment of clear steps, among others: "the Applicant entity shall clarify which indigenous organizations wish to participate in the project and obtain clear written consent from their representative organizations in order to ensure that project is only implemented in the territories of the indigenous organizations that have provided their clear consent to the project." Furthermore "the accredited entity should provide the opportunity for the participating indigenous organizations to take part in the project design, in dialogue with accredited entity."¹¹

PROFONANPE and the Adaptation Fund: fast tracking rights?

As an entity already accredited at the Adaptation Fund, PROFONANPE could benefit from the fast-track process, that consisted in a comparison of the Adaptation Fund's safeguards and Environmental and Social Management System (ESMS), to that provisionally chosen by the GCF as interim safeguards,

on the Rights of Indigenous Peoples and other applicable international instruments relating to indigenous peoples." http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B06_09_Guiding_Framework_for_Accreditation_fin_20140211.pdf. These elements will have to be taken into due account when developing an indigenous peoples' policy at the Green Climate Fund.

¹⁰ <http://www.forestpeoples.org/sites/fpp/files/news/2015/11/Letter-to-GCFBoard.pdf>.

¹¹ Decision B.11-11 "Consideration of Funding Proposals."

notably the IFC performance standards. The fast-track applies to entities that are accredited to the Adaptation Fund, the Global Environment Facility and the EU DevCo and are in full compliance with relevant accreditation requirements.

NGOs following the Green Climate Fund have expressed concern that the lack of specific information on the name of the applicant to accreditation before the Board decision makes it difficult to carry out an assessment of its track record and capacity to fulfill the GCF requirements and at the same time ensure the due engagement of key stakeholders in the accreditation process. It should be mentioned here that the accreditation process requires an assessment by the Secretariat while the National Designated Authority (or focal point as the case is with Peru where the Focal Point, Gabriel Quijandria is also Co-chair of the GCF Board) is given the task of ensuring that—through a letter of no objection—the entity seeking accreditation is effectively endorsed. The proposal then goes to the Board for final approval. The letter of no-objection is also attached to the project proposal, thereby implying that the project is in line with the government’s strategy and programmatic priorities.

The case of PROFONANPE also raised serious concerns related to the perceived “flexibility” in applying the interim Environmental and Social Standards, in project design and implementation. That PROFONANPE is bound to implement FPIC is clearly a prerequisite embedded in the interim GCF social and environmental standards.

If this were not enough, a look at the Adaptation Fund Social and Environmental standards that PROFONANPE has agreed to be subject to—and this is also one of the preconditions to access the fast-track accreditation at the Green Climate Fund—reveals that the Entity is in fact directly obliged to recognize and respect the FPIC principle and ensure that the rights of affected peoples and/or communities to provide or withhold consent, by virtue of its acceptance of these standards.¹²

The guidance document for Implementing Entities on

¹² https://www.adaptation-fund.org/wp-content/uploads/2015/06/ESP-Guidance-document_0.pdf.

compliance with the Adaptation Fund Environmental and Social Policy also commits the Fund not to support “projects/programmes that are inconsistent with the rights and responsibilities set forth in the UN Declaration on the Rights of Indigenous Peoples and other applicable international instruments relating to Indigenous Peoples.”¹³

Concerns about the capacity of PROFONANPE to effectively fulfil the safeguards requirements contained in the interim safeguards adopted by the GCF are further substantiated by events surrounding another request for funding by PROFONANPE (“Adaptation to the impacts of climate change on Peru’s coastal marine ecosystems and fisheries”) to the Adaptation Fund Board. Funding application was rejected twice, the first time in April 2015 when the Board invited PROFONANPE to carry out additional consultation with affected communities and to elaborate an Environmental and Social Management plan and a grievance mechanism. In October 2015 the Adaptation Fund Board did not approve a second request for funding, due to the lack of an Environmental and Social Management Plan, a necessary prerequisite to ensure full respect of Adaptation Fund’s safeguards.¹⁴

¹³ As regards FPIC, if indigenous peoples are present in the project/programme implementation area, the Implementing Entity will:

1. “Describe how the project/programme will be consistent with UNDRIP, and particularly with regard to Free, Prior, Informed Consent during project/programme design, implementation and expected outcomes related to the impacts affecting the communities of indigenous peoples.
2. Describe the involvement of indigenous peoples in the design and the implementation of the project/programme, and provide detailed outcomes of the consultation process of the indigenous peoples.
3. Provide documented evidence of the mutually accepted process between the project/programme and the affected communities and evidence of agreement between the parties as the outcome of the negotiations. FPIC does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.
4. Provide a summary of any reports, specific cases, or complaints that have been made with respect to the rights of indigenous peoples by the Special Rapporteur and that are relevant to the project/programme. This summary should include information on subsequent actions, and how the project/programme will specifically ensure consistency with the UNDRIP on the issues that were raised.”

¹⁴ For more information http://www.adaptation-fund.org/wpcontent/uploads/2015/08/Peru_Profonanpe_full_proposal_revised_combined.pdf.
https://www.adaptation-fund.org/wp-content/uploads/2015/10/AFB-PPRC-17-28-FINAL_AFSEC_polished_clean.pdf.

Conclusion

The debate that developed around the PROFONANPE project, the conflicting claims by various indigenous peoples' organizations in and around the project suggest a lack of proper understanding by the GCF Secretariat of the operative implications of the implementation of the principle of Free, Prior and Informed Consent and issues related to full and effective participation and consultation of indigenous peoples. The way PROFONANPE conducted its consultations has furthermore contributed to the creation of conflicts inside communities and indigenous organizations. It also points to the need to clarify the exact nature and effectiveness of any process to consult rights-holders or stakeholders by the focal point and PROFONANPE. At the same time, it raises questions about PROFONANPE's capacity to fully implement the GCF requirements on grievance mechanisms, access to information, stakeholder consultation and engagement, compliance with social and environmental safeguards and capacity to implement an Environmental and Social Management Plan.

More generally, it provides a case for the Green Climate Fund to develop and adopt stringent social and environmental safeguards and an indigenous peoples' policy based on international human rights standards and instruments such as those contained in the UNDRIP, as well as develop effective compliance mechanisms. In particular the recently adopted GCF Monitoring and Assessment Framework should be integrated by envisaging the possibility of supporting community-based monitoring activities and systems. The need for independent compliance and verification mechanisms and stringent monitoring is also evident (monitoring of compliance is currently limited to self-reporting by Implementing Entity).¹⁵ Furthermore, the GCF should establish a dedicated funding window to support indigenous peoples' adaptation and mitigation projects based on traditional knowledge and innovations.

¹⁵ Schalatek, L. "Relief not Jubilation as GCF Board approves the Fund's first eight funding proposals" Heinrich Boell Foundation US, November 17, 2015 <http://us.boell.org/2015/11/17/relief-not-jubilation-gcf-board-approves-funds-first-eight-funding-proposals>.



B.

Safeguards



INDIGENOUS PEOPLES' SUBMISSION ON THE GREEN CLIMATE FUND ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEMS (ESMS)

February 2015

Tebtebba and the Forest Peoples Programme¹ welcome the opportunity provided to submit a note on key elements to be included in the Environmental and Social Management System for its operations.

We believe that a robust, effective, transparent, participatory and rights-based ESMS is key to ensuring that the GCF deliver its potential contribution to climate change adaptation and mitigation while preventing possible impacts on communities and bolstering participatory approaches to achieving climate change solutions.

Therefore, an ESMS needs to be anchored on a solid human rights based approach that acknowledges the relevant risks and opportunities for indigenous peoples and indigenous peoples' vulnerabilities and positive contributions to the achievement of the Fund's goals and purposes.

The joint Civil Society Organizations submission on the ESMS contains a set of proposals for procedures aimed at identifying, assessing and managing social and environmental risks, while defining roles and responsibilities of the various actors and guidelines for monitoring and reporting. In this context, we draw the attention of the Green Climate Fund to ensure that the Fund's ESMS include the following elements

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A. A Social and Environmental Policy and Associated Environmental and Social Standards Aligned to the Highest Standards

The adoption of a social and environmental policy is urgent, considering that the Fund intends to significantly step up its funding portfolio in the coming years. As the GCF prepares to develop its own ESF and move away from the interim use of the International Finance Corporation's Performance Standards, it is important that the GCF use this opportunity to establish the highest standards for the assessment and management of environmental and social risks. This requires alignment with the relevant international standards, including the human rights obligations that borrower states have undertaken to fulfil.

In this context it is worth noting that the Green Climate Fund is a UN-established body intended to support the implementation of commitments made by UN Member States. As such, it is essential that the GCF recognizes and respects relevant UN commitments and standards, ensuring that environmental and social risks are addressed within the framework of international human rights law and standards. Alignment to the highest standards, for a UN body, does not mean adoption of the current status quo among international finance institutions, but leading by example and adoption of the highest international standards found in the UN system.

B. A Social and Environmental Policy, Including the Development and Adoption of a Robust Social and Environmental Safeguard System Based on the Highest Standards and Best Practice and an Indigenous Peoples' Policy

In that context, indigenous peoples propose that the GCF also develops and adopts an Indigenous Peoples' Policy, that would clearly spell out the legal framework, including applicable international human rights standards and obligations as well as criteria and principles that the GCF will follow when dealing with projects and programmes that would have relevance for indigenous peoples. Furthermore, the GCF should commit to contribute to develop the capacity of Accredited or Implementing Agencies to fulfil the highest standards in accordance to international human rights obligations and related safeguards, including the rights of indigenous peoples as stated among others, in the UN Declaration on the Rights of Indigenous Peoples and ILO 169. Other climate funds and international organizations (for instance the EU, or the UN Development Group with its Indigenous Peoples Guidelines) have already adopted indigenous peoples' policies that are aligned to higher standards and the UNDRIP and these are potentially useful precedents to build on.

The Adaptation Fund principle on Indigenous Peoples, for instance, clearly specifies that the Fund should not “support projects/programmes that are inconsistent with the rights and responsibilities set forth in the UN Declaration on the Rights of Indigenous Peoples and other applicable international instruments relating to indigenous peoples.”

We believe this is a key prerequisite that the GCF can also adopt, as initially recommended by the GCF secretariat when developing the initial social and environmental safeguards.²

² http://gcfund.net/fileadmin/00_customer/documents/pdf/GCF_B06_09_Guiding_Framework_for_Accreditation_fin_20140211.pdf.

The need for the adoption of a specific indigenous peoples' policy has been clearly substantiated in a joint FPP-Tebtebba letter to the Board of the GCF, that has been signed by dozens of indigenous peoples' organizations and support groups³ and further reiterated in Tebtebba's submission on the GCF Strategic Plan.

A **GCF policy on Indigenous Peoples** should include the following key elements:

- A requirement for all GCF programmes and projects to follow a human rights-based approach, ensuring that they respect and fulfil obligations and requirements deriving from applicable international human rights obligations and standards relevant to indigenous peoples such as the UNDRIP and ILO Convention 169. Such an approach would require particular attention to indigenous peoples' rights to land, territories and resources, resource use and customary rights and would need a specific provision regarding the Fund's approach to indigenous peoples living in voluntary isolation;
- A commitment to fully respect and adhere to Free, Prior and Informed Consent as an essential element to ensure full and effective participation of indigenous peoples, requiring that such consent is sought and obtained at every stage of a funding cycle.
- Recognition of the need to ensure full and effective participation, engagement and representation of indigenous peoples, at all stages of GCF activities, including in oversight and monitoring;
- Acknowledgement of indigenous peoples' traditional knowledge and traditional ecosystem management systems' and the positive contribution that these make to achieving the goals and purposes of the Green Climate Fund and the ensuing commitment to establish tailored modalities for support of these systems.
- Provision of capacity building opportunities and tools for the GCF Secretariat and NDAs, to enhance understanding of indigenous peoples' perspectives and

³ <http://www.forestpeoples.org/topics/un-framework-convention-climate-change-unfccc/news/2015/11/ipo-letter-gcf-board>.

capacity to comply with international standards and obligations on the rights of indigenous peoples.



C. A Robust Social and Environmental Safeguard System Based on Highest Standards and Best Practice

In order to ensure full compliance with Environmental and Social safeguards, in addition to the measures already envisaged, the Green Climate Fund should:

- Establish a dedicated and properly resourced social and environmental unit.
- Ensure that the current peer review carried out by Independent Technical and Advisory Panel (ITAP) is transparent, and that potentially affected communities can access ITAP and be consulted in turn to ensure independent safeguard peer review; the establishment of an Indigenous Peoples' Advisory Body should also be considered.
- Set up a system of incentives for GCF staff and IEs to apply safeguards and design and implement capacity building activities to support and develop capacity to ensure the proper application and compliance to safeguard, and include these in readiness programmes.
- Establish a process of regular review of safeguards implementation and guidance for improved application and due diligence.
- Require self-reporting by IE be accompanied by information on compliance with safeguards and independent verification supplied by means of participatory local monitoring systems.
- Ensure that the mandate of grievance and complaint mechanisms established both at GCF and country level include indicators to assess safeguard compliance and include avenues to mediation to address harms suffered.

- Ensure full and effective participation of communities in monitoring and assessment, while envisaging opportunities for stakeholders to produce parallel reporting on safeguards application and compliance.



D. A Guidance for the Full and Effective Consultation and Participation of Indigenous Peoples in GCF Activities and Projects at All Levels and an **Operational Protocol for the Effective Application of the Principle of Free, Prior and Informed Consent**

Such guidance should acknowledge the key relevance of indigenous peoples own processes organizations and institutions and right of indigenous peoples to participate through representatives chosen by themselves, in accordance to own procedures and decision-making processes and criteria.

Special emphasis should be put on Free, Prior and Informed Consent (FPIC). In this context it should be noted that the interim GCF ES taken from IFC PS do not align to higher standards on FPIC nor to international obligations and standards as defined—among others—in the UNDRIP. As a matter of fact, IFC PS on FPIC requires FPIC to be obtained in three limited and specific circumstances: a) impacts on land 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; and c) use of cultural resources for commercial purposes. This is an unnecessary and damaging restriction of the requirement to obtain FPIC and should not be repeated in the GCF's own environmental standards.

Furthermore, there is a risk that FPIC be defined by the clients' interpretation, and that its application is restricted only to "adverse impacts", that can be expected on lands and/or natural resources of indigenous peoples. IFC PS also does

not require for involvement of indigenous peoples in social and environmental impact assessments to identify whether there are indigenous peoples present, a step that is needed to establish a trusted relationship necessary for a FPIC process. Confusion between FPIC and Broad Community Support also persists.

A joint analysis of the first project funded by the Green Climate Fund involving indigenous peoples in Peru undertaken by FPP and Tebtebba confirmed some of these concerns advising that the GCF develop and adopt a clear set of procedures to be adopted by the GCF and used as guidance for proper application of FPIC by Accredited Entities.⁴

The Adaptation Fund has defined the conditions and criteria for application of FPIC. We believe these could be good precedents and examples to take into due account in developing a FPIC protocol for mitigation and adaptation projects and programmes supported by the GCF.

Specifically, the Adaptation Fund requires that the Implementing Entity will:

1. Describe how the project/programme will be consistent with UNDRIP, and particularly with regard to Free, Prior and Informed Consent during project/programme design, implementation and expected outcomes related to the impacts affecting the communities of indigenous peoples.
2. Describe the involvement of indigenous peoples in the design and the implementation of the project/programme, and provide detailed outcomes of the consultation process of the indigenous peoples.
3. *Provide documented evidence of the mutually accepted process between the project/programme and the affected communities and evidence of agreement between the parties as the outcome of the negotiations. FPIC does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.*

The UN-REDD has also adopted specific guidelines on FPIC that usefully define important constituent elements of

⁴ http://www.forestpeoples.org/sites/fpp/files/publication/2015/12/briefingpaper-fpic-ippolicy_0.pdf.

FPIC, including what is required of country partners, when is FPIC required, at what level, who seeks FPIC and who gives FPIC as well as guidance on possible FPIC outcomes and subsequent considerations.



E. An Effective, Participatory and Robust Monitoring and Accountability/Compliance Framework that would Include Participatory Approaches such as Community-Based Monitoring and Information Systems (CBMIS)

In its decision B.11/10 the Board of the Green Climate Fund adopted an “Initial Monitoring and Accountability Framework for accredited entities” with the purpose of “ensuring compliance of accredited entities (AEs) with accreditation standards and effective implementation of GCF projects and program.” The decision also allocates the responsibility of implementing projects in compliance with social and environmental safeguards to the Accredited Entity while the Secretariat is responsible for implementing the monitoring and accountability framework.

An effective, participatory M&A framework is essential to ensure that the GCF properly pursues its stated goals, while preventing potential social and environmental harm to the most vulnerable groups and at the same time harness the potential that communities can deliver in contributing to adaptation and mitigation goals.

The initial framework adopted by the Board needs to be further strengthened to ensure full and effective verification of compliance by Accredited Entities which currently relies only on self-reporting by the Accredited Entities. Rather, the Fund should develop guidelines to ensure independent monitoring and verification.

In this context, it is worth recalling that the Initial Monitoring and Accountability Framework for Accredited

Entities envisages the possibility of civil society and local communities providing additional data, information and alerts on the implementation of Environmental and Social safeguards.⁵

Currently the AE is asked to include participatory monitoring involving communities and local stakeholders, while the NDA is encouraged to organize an annual participatory review for project affected communities. This is not sufficient to ensure a truly effective and independent third party and community monitoring that rather should be fostered by envisaging the possibility of indigenous peoples' organizations to directly access a small grant window specifically established by the GCF secretariat, to support the development and implementation of Community-Based Monitoring and Information Systems (CBMIS) by indigenous peoples. CBMIS is a process where indigenous peoples are able to generate information for the analysis, monitoring, and use of the community. It is geared towards community organizing, community empowerment and the realization of indigenous peoples' sustainable, self-determined development.

Community-Based Monitoring and Information Systems can be based on the following principles:

- Rights to land, territories and resources respected, protected and fulfilled;
- FPIC;
- Traditional knowledge, innovation and practices respected, maintained;
- Security of occupations and livelihoods ensured;
- Respect of customary government systems;
- Benefit-sharing;
- Gender and intergenerational dimensions to ensure full and effective participation of women, youth and elders.

Thank you,

⁵ "In addition to these specific inputs, they (civil society and local communities) can provide additional data, information and alerts on the implementation of the Fund's fiduciary standards, ESS and gender policy by the AEs. In this regard, the Secretariat will try to innovate and experiment locally with the use of modern tools like mobile-based technologies. This process will also take into account the up coming development of the Fund's environmental and social management system" http://www.gcfund.org/fileadmin/00_customer/documents/MOB201507-10th/Inf.11_-_Initial_Monitoring_and_Accountability_Framework_for_Accredited_Entities_20150621_fin.pdf.

Signatories:

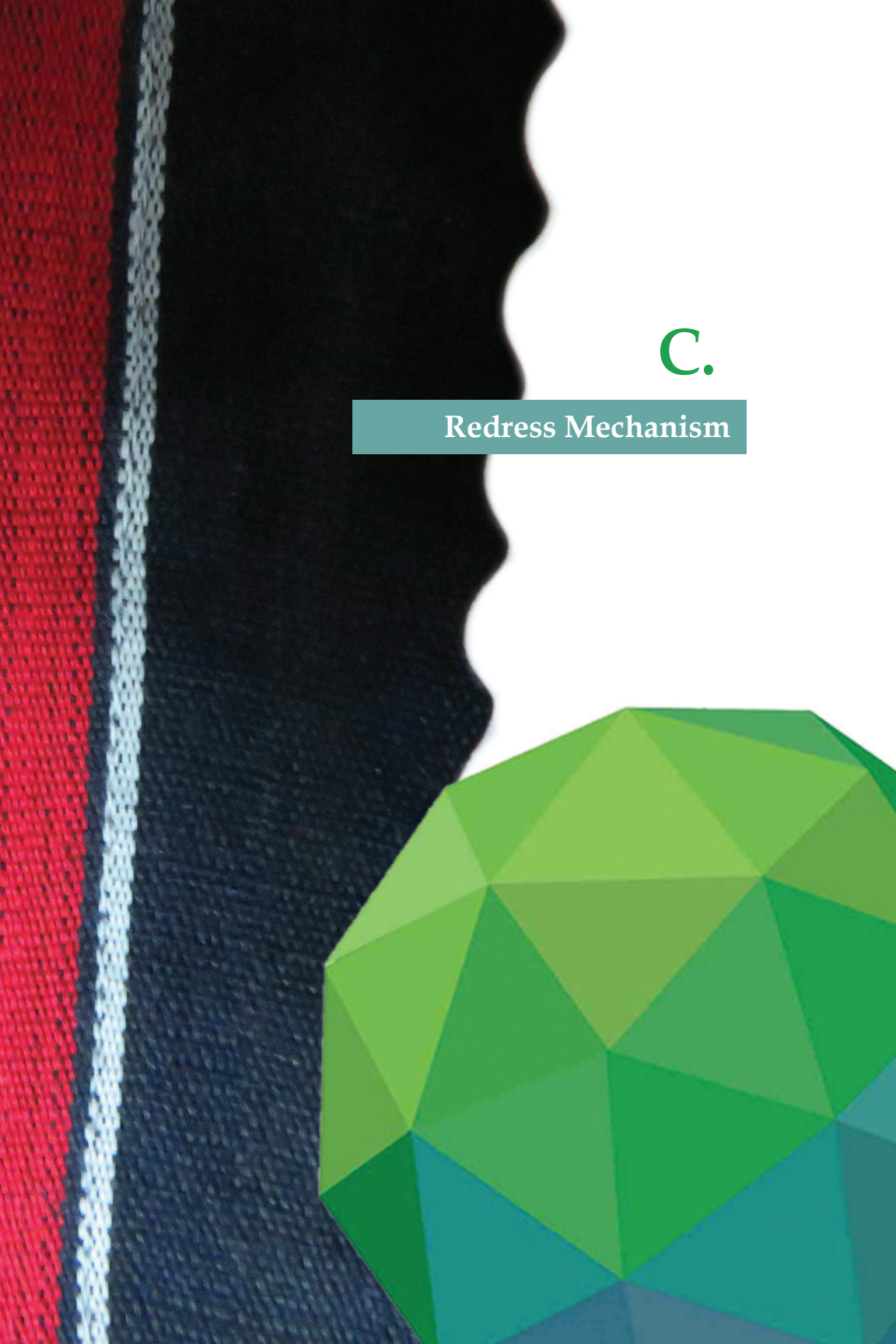
Indigenous Peoples' Organizations, Communities, and
NGO Support Groups and Networks:

1. Adivasi Facilitators Group (AFG), Bangladesh
2. ALMACIGA, Spain
3. Asia Indigenous Peoples' Pact (AIPP)
4. Ateneo School of Government, Philippines
5. Affiliated Tribes of Northwest Indians (ATNI)
6. Bangladesh Indigenous Forum, Bangladesh
7. Bangladesh Indigenous Peoples Network on Climate Change and Biodiversity (BIPNet-CCBD), Bangladesh
8. Batwa Foundation, Rwanda
9. Borromeo Motin, Romblon State University, Philippines
10. Cambodia Indigenous Youth Association, Cambodia
11. Center for Indigenous People's Research and Development (CIPRED), Nepal
12. Center of Indigenous Cultures of Peru (CHIRAPAQ), Peru
13. Centre for Sustainable Development in Mountainous Areas (CSDM), Vietnam
14. Centre of Research and Development in Upland Area (CERDA), Vietnam
15. Centro para la Autonomia y Desarrollo de los Pueblos Indigenas (CADPI), Nicaragua
16. CHT Indigenous Jumma Association Australia (CHTIJAA)
17. Climate Justice Programme
18. Continental Network of Indigenous Women of Americas (ECMIA)
19. Covalima Youth Centre (CYC), Timor Leste
20. Ecological Society of the Philippines
21. Federation for Self-Determination of Indigenous Peoples (FAPI), Paraguay
22. First Nations Summit (Canada)
23. Forests of the World, Denmark
24. Friends of the Earth Malaysia (SAM)
25. Friends of the Earth, US
26. Fundación Ambiente y Recursos Naturales (FARN)

- Argentina

27. Green Community Alliance, Lao PDR
28. Highlanders Association- Ratanakiri, Cambodia
29. Human Rights Foundation, Aotearoa, New Zealand
30. Indigenous Livelihoods Enhancement Partners (ILEPA), Kenya
31. Indigenous Environmental Network
32. Inter-Mountain Peoples' Education and Culture in Thailand Association (IMPECT), Thailand
33. International Council for the Indigenous Peoples of CHT (ICIP-CHT), France
34. International Indian Treaty Council (IITC)
35. International Work Group for Indigenous Affairs (IWGIA)
36. Jharkhandi's Organisation of Human Rights (JOHAR), India
37. Khagrapur Mahila Kalyan Samity (KMKS), Bangladesh
38. La Voix des Jummas, Paris, France
39. Maleya Foundation, Bangladesh
40. National Indigenous Women's Federation (NIWF), Nepal
41. Nationalities Youth Forum, Myanmar
42. Nepal Federation of Indigenous Nationalities (NEFIN), Nepal
43. Network of Indigenous Peoples in Thailand
44. Nga Tirairaka o Ngati Hine, New Zealand
45. NGO-Federation of Nepalese Indigenous Nationalities (NGO FONIN), Nepal
46. Nunavut Tunngavik Inc.
47. Porgera Alliance, Papua New Guinea
48. Promotion of Indigenous and Nature Together, (POINT), Myanmar
49. Rainforest Foundation, Norway
50. RECOFTC - The Center for People and Forests
51. Saami Council
52. Samajik Seva Sadan, India
53. Social Justice Connection, Canada
54. Steve Herz, Sierra Club
55. Third World Network

56. Trinamul Unnayan Sangstha, Bangladesh
57. Uganda Land Alliance, Uganda
58. UNANIMA International
59. Union Pour L'emancipation de la Femme Autochtone (UEFA), DRC
60. Urgewald, Germany
61. Vietnamese Thai Network on Indigenous Knowledge (VTIK), Vietnam
62. William Nicholas Gomes, HR Defender and Freelance Journalist, UK
63. Winnemem Wintu Tribe, US
64. Women Resource Network, Chittagong Hill Tracts, Bangladesh
65. Youth Federation of Indigenous Nationalities (YFIN) Nepal
66. Zabarang Kalyan Samity (ZKS), Bangladesh



C.

Redress Mechanism

INDIGENOUS PEOPLES' JOINT SUBMISSION TO THE CALL FOR INPUT FOR THE ToR OF THE INDEPENDENT REDRESS MECHANISM OF THE GCF

February 2017

Indigenous peoples' organizations and support groups welcome the opportunity to provide comments to the draft Terms of Reference (ToR) for the Independent Redress Mechanism (IRM). The following are our comments and recommendations on some of the key issues raised in the questionnaire provided as guidance for inputs.

We look forward to the next steps in further defining the scope, functions and modalities of operation of the IRM, a crucial instrument to ensure compliance, accountability and quality of GCF projects and programs.



Does the current ToR adequately define who should have standing to bring a complaint to the IRM, and if not how might it be improved?

We recommend two critical changes that are, in our view, needed to improve and broaden the definition of who has standing to bring a complaint to the IRM:

First, the current ToR allow only groups of people that are *already* impacted by the lack of compliance to safeguards to raise a complaint to the IRM. This is not in line with cur-

rent practice in other Redress and Accountability Mechanisms that instead allow complaints from (or on behalf of) people who *may* be affected by a funding entity's activities to raise a complaint. This would help to identify problems at an early stage in order to prevent harm.

Secondly, the ToR speak of complaints and grievances filed by "a group of persons who have been directly affected," but other grievance mechanisms also allow for the circumstances when those that may be affected have their complaint filed by others on their behalf. To address this, adding "or their chosen representatives" would enable affected, or potentially affected, persons to access the mechanism even if circumstances do not allow them to directly petition the mechanism. In doing so a further requirement could be stipulated, that when the complaint is registered by a person or organization on behalf of the affected person(s), that "the claimant must identify the individual and/or people on behalf of who the grievance or complaint is submitted and provide written confirmation by the individual and/or people represented that they are giving the claimant the authority to present the grievance or complaint."



What should the relationship(s) be, between the IRM and similar redress mechanisms of accredited entities and implementing entities, what are the roles, functions and capacities of such redress mechanisms and how best might those be taken into account, in revising the current ToR?

The Green Climate Fund and the accredited and/or implementing entities have distinct responsibilities for the social and environmental performance of the projects funded (in the case of the GCF) and/or implemented by them. The use of one redress mechanism should not create a barrier to access

alternative redress mechanisms by funding entities and therefore the IRM should act in addition to, but not in replacement of, the redress mechanisms already established by accredited entities. The choice of complaint process should rest with the complainant himself or herself, and there should be no barrier to accessing the IRM before exhausting the implementing agency redress mechanism.

The ToR does not say anything about what happens if the affected persons/groups do not accept the Board's decision. At a minimum, it should be clear that use of this mechanism does not prejudice in any way the affected party's accessibility to other remedies and grievance mechanisms (domestic, international, administrative, or judicial) that can still be used by the complainants.

A further challenge that the IRM will face vis-à-vis its relationship with the redress mechanisms of accredited and/or implementing entities is that the GCF has a distinct responsibility to ensure that accredited entities have adopted *and are applying* adequate environmental and social safeguard policies to their projects. This responsibility is implicit within an accreditation system, and the GCF will need to develop systems to assure itself of the social and environmental performance of its accredited entities. This requirement should be included in the mandate of the IRM as it is developed, and form a distinct section of the ToR. Specifically, we are recommending:

- That accredited entities be required to share with the GCF IRM, on an annual basis, any complaints registered that deal with financing received from the GCF. This reporting must include, at a minimum, the complaint claims and the status of the complaint;
- That the GCF be authorized to perform "spot-checks" on projects with significant GCF funding to assure itself of performance "in the field." This would include authority to access and review relevant project documents, whether or not in the public domain.

How best might mediation and conciliation efforts be deployed by the IRM in response to complaints and when and under what circumstances should compliance proceedings be initiated?

The mediation and conciliation as problem solving procedures should be accessible when there is no potential violation of procedures/safeguards. In fact, in many other redress mechanisms, the two issues are delinked: access to mediation and conciliation is not conditional on non-compliance, and non-compliance reviews do not need to be accompanied by mediation.

The current ToR envisage a two-step procedure: first problem solving, then compliance review in case problem solving fails. This sequencing is too rigid. Complainants should be allowed to choose between the two options, and access either, or both, in the order that is most effective or responsive to the complainant. It should be pointed out that other IRMs, such as the Compliance Advisory Ombudsman (CAO) of the IFC, have abandoned the idea of a first stage of problem solving and have de-linked the two functions in this way.

Mediation must also be recognized as a mechanism to seek and achieve an agreed solution (a transparent, collaborative and amicable resolution) to resolving and remediating the concerns of the complainants (in some cases, but not necessarily, linked to a violation of the safeguards). Mediation and conciliation should be available irrespective of a claim that safeguard standards have been violated, and may serve to alleviate the need for further grievance processes. Furthermore, mediation can be used AFTER a violation of the Fund's operational policies and procedures is found. At present, these two functions of the IRM are not clear in the ToR.

What guidelines might be developed on the categories of information that the Head of the IRM might reasonably request from those who are entitled to seek redress from the GCF?

The Fund can refer to current practices in various equivalent mechanisms, such as the CAO. Information in a complaint might include:

- a. Date, name, signature of the affected persons or groups, and whether the claimants wish to keep their identity confidential;
- b. Means for contacting the claimant (email, phone, address, radio signal, other);
- c. If the submission is on behalf of those alleging a potential or actual harm, the identity of those on whose behalf the grievance or complaint is made, and written confirmation by those represented of the Claimant's authority to lodge the grievance or complaint on their behalf;
- d. Description of program or project and of the procedures/guidelines that might have been violated, or might be violated;
- e. Explanation of actual or potential harm, and evidence—also gathered via Community-Based Monitoring and Information Systems, if applicable (see below);
- f. A description, if known, of the individual(s) or institutions allegedly responsible for the risk/harm, the location(s) and date(s) of harmful activity;
- g. Steps that have been undertaken to resolve the problem with the implementing entities and/or GCF;
- h. Changes that the complainant would like to see as a consequence of the complaint.

There is nothing obvious noting how accessibility will be promoted in the process, including the language and form

of communication with the IRM Unit. There is no advice on where and how complaints and grievances will be filed. Must they be in writing, in person, and in what offices? They should ensure that access to the mechanism is in principle made as easy as possible, addressing communities whose access to communications and infrastructure are limited. The ToR also do not address how awareness of the ToR will be generated so all potential affected persons know about the mechanisms and can access it as equally as any other.

What kinds of monitoring activities would be most useful and effective for the IRM to undertake and how should these be reflected in a revised ToR?

As regards local communities and indigenous peoples, the IRM might consider suggesting the GCF Secretariat to support CBMIS participatory monitoring tools in order to integrate local and traditional knowledge, and to complement the current monitoring capacities of the IRM. The information gathered via CBMIS with regard to possible or effective harm caused by lack of compliance to GCF standards or procedures can also complement the information to be produced by the complainant.

In terms of monitoring the implementation of the decisions, the ToR could specify at III.8(f) that the IRM Unit will invite, receive and review comments and observations from the relevant stakeholders (affected persons, responsible implementing agencies, etc.) about the status and progress of implementation of the Board's decisions.

How best can the current ToR be revised to ensure that the IRM helps the GCF improve its safeguard policies and procedures and suggest systemic improvements through proactive investigations and advice?

With respect to complaints and grievances (not requests for review of funding decisions), the ToR currently envisage two roles for the IRM; notably, to make recommendations for remedial measures, and to monitor implementation of remedial measures. They should be complemented in such a way as to clarify that the role of the IRM is also to increase effectiveness and project quality, to respond to peoples' griev-

ances and to contribute to ensuring the highest standards in the GCF operations. This can be done, for example, by participatory monitoring and IRM reporting to the public; identifying possible trends giving rise to emerging conflicts and dispute resolution; and formulating recommendations to improve implementation and application of the social and environmental procedures and policies (in entity accreditation, project development and implementation).

Furthermore, they should specify:

- a. That the IRM ToR and further elaborated procedures needs to be made a part of a stakeholder consultation procedure/guidance;
- b. The potential to discuss progress of the IRM with stakeholders, including evaluating lessons learned;
- c. The requirement that a grievance log be established to register and monitor cases in order to learn specific and wider lessons about grievances;
- d. The obligation of the IRM Unit to publish case studies and guidance for stakeholders, GCF and implementing entities, related to both conflict prevention and grievance and redress as well as lessons learned in improving GCF operations.

In terms of monitoring and transparency of the IRM, the independent integrity unit—or an independent team of individuals appointed by them—should review the work of the IRM periodically. This could be after its first year of operation, and then every two years thereafter. It should provide a publicly available report to the Board, with an evaluation and recommendations for improvements. This team should have access to the IRM reports and files, and authority to access and communicate with claimants and representatives of institutions that have been involved in processes before the IRM, while respecting confidentiality. A further function of evaluation is also required to ensure an effective IRM enabling continuous learning. It would examine cases that have come before it, have a process for identifying lessons learned and ways to improve and prevent future grievances and harms.

A grievance mechanism should be **predictable** outlining clear, transparent, and well-known procedures with a specified timeframe for each stage, and clarity on the kinds of processes and outcomes which are available. There is currently no explanation of the possible outcomes. These do not need to be exhaustive, but should be illustrative, e.g., modification of project, cancellation of activity, suspension of funding upon conditions, etc. Also, there are no time frames stipulated. There are no clear obligations on the part of the IRM Unit to log, acknowledge and track the grievance or complaint (within a specified time-period) and keep the relevant parties updated as to progress of the complaint or grievance. For instance, a claimant should know that within [x] days the Unit will acknowledge receipt of their grievance and complaint and they should know how long it will take before a decision/recommendations are made. If all of this is to be elaborated in the so called “detailed guidelines and procedures” referenced in V.14 of the existing ToR, then there should at least be a commitment to also consult upon these with stakeholders.

Regarding requests for reconsideration of funding decisions in section II (which may have an effect on communities and stakeholders), there is nothing in the ToR that suggests any involvement of potential stakeholders other than the entity seeking accreditation. For instance, there is no mechanism by which the IRM might also receive reports and inputs from potential stakeholders that have cause to believe that the entity will not, or has not, upheld its obligations under prior applicable policies, safeguards and procedures. This would require that in the logging, acknowledgment and tracking of such requests (per II.3 of the existing ToR), notice of the request for reconsideration would have to be posted somewhere; made available to the public.

With respect to the consideration of requests (per II.4 of the existing ToR), it should be specified that the goal is to address the “request to bring about a satisfactory, **collaborative**, and amicable resolution of the process” (this collaborative approach with all concerned should be specified in III.8(c) as well).

Further on accessibility, transparency, and to promote legitimacy of the mechanism, ongoing learning, and predictability in its mechanisms, it should be specified in the ToR what should be contained in the proposed annual report. For instance, it should be specified that the report should describe thoroughly the work of the IRM Unit. This includes: listing the number and nature of accreditation review requests, and grievances and complaints received and processed in that year, including dates and descriptions of the complaint or request; decisions made (and reasoning for the same); solutions and recommendations proposed; and referrals and ongoing efforts, including the status of the implementation, where applicable. Of course, the level of detail can be tailored depending on the nature of the request, grievance or complaint (e.g., being resolved, outstanding, subject to confidentiality issues), but always balancing the need for transparency. The report should also make an effort to examine and highlight key patterns or trends that the Unit has observed based on their experiences with respect to emerging grievances and conflicts and mechanisms for dispute resolution (mediation, local conciliation efforts, etc.). In its report the Unit should make recommendations regarding:

- a. Measures that can be taken by the Fund, and the implementing agencies, to avoid future violations of applicable procedures and policies and—more importantly—to avoid harms; and
- b. Possible improvements to the way the IRM functions so as to increase its capacity, credibility and legitimacy in the eyes of those that would access it, and its overall effectiveness, predictability, transparency and accessibility.

Independence: The Board approves the Unit's prepared budget and selects the IRM Unit, and oversees its work. This can give the appearance of a lack of independence. Some suggestions to address this are that:

- a. The Board approves the Unit's prepared budget, but said approval *should not be unreasonably withheld*;
- b. The ToR for the Head of the Unit (the required experience and qualifications) should be drafted with input

from stakeholders; the call for applicants made public; and perhaps the names and biographies (at least of the short list) should be made public with solicitations for comments/observations. As well as these measures, or as an alternative, it can also be considered that a search and selection committee of the Board be established and include (at least as advisors) several stakeholder representatives (such as implementing agency partners, individuals representative of potential affected parties, etc.).

Signatories:

1. Asia Indigenous Peoples' Pact
2. Asian Indigenous Women's Network
3. Centro de Culturas Indígenas del Perú (CHIRAPAQ)
4. Centro para la Autonomía y Desarrollo de los Pueblos Indígenas, Nicaragua
5. Centre of Research and Development in Upland Areas (CERDA), Vietnam
6. Center for Indigenous Peoples Research and Development, Nepal
7. Forest Peoples' Programme, UK
8. Indigenous Livelihoods Enhancement Partners (ILEPA), Kenya
9. International Work Group for Indigenous Affairs, Denmark
10. Institut Dayakologi, Indonesia
11. Lelewal, Cameroon
12. Maleya Foundation, Bangladesh
13. Silingang Dapit Southeastern Mindanao (SILDAP), Philippines
14. Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education)
15. Union Pour l'Émancipation de la Femme Autochtone (UEFA), DRC



D.

Full and Effective
Participation

INDIGENOUS PEOPLES' SUBMISSION ON THE REVIEW OF OBSERVERS' PARTICIPATION TO THE GCF

Tebtebba Foundation

August 2016



Introduction

Indigenous peoples welcome the opportunity provided by the request for inputs on the review of Observer Participation with a view to identifying existing gaps and needed improvements, related to observer participation, accreditation of observer organizations and participation of active observers in activities and meetings of the board and to ultimately present a report with recommendations on the outcomes of the review for consideration by the Board no later than its fifteenth meeting¹ as mandated in decision B.01-13/03.

While we are fully aware that the objective of the review is less about expanding the range of active observers (by constituency or otherwise), than its enhancing the participation of current active observer, we still wish to convey our views to the Board and Secretariat. We believe that the lack of recognition of indigenous peoples as active observers in the Green Climate Fund is an anomaly, especially given our potential contribution to climate change adaptation and mitigation through our indigenous knowledge systems and traditional occupations with low carbon foot prints, and vulnerability to both direct negative impacts of climate change and unsafe-guarded response measures.

¹ Decision of the Board on Terms of reference for the review of observer participation
- B.BM-2016/11.

Promote And Enhance Coherence With Other Climate Funds That Recognize Indigenous Peoples' Active Observer Status

By not acknowledging the status of indigenous peoples as active observers, the GCF has not aligned to best practice, a situation that requires some analysis and reflection in the course of the review. Under the paragraph "Points to guide the review": "Policy and practice of formal observer engagement and representation as well as comparable approaches undertaken by peer institutions and international best practice."² It is essential that the GCF promote complementarity and coherence with other multilateral mechanisms and processes that have established a dedicated active observer seat with indigenous peoples, namely—Green Environmental Facility (GEF), World Bank's Climate Funds i.e., FCPF, Carbon Fund, Climate Investment Funds and the UN-REDD+ Collaborative initiative (FAO, UNDP & UNEP). While the UNFCCC processes recognizes nine observer constituencies, including indigenous peoples as distinct, spate constituency, the cited multilateral mechanisms do recognize indigenous peoples and may be not the entire nine.

However, we are fully aware that in the lack of a COP decision on the matter, that we have and will continue to advocate for at UNFCCC level, indigenous peoples' opportunities to actively engage with the GCF can still be enhanced on an interim basis pending a COP decision, by various means.

For instance, under c) Participation of active observers in meetings of the Board (i) Observer constituency representation arrangements; (ii) The role of alternate active observers, the review can explicitly assess the possibility of ensuring proper rotation of seats for indigenous peoples observers to act as active observers within the recognized constituencies and in occasion of Board discussions that have a particular relevance for indigenous peoples.

The review should therefore consider how the role of alternate active observers could be strengthened to better

² Ibid, paragraph on points to guide the process IV a(i).

support the representation of diverse constituencies, including, “by formally recognizing alternate active observers and allowing them into the Board room.” The GCF should also assess the modalities required to recognize indigenous peoples as a separate constituency, in line with UNFCCC and GEF practice.



Recognition of Indigenous Peoples as a Separate Constituency

As regards constituency representation, the review should address whether the current allocation of active observers enables them to effectively represent their diverse constituencies. While the GCF only recognizes two observer constituencies—civil society and private sector—the UNFCCC recognizes nine. However, it should be noted that the UNFCCC initially started out with just two constituencies—business and industry, and environmental NGOs. Because of the recognition of the diversity of concerns represented, UNFCCC constituencies now also include local government and municipal authorities, Indigenous Peoples Organizations (IPO), research and independent NGOs, trade union NGOs, farmers and agricultural NGOs, women and gender NGOs, and youth NGOs. The review should consider possible expansion of GCF constituency representation, with consideration of active observers for indigenous peoples given priority consideration.



Assess International Best Practices and Standards, as well as Alignment Modalities for the GCF to Align

More broadly, with the GCF as a learning institution committed to international excellence and innovation, we recommend that the ToR consider:

- How policy and practice of observer participation at the GCF align with international best practice and standards, including the Principle 10 of the Rio Convention: “Environmental issues are best handled with participation of all concerned citizens, at the relevant level. At the national level, each individual shall have appropriate access to information concerning the environment that is held by public authorities, including information on hazardous materials and activities in their communities, and the opportunity to participate in decision-making processes. States shall facilitate and encourage public awareness and participation by making information widely available. Effective access to judicial and administrative proceedings, including redress and remedy, shall be provided.”³
- How policy and practice of formal stakeholder consultation—at the Board level and in-country—compare with peer institutions and international best practice.
- The adequacy and timeliness (in line with the requirement under the Board’s Rules of Procedure and its updated information disclosure policy) of the availability of Board documentation—before, during, and after Board proceedings, including formal and informal Board meetings, Board committee deliberations and between meetings decisions.



Indigenous Peoples’ In-Country Engagement

A guiding principle in the GCF’s Governing Instrument is that “The Fund will pursue a country-driven approach and promote and strengthen engagement at the country level through effective involvement of relevant institutions and stakeholders.” As the Board shifts its focus to consideration of specific funding proposals and accreditation applications, it will become increasingly important that this principle is

³ The policy and practice of observer participation at the GCF can also refer to the Aarhus Convention on access to information, public participation in decision-making and access to justice in environmental matters (www.unece.org/fileadmin/DAM/env/pp/documents/cep43e.pdf) as well as the Almaty Guideline on public participation in international forums (<http://www.unece.org/fileadmin/DAM/env/documents/2005/pp/ece/ece.mp.pp.2005.2.add.5.e.pdf>).

given full effect. The quality of CSO-Board engagement, and ultimately the quality of the decisions the Board takes on these issues will depend more on the information that comes to the Board through “effective involvement of relevant institutions and stakeholders” at the country level.”

For this reason, the review also should consider the following issues related to in-country observer participation:

- Nature and quality of engagement—both qualitative and quantitative—of NDAs/focal points and accredited entities with stakeholders within developing countries, including affected communities, indigenous peoples, women and other marginalized groups, civil society, local private sector, and local government. This should include assessments of proactive comprehensive outreach to stakeholders in-country by NDAs/focal points and accredited entities and explore whether best practices such as the country coordinating mechanisms (CCM) of the Global Fund to Fight AIDS, TB and Malaria could be a model for NDAs/focal points. For example, civil society stakeholders in-country should be informed about project proposals and given a minimum of 30 days for opportunities to provide comments directly to the NDA/FP before the NDA/FP issues a letter of no-objection.
- The review should also consider the development of a GCF toolkit on best-practice country coordination experiences, to help NDAs/FPs move beyond the broad guidelines established by the Board under country ownership.
- Availability of and ease of access to information in-country about the GCF, NDAs/focal points, and accredited entities—via electronic and non-electronic mechanisms. Such information should be made available with ample time and in local languages to give room for civil society stakeholders’ inputs. English language and outreach primarily via internet are potential obstacles to stakeholder engagement.
- The GCF should also assess the possibility and modalities to introduce specific indicators at country level to ensure that indigenous peoples’ rights are fully enhanced, recognized and respected.



E.

Reducing Emissions from
Deforestation and Forest
Degradation+ (REDD+)
and Results-Based
Payment (RBP)

INDIGENOUS PEOPLES' LETTER TO THE GCF BOARD B. 14

1 October 2016

The Green Climate Fund Board
Songdo, South Korea

Dear Board Members:

We take the liberty of writing to you with reference to the imminent Board discussion on some key issues related to modalities for the implementation of the Paris Agreement with particular focus on REDD+ and in particular related to the operationalization of the Results-Based Framework. This is a key topic that has also implications for other important policy debates such as that on the Environmental and Social Safeguards, the ESMS and the other forests-related discussions that will be held in the next B15 meeting in December. With this letter, we wish to convey our concerns and recommendations on a matter that is of crucial relevance for us, given the central role that forests play for our livelihoods and survival, since any decision on RBP at B.14 will also set a precedent for further forests-related decisions and activities the Fund intends to pursue in the future.

Indigenous peoples have been engaged in the years of negotiations that led to the various REDD+ related decisions at the UNFCCC level, with particular focus on safeguards, and have been following various processes that are meant to provide

options for the operationalization and implementation of the UNFCCC guidance on REDD, such as the UNREDD, FIP and FCPF.

On the basis of our previous engagement in these processes as well as of good practice and lessons learned from the field on how REDD+ can potentially affect our lands and rights, or possibly open space for possible benefits, indigenous peoples wish to reiterate that any activity on REDD+, and in particular on Results-Based Payments needs to be anchored to a solid rights-based framework and approach.

As the GCF is now working to develop modalities for support of Results-Based Payments, and intends to address the contribution of forests in adaptation and mitigation as modalities to support and implement the Paris Agreement, indigenous peoples wish to voice concerns and proposals to ensure that these actions be fully aligned with international human rights and indigenous peoples' rights standards and instruments, as well as relevant UNFCCC provisions on REDD+ safeguards.

Furthermore, in order for the Green Climate Fund to effectively enable indigenous peoples to contribute to the Fund's stated goals, effective and high-level safeguards need to be accompanied by a robust Indigenous Peoples' Policy or equivalent framework based on relevant and applicable international standards and instruments on indigenous peoples' rights such as the UN Declaration on the Rights of Indigenous Peoples. Such policy or equivalent framework should not only spell out the "preconditions," such as the recognition and respect of the rights to land, territories and resource, but also the positive actions and enablers to ensure that indigenous peoples' contribution by means of traditional knowledge and livelihoods is fully acknowledged and ensured.

Results-Based Payments, REDD+ and the need to adopt high-level safeguards on indigenous peoples' rights in line with international obligations and standards such as the UN Declaration on the Rights of Indigenous Peoples

The Fund's intention to speed up the operationalization of Results-Based Payments and REDD+ is a matter of concern,

for the reasons explained above, and for the insufficient level of information and consultation with indigenous peoples thus far.

We understand that the Fund intends to build up on the REDD-plus logic model and performance measurement frameworks for ex post REDD+ Results-Based Payments adopted at its eighth meeting. However, such model is almost exclusively based on measurement of carbon, while omitting key issues related to rights, governance, and non-carbon benefits that are crucial to ensure that REDD+ effectively contributes to a paradigm shift in forest management and conservation.

As a matter of fact, as noted by the REDD+ Safeguards Working Group, the logic model and performance measurement framework, by not properly acknowledging the relevance of non-carbon benefits “neglects the Warsaw Framework reference to non-carbon benefits” and falls short of recognizing that some of the key potential outcomes and deliverables for REDD+ are conditional to the recognition of land tenure and land rights, proper governance, and full respect of social, environmental and human rights safeguards.

The logic model and performance measurement framework only refer to safeguards with reference to a Safeguards Information System that is expected to provide information on how safeguards are respected and not the extent to which these are addressed and whether these are effectively respected. This is a major shortcoming and just a minimum requirement that falls short of identifying the required modalities to ensure that support to RBP by the GCF is fully compliant and in respect of the REDD+ Cancun Safeguards and further iterations.

Such concerns are confirmed and the urgent need for a solid and effective safeguards system and related monitoring and compliance framework further corroborated by the findings of recent evaluations of the Carbon Fund and RBP projects done by the Rights and Resources Initiative (RRI) and Environmental Investigation Agency (EIA). The two reports point to serious shortcomings in governance related matters as well as to the lack of recognition of the importance of land

rights and land tenure for effective REDD+ implementation and the lack of adequate engagement of locally-affected populations and vulnerable groups in key processes.

Therefore, before proceeding to the operationalization of RBP, or approving REDD+ projects, the Fund will have to first develop, adopt and operationalize environmental and social safeguards that are based on highest standards and criteria, such as those developed by some REDD+ initiatives as a follow-up to the Cancun Agreement.

As a matter of fact, the Cancun Agreement and relevant REDD+ safeguards offer a good base to develop—as an important contribution to the development of a broader Indigenous Peoples' Policy—a safeguard framework for the planned GCF actions in Results-Based Payments and REDD+.

In some cases, the REDD+ Safeguards in the Cancun Agreement have been followed up by high-level operational guidance and principles that, while based on these, do in fact upgrade and align them to higher standards. This is the case, among others, with the REDD+ SES (Social and Environmental Standards) of the CCBA (Climate Community and Biodiversity Alliance) or—as regards to the Free, Prior and Informed Consent and the engagement and participation of indigenous peoples in REDD+—the UN-REDD Guidelines for Free, Prior Informed Consent, the related “legal companion,” and UN-REDD guidance on the engagement of indigenous peoples.

The GCF should also recognize the importance of ensuring non-carbon benefits, such as biodiversity conservation, land tenure, governance, food security and ecosystems integrity, as further reiterated in the Paris Agreement. Land rights are also a key issue not only as regards REDD+ but also when dealing with broader land-based mitigation and subsequent RBP activities. The GCF might also refer to the FAO Voluntary Guidelines on Land Tenure as a guiding document to inform the implementation and evaluation of land-based RBP and mitigation projects.

Furthermore, such enhanced safeguard system needs to be anchored to an effective Environmental and Social Management

System. The GCF was expected to discuss its ESMS at the B14 meeting, and this would have offered the occasion to ensure that the ESMS is tailored to the need to ensure a high-level rights-based safeguard system for RBP and other GCF funded activities. This is particularly important for high-risk projects that should not be approved until an ESMS, an enhanced safeguard system and an indigenous peoples' policy are adopted and operationalized. Nevertheless, it is our understanding that the ESMS will not be discussed in B14 and hence the funding proposals presented for approval at B14 will not be informed by a proper system of safeguards other than the provisional ESS, notably the IFC PS, that are inadequate to fully assess the implications of projects involving indigenous peoples or the ecosystems we depend on, such as forests. This is a matter of serious concern to us, since it will be the third time that the Board approves funding proposals under a provisional system of interim safeguards.

The need for an Indigenous Peoples' Policy, a rights-based Environmental and Social Safeguards System and a rights-based ESMS

Indigenous peoples have repeatedly called, on to the GCF to develop and adopt an Indigenous Peoples' Policy in line with what other climate funds and initiatives have done, such as the Adaptation Fund. It should be recalled here, for instance that the Adaptation Fund in its Social and Environmental Policy makes explicit reference to indigenous peoples, and in particular specifies that the Fund “should not support projects/programmes that are inconsistent with the rights and responsibilities set forth in the UN Declaration on the Rights of Indigenous Peoples and other applicable international instruments relating to indigenous peoples.” A similar provision was also suggested by the GCF Secretariat in occasion of the elaboration of the GCF Interim Safeguards system and should be reintroduced in the final definition of the GCF ESS.

Beyond a “do-no harm” approach, it should also be noted that the GCF does not have any policy in place to “do good” as regards indigenous peoples' possible contribution to the Fund's

stated goals and objectives.

In light of the above, the GCF should develop and adopt an Indigenous Peoples' Policy or an equivalent framework as matter of urgency, in such a way that indigenous peoples are fully engaged and consulted. The key elements of a GCF Indigenous Peoples' Policy and an additional FPIC Protocol, have already been spelled out in a joint FPP-Tebtebba submission on the GCF Environmental and Social Management System, as well as in an Indigenous Peoples' Organizations' joint letter to the GCF Board in November 2015.

We wish to reiterate, however, that when developing an ESMS, the Fund will have to commit to mainstream capacity building activities in Readiness programs that would enable recipients to ensure full country ownership by facilitating proper engagement and contribution of indigenous peoples in multistakeholder engagement processes. By doing so, the Fund would offer a key contribution to develop the capacity of accredited entities or implementing agencies to fulfill the highest standards in accordance to international human rights obligations, and related safeguards including the UN Declaration on the Rights of Indigenous Peoples and ILO Convention 169.

In the light of the above, the signatory indigenous peoples' and support organizations urge the Board and the GCF Secretariat to fully acknowledge our concerns and consider our recommendations at B14 and in further policy developments leading to B15. A delegation of indigenous peoples will be present in Songdo and will be keen to meet and discuss these matters in person.

Signatories:

1. Alliance of Community Co-operatives of Ethnic Groups (ACCES), Vietnam
2. Africa Indigenous Women Organization (AIWO), Kenya
3. Asian Indigenous Women's Network
4. Asia Indigenous Peoples' Pact
5. Caritas Philippines
6. Center for Indigenist Development in the Philippines (CIDEv-Phil)
7. Centro de Culturas Indígenas del Perú (CHIRAPAQ)
8. Centro para la Autonomía y Desarrollo de los Pueblos Indígenas, Nicaragua
9. Centre of Research and Development in Upland Area (CERDA), Vietnam
10. Center for Indigenous Peoples Research and Development, Nepal
11. Chepkitale indigenous People Development Project (CIPDP), Kenya
12. Climate Justice Programme
13. Cordillera Disaster Response and Development Services, Philippines
14. Centre for Sustainable Development in Mountain Area (CSDM), Vietnam
15. Cultural and Development Society (CDS), Bangladesh
16. Dignité Pygmée (DIPY), DRC
17. Federación por la Autodeterminación de los Pueblos Indígenas (FAPI), Paraguay
18. Friends of the Earth, United State of America
19. Forest Peoples' Programme, UK
20. Indigenous Forest Peoples, Kenya
21. Indigenous Information Network (IIN), Kenya
22. Indigenous Livelihoods Enhancement Partners (ILEPA), Kenya
23. Indigenous Peoples' Biocultural Climate Change Assessment (IPBCCA)
24. Indigenous Peoples' Working Group on REDD+, Cambodia
25. Institut Dayakologi, Indonesia

26. International Alliance of Indigenous and Tribal Peoples of the Tropical Forests (IAITPTF)
27. International Forestry Resources and Institutions
28. KADUAMI - Regional Development Center - Northern Luzon, Philippines
29. Lelewal, Cameroon
30. Maleya Foundation, Bangladesh
31. Mindanao Peoples' Peace Movement, Philippines
32. National Secretariat for Social Action (NASSA), Philippines
33. Narasha Community Development Group, Kenya
34. Nepal Federation of Indigenous Nationalities, Nepal
35. Ogiek Welfare Council, Kenya
36. Ogiek Peoples Development Program, Kenya
37. People Development Institute, Philippines
38. Pikhumpungan Dlibon Subanen Inc., Philippines
39. Programa Regional de Investigación sobre Desarrollo y Medio Ambiente (PRISMA), El Salvador
40. Promotion of Indigenous and Nature Together (POINT), Myanmar
41. Raymond Marvic Baguilat - Philippines
42. Samdhana Institute
43. Sengwer Indigenous Peoples' Programme (SIPP), Kenya
44. Sengwer of Embobut Community, Kenya
45. Sibol ng Agham at Teknolohiya (SIBAT), Philippines
46. Silingang Dapit - Southeastern Mindanao (SILDAP), Philippines
47. Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education), Philippines
48. Third World Network, Malaysia
49. Timuay Justice and Governance (TJG), Philippines
50. Transparency International, South Korea Chapter
51. Union Pour l'Émancipation de la Femme Autochtone (UEFA), DRC
52. Vietnamese Indigenous Knowledge Network, Vietnam
53. Youth Federation of Indigenous Nationalities, Nepal



F.

General Issues

LETTER TO THE GCF BOARD B. 11

October 22, 2015

The Green Climate Fund Secretariat and Board
175, Art Center-Daero, Yeonsu-gu
Incheon 406-840,
Republic of Korea

Dear Green Climate Fund Secretariat and Board Members,

Your upcoming meeting in Zambia will be a crucial one for the history and future of the Green Climate Fund. You will be discussing key policy issues such as the information disclosure policy and the monitoring and accountability framework for accredited entities, two important tools to ensure transparency, participation and accountability. You will also decide the first projects to be funded by the Fund, therefore providing the first opportunity to verify the effectiveness and efficiency of the GCF procedures and interim policies.

One of the key prerequisites for successful implementation of adaptation and mitigation projects by the Fund is the full effective engagement and consultation with all stakeholders, including indigenous peoples. Effective consultation, and engagement of stakeholders are fundamental to ensure “country ownership.” However, in this context, we, indigenous peoples, would like to bring to your attention our concerns regarding

the use of the terms “country ownership” and “multi-stakeholder engagement.”

While we are generally supportive of the GCF’s mandate to assist developing countries in adaptation and mitigation practices to counter climate change, some of the details both in mission and operations need a great degree of clarification before the fund goes into the project approval stage. We are asking the fund to adopt the best and the most transparent practices as well as match operative terms to appropriate actions.

First of all, we would like to point at the limited scope of the term “country ownership” in the context of the GCF. The Governing Instrument for the Green Climate Fund provides that: “The Fund will pursue a country-driven approach and promote and strengthen engagement at the country level through effective involvement of relevant institutions and stakeholders.” The Business Model Framework decision text from B04/04 reads: “country ownership is loosely defined as a goal of placing maximum responsibility for the development of national programmes and, the management and oversight of resources, at country-level, by a multiplicity of stakeholders and implemented through national government bodies and other public, non-governmental, or private entities.”

However, we note that a simple reference to “multistakeholder” engagement cannot satisfy or guarantee the effective participation of indigenous peoples. This is true for a number of reasons, the first being that we, indigenous peoples, due to our specific situation, are “rights-holders” and our rights to self-determination, land, territories and resources, traditional knowledge, Free Prior and Informed Consent are recognized by the international law, as enshrined in the ILO 169 Convention and the UN Declaration on the Rights of Indigenous Peoples. Secondly, our experiences with the so-called “multi-stakeholder dialogues” show that these approaches do not necessarily recognize our specific status, nor they address the asymmetries in accessing the resources and capacities needed to engage at the same level of other stakeholders.

This concern is further compounded by the fact that according to the GCF policies, ensuring “country ownership” would be the sole task of NDAs or focal points, notably governments that in many cases do not even recognize our existence as indigenous peoples and our rights as defined by international standards and instruments. It would be up to governments and implementing agencies to ensure the full consultation with stakeholders at various levels, from the definition of the country priorities to the development of the AMAs, (that in fact should incorporate stakeholder input), as well as ensure adherence to GCF fiduciary standards and envisage a dispute resolution procedure. Hence it would be solely up to the government or the implementing entity to ensure that indigenous peoples are effectively consulted and our contributions and proposals based on our traditional knowledge are properly considered. However, the procedures envisaged by the Fund to verify that these consultations are effectively carried out do not seem to ensure full accountability.

As a matter of fact, even though multi-stakeholder participation is core to country ownership and the GCF’s mandate overall, unfortunately, there is no mandatory and binding language on multi-stakeholder engagement. Instead, we only have “initial best-practice options for country coordination and multi-stakeholder engagement,” as referenced in Decision B.08/10 from Barbados and laid out in Annex XIV of the Barbados decision document. The relevant decision text from B.08/10 reads:

(d) Endorses the initial best-practice options for country coordination and multi-stakeholder engagement, set out in Annex XIV noting that the specific guidance on multi-stakeholder engagement in the context of the developing of funding proposals will be included in the Fund’s environmental and social safeguards;

(e) Urges developing countries, as well as entities in a position to provide readiness and preparatory support, to take into account the best-practice guidelines for the establishment of national designated authorities and focal points and the best-practice options for country coordination and multi-stakeholder engagement endorsed in this decision.

Therefore, as representatives of indigenous peoples, we are requesting to provide a proper definition of country ownership, and in order to achieve true country ownership, to adopt mandatory and binding language on multi-stakeholder engagement that provides the space for consultations with various stakeholders including indigenous peoples.

“True country ownership” also depends on full, effective and timely access to culturally appropriate information. In regards to the information disclosure policy that will be under consideration during the upcoming board meeting, this should include relevant provisions to ensure that indigenous peoples are fully and effectively consulted, and engaged. Timely and culturally appropriate information is also critical to ensure the principle of Free, Prior and Informed Consent of indigenous peoples in regards any activity that would occur in our lands and territories.

Chapter V of the The Information Disclosure Policy states that “While the GCF is committed to disclosing as much information as possible, the effective functioning of the GCF requires it to protect certain types of information by identifying the harm that disclosure of the relevant information could cause to the interests protected by the exceptions.”

While we recognize the need to protect certain information that may jeopardize the interests of certain parties, we also believe that in order to duly respect our right to full and effective participation and Free, Prior Informed Consent, a presumption of disclosure should be adopted for information that has implication on indigenous peoples and other stakeholders. For instance, given the key role of Implementing Entities in ensuring the respect of GCF interim social and environmental standards, the name of entities seeking accreditation should be disclosed in advance to enable a proper assessment of their track record and capacities.

Another issue of concern is direct access to finance for indigenous peoples. We believe that in order to be able to offer our contribution and solutions based on our traditional livelihoods and knowledge, direct access to financing for indigenous peoples should be ensured. We are fully aware of the modalities

in which direct access is dealt with by the GCF where NDAs and focal points has the key role, with all the implications that have been described above. However, we are also aware that NDAs and focal points were asked by the Board (9th Board meeting) to select appropriate entities for pilot phase of EDA, that would directly support communities and SMEs.

GCF B.09/05 Terms of Reference for EDA pilots (Annex II sect. II and IV) offer an opportunity for IPs to apply for EDA since one of the ToRs is:

- “support small scale activities with local actors that directly address needs and benefits of vulnerable people and communities.”

The Requests for Proposals (RFP) will be made operational with bids early next year. The Board, also taking into account that indigenous peoples' contribution to adaptation and mitigation is being acknowledged at various levels, including the UNFCCC, might want to signal to NDAs that these requests for Proposals envisage the possibility of indigenous peoples to be effective and actively engaged from project design, to development and implementation, envisaging the possibility for us to present our own proposals.

Distinguished Board Members, we indigenous peoples, have a long standing experience in engaging as active observers and in policy dialogues with international financial institutions and climate funds. This far our capacity to engage with the Fund has been very limited because indigenous peoples are not recognized as a separate constituency as the case is in the UNFCCC nor do we enjoy active observer status. Our capacity to fully and effectively engage is also undermined by limited resources to support participation of indigenous observers in the GCF's board meetings and regional preparatory meetings. Further, there are no mandatory requirements for NDAs, focal points or IEs to fully and effectively engage indigenous peoples in accordance to international human rights standards and instruments.

On the basis of the above, we urge the Green Climate Board to:

- a. Develop and adopt stringent criteria to ensure the effective engagement, consultation and participation of indigenous peoples both in the GCF activities and at country and regional level (such as with the National Designated Authority and the Implementing Entities);
- b. Develop and adopt an Indigenous Peoples' Policy, that would contain provisions and criteria aimed at the implementation of international human rights standards and obligations such as the ILO 169 and UNDRIP;
- c. Produce a report on the extent to which NDAs have this far engaged with indigenous peoples and other stakeholders in developing their country priorities and providing no-objection for accreditation of accredited entities;
- d. Ensure disclosure of information that has implication to indigenous peoples and other stakeholders. The name of entities seeking accreditation should be disclosed in advance to enable a proper assessment of their track record and capacities;
- e. Instruct NDAs and IEs to ensure that indigenous peoples are given the opportunity to directly access financing under the pilot Enhanced Direct Access program and propose adaptation and mitigation projects based on traditional knowledge and livelihoods. On the basis of an assessment of such pilot projects, and of precedents in other climate financing bodies, the Board should then develop criteria and modalities to establish an indigenous peoples direct access fund or financing window.

We finally call on you to provide an opportunity for an open dialogue and exchange of views and sharing of experience on the potential contributions that indigenous peoples can provide in mitigation and adaptation as well as on how crucial policy challenges around indigenous peoples and the obligation to respect our rights can be addressed and solved. Such an exchange could take the form of a workshop for Board members in occasion of one of the upcoming Board meetings.

Looking forward hearing from you as we send this letter.

Thank you,

Indigenous Peoples' Organizations and Networks and Support Groups:

1. Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education)
2. Forest Peoples' Programme (FPP), UK
3. Aliansi Masyarakat Adat Nusantara (AMAN - The Indigenous Peoples Alliance of the Archipelago), Indonesia
4. Centro para la Autonomía y Desarrollo de los Pueblos Indígenas (CADPI), Nicaragua
5. Centre of Research & Development in Upland Areas (CERDA), Viet Nam
6. Centro de Culturas Indígenas el Perú/Center of Indigenous Cultures of Peru (CHIRAPAQ), Peru
7. Continental Network of Indigenous Women of the Americas (ECMIA)
8. International Working Group on Indigenous Affairs (IWGIA), Denmark
9. Dignité Pygmée (DIPY), Democratic Republic of Congo
10. Asamblea Mixe para el Desarrollo Sostenible (ASAM-DES), Mexico
11. Sami Council of the Arctic Region
12. International Indian Treaty Council (IITC)
13. Silingang Dapit sa Sidlakang Mindanao (SILDAP-South Eastern Mindanao), Philippines
14. Indigenous Livelihoods Enhancement Partners (ILEPA), Kenya
15. Mainyoito Pastoralists Integrated Development Organization (MPIDO), Kenya
16. Center for Support of Indigenous Peoples of the North (CSIPN)
17. Association des Femmes Peuples Autochtones du Tchad (AFPAT)
18. Network for Indigenous Peoples of the Solomons (NIPS), Solomon Islands
19. Porgera Alliance, Papua New Guinea
20. Maleya Foundation, Bangladesh
21. Nga Tirairaka o Ngati Hine, Aotearoa/New Zealand
22. Indigenous Information Network (IIN), Kenya

23. International Alliance of Indigenous and Tribal Peoples of the Tropical Forests (IAITPTF)
24. Asia Indigenous Peoples Pact (AIPP)
25. Coordinator of Indigenous Organizations of the Amazon River Basin (COICA)
26. Asian Indigenous Women's Network (AIWN)
27. Sonia Foundation, Italy

Non-Governmental Organizations/Civil Society:

1. Institute for Policy Studies, USA
2. Friends of the Earth US, USA
3. Labour, Health and Human Rights Development Centre, Nigeria
4. Rainforest Foundation Norway, Norway
5. Worldview, The Gambia
6. Coastal Livelihood and Environmental Action Network (CLEAN), Bangladesh
7. Foundation for Gaia, United Kingdom
8. INTLawyers, Switzerland
9. Center for International Environmental Law (CIEL), USA
10. Asian People's Movement on Debt and Development (APMDD)
11. Centre for 21st century Issues (C21st), Nigeria
12. African Women Economic Policy Network (AWEPON)

SUBMISSION FROM INDIGENOUS PEOPLES ON THE STRATEGIC PLAN TO THE GREEN CLIMATE FUND ON B. 12

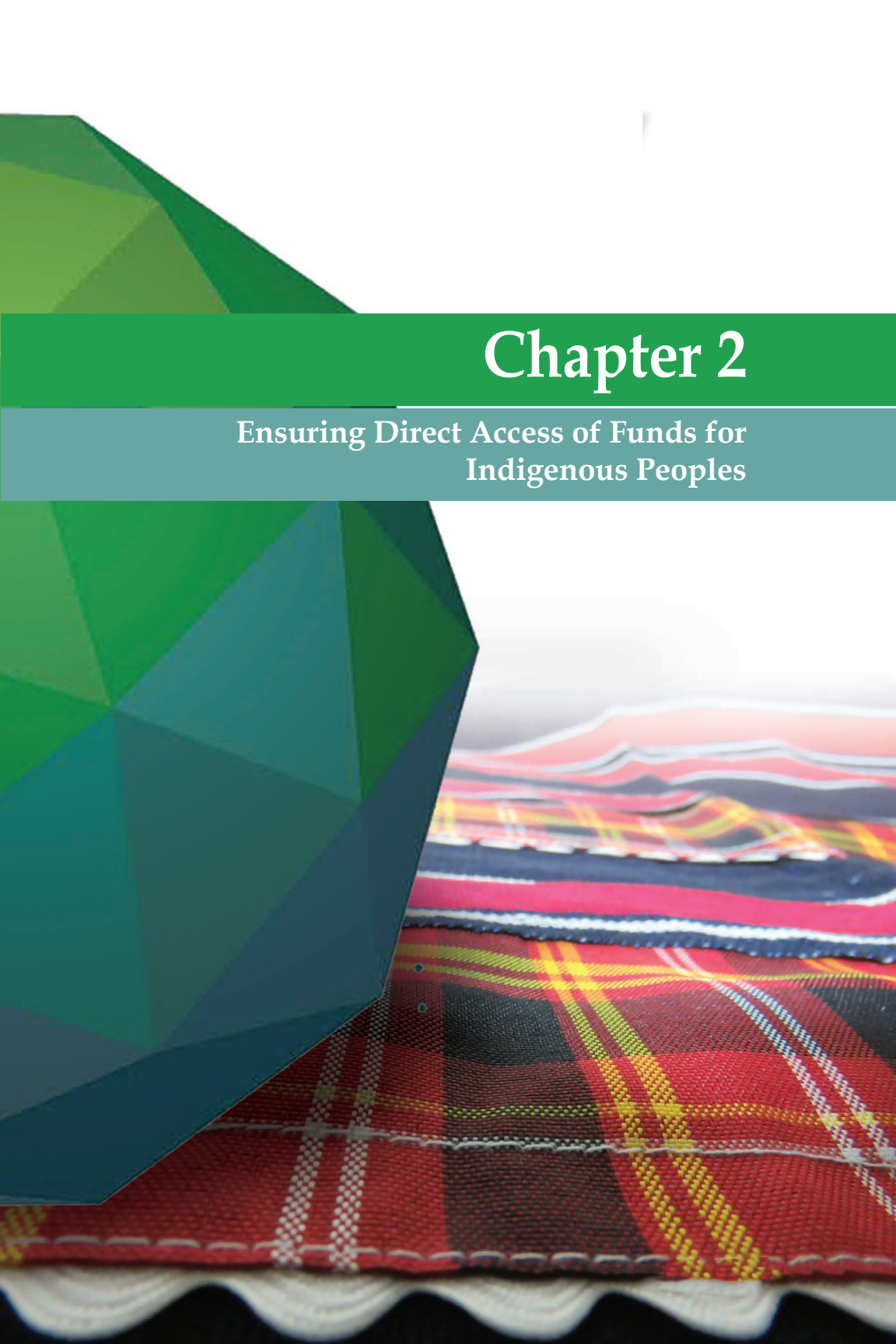
December 2015

Indigenous peoples' organizations and representatives of the International Indigenous Peoples' Forum on Climate Change, following and participating in Green Climate Fund board meetings wish to bring to the attention of the Board the following key requests for consideration in the text of the Strategic Plan:

1. The Strategic Plan of the GCF should include a separate paragraph on indigenous peoples, referencing their special situations and vulnerability to climate change. Historical marginalization and vulnerability of indigenous peoples the world over, often associated to their overreliance on nature-based livelihoods systems, make them more susceptible to the impacts of climate change than any other single social group or sector within their respective nation states. (Decision B.11/03 para. c)
2. Secondly, The Strategic Plan should recognize indigenous peoples' positive contribution to mitigation and adaptation efforts through their traditional and indigenous knowledge systems, which is an accepted fact by the recent IPCC AR5 and a number of UNFCCC COP decisions, including Cancun and Warsaw decisions and the Outcome Document of the World Conference on Indigenous Peoples (WCIP).
3. The Strategic Plan is calling for the identification of policy gaps, opportunities and challenges in operationalizing the GCF guidelines. We want to highlight that one of our key requests for the GCF is the development and adoption of the Indigenous Peoples' Policy, that

would contain provisions and criteria aimed at the implementation of international human rights standard and obligations such as the ILO 169 and UNDRIP. We are asking for inclusion of the commitment and the timeline for development and adoption of this important document in the text of the Strategic Plan. We see that the absence of an Indigenous Peoples' Policy at present is a major gap at the GCF. However, we also would want to underscore that this is an opportunity for the GCF to create one and be guided in relating with indigenous peoples.

4. The present Observers' space, multi-stakeholder engagement and country ownership under Readiness of the GCF, and the draft Strategic Plan document, for example, do not mention, least of all, provide meaningful avenues for engagement of indigenous peoples, despite the reality that a significant portion of climate change intervention projects to be supported by the GCF will be undertaken within indigenous peoples' territories. Therefore, it is crucial that the GCF board: a). includes a consideration in the Strategic Plan a discussion and a potential decision to allocate an Active Observer status for indigenous peoples' representatives; b). includes a language that further develops clearly elaborated guidelines and criteria to ensure the effective engagement and participation of indigenous peoples and their Free, Prior and Informed consent on projects that would affect them, both in the GCF activities and at country and regional level (such as with the National Designated Authority and the Implementing Entities).



Chapter 2

Ensuring Direct Access of Funds for Indigenous Peoples

DIALOGUE ON THE ENGAGEMENT OF THE GREEN CLIMATE FUND AND ITS ACCREDITED ENTITIES WITH INDIGENOUS PEOPLES AND A POSSIBLE FUNDING WINDOW FOR INDIGENOUS PEOPLES

A workshop organized by
Tebtebba Foundation and UNDP
Marrakech, 12-13 November 2016

EXECUTIVE REPORT

By Francesco Martone



Introduction

The workshop-dialogue “Dialogue on the Engagement of the Green Climate Fund and its Accredited Entities with indigenous peoples and a possible funding window for indigenous peoples” was organized by the Tebtebba and the UNDP, with the facilitation of the UN Special Rapporteur on the Rights of Indigenous Peoples, Victoria Tauli-Corpuz with a view to offer an opportunity for a frank exchange of views and options to improve engagement of indigenous peoples in the Green Climate Fund’s activities and operations. GCF Accredited Entities, state parties, UN body representatives, support groups and networks, as well as funders and CSO representatives, were invited. The invitation was extended to GCF Board Members and Secretariat, and only one staff from Secretariat attended. These preliminary notes are meant to offer the GCF Board and Secretariat a first glimpse on the issues discussed in the two-day meeting and outstanding policy and procedural matters relevant to ongoing and future discussions and decisions by the Board.

The goal of the workshop was to look into the opportunities for enhanced participation of indigenous peoples, and the elaboration of safeguard and grievance mechanisms at the Green Climate Fund. Participants also reviewed the involvement and participation of indigenous peoples in GCF proceedings, projects and programmes, and discussed option for dedicated funding for indigenous peoples to address climate change priorities.

The context. Indigenous Peoples and the GCF: calling for direct engagement, and an Indigenous People' Policy based on human rights standards such as the UNDRIP

Indigenous peoples have developed a series of demands and proposals to the GCF contained in various policy statement adopted in occasion of various COPs and in submissions to the GCF Secretariat and Board.

Hence, the policy context in which the workshop has been conceived is one of a limited recognition of the role of indigenous peoples in GCF policies, with the exception of the interim ESS that refer to indigenous peoples' rights such as FPIC but fall short to align to best practice and highest standards as recognized in international obligations and standards such as the UNDRIP. Furthermore, it was stressed that still no recognition is made at GCF of indigenous peoples as specific constituency as the case is in the UNFCCC, no Indigenous Peoples' Policy exists differently from other climate funds, and indigenous peoples have registered continued difficulties in accessing the GCF at all levels. Such a situation falls short of acknowledging that the GCF Governing Instrument instructs the Secretariat to develop specific policies and guidance with respect to input and participation from stakeholders.

Consistently, indigenous peoples have developed a set of demands to the GCF, notably:

- a. The development and adoption of an Indigenous Peoples' Policy. A participant recalled that the GCF has a policy mandate to develop its own Safeguards to start early next year, and to the need to make sure that standards are not diluted but rather aligned to the highest level. This is even more urgent when taking into consideration that the current ESS, based on the IFC Performance Standards fall short to align to best practices and highest international standard as regards the rights of indigenous peoples.
- b. The recognition of active observer status to indigenous peoples' representatives as a separate constituency, the creation of an Indigenous Peoples' Advisory Body and the appointment of a Indigenous Peoples' Focal Point at the GCF Secretariat. Furthermore, a high-level consultation and engagement policy and guidance in the GCF stakeholder participation framework should be adopted, and that recognizes the specific situation of indigenous peoples.
- c. The establishment of a dedicated grant facility to enable indigenous peoples to directly access climate finance. Various climate and development funds are already implementing direct access to indigenous peoples (e.g., IPAF, CBR REDD+, DGM) where the GCF could learn from while expanding the possibilities for indigenous peoples to access funds via the Enhanced Direct Access pilot program. Country level access via national entities in fact might not respond effectively to indigenous peoples' needs, especially in countries where indigenous peoples' rights are not recognized and indigenous peoples are marginalized.
- d. The undertaking of a review of Country Readiness programs to assess the extent to which indigenous peoples have been involved and consulted and to which specific guidance on indigenous peoples consultation and FPIC are included in the stakeholder engagement activities. Such purpose might also be served in occasion of the review of the Country Ownership guidelines.

Upcoming discussions on various agenda items at next GCF Board meetings offer good opportunities to raise matters related to enhancement of observer status for indigenous peoples (that is now supported by all CSOs), upgrade current ES safeguards in REDD+ and Results-Based Finance (RBF), the recognition of non-carbon benefits and integrate human rights-related safeguards and criteria in the current development of the Fund's ESMS. The recent establishment of the Independent Recourse Mechanism (IRM) can also offer good opportunities for indigenous peoples' engagement, to the condition that the IRM effectively pursues its role and capacity of considering complaints and not only of reviewing the funding mechanism.

One CSO active observer delved into matters related to observer participation, identifying various opportunities in upcoming policy discussions, while stressing that this far GCF engagement with indigenous peoples has been insufficient. An outstanding example is the development of the Results-Based Finance policies, that are currently approached only in terms of emission reductions while they should also include gender, indigenous peoples, and human rights safeguards and standards. Furthermore, the GCF should acknowledge the significant contribution of community-based monitoring in the evaluation of its project and activities.

One key point raised by participants was the wish to expand the concept of country ownership due to the lack of good guidance on what NDAs should do to engage with indigenous peoples, hence the need to review current ownership guidelines. Such a review should be agreed upon at the next GCF Board meeting in Samoa.

The other Active CSO observer focused on the role of the Fund in supporting climate finance, pointing to the need to be able to propose “positive” projects that the Fund could finance. A relevant matter is related to who could propose these projects, the role of the NDA—especially in initiating project notes—and the extent to which inputs from stakeholders are solicited and considered. In fact, the NDA should be taking the lead in defining the country priorities that in turn would determine the scope of projects that Accredited Entities

can propose and AEs should be in fact requested by NDAs to advance proposals on how to implement those priorities. At this stage, however, this is not yet the case. Furthermore, some participants underlined that guidelines for stakeholder participation for Accredited Entities are needed, and more transparency in project proposal documentation has to be ensured. As a matter of fact, such documentation does not currently provide details on how consultations were carried out, what was the process followed and who was engaged.



Regional indigenous peoples' workshops on the GCF call for strong safeguards and direct access funding for indigenous peoples

The second session of the workshop was dedicated to various presentations on regional workshops on the GCF and indigenous peoples, held in Latin America, Asia and Africa. Participants in all workshops voiced similar concerns related to the lack of a clear Indigenous Peoples' Policy, the need for stronger safeguards and to establish direct access modalities for indigenous peoples. This far, there is no report on how the GCF is reaching out to indigenous peoples and to ensure more meaningful participation of indigenous peoples, as well as to develop and adopt a stringent FPIC policy based on highest international standards and best practices. Furthermore, the GCF should operationalize the recognition of the positive contribution of indigenous peoples' traditional knowledge in mitigation and adaptation actions as provided in the Paris Agreement.

The Latin America workshop stressed the need to ensure participation at different levels, and to share information needed to develop capacities for proposals. Indigenous peoples' rights should be recognized and respected, thus posing a significant challenge in those countries where these are in fact not recognized. The GCF should strive to enhance access to information and communication in languages other

than English, possibly in indigenous peoples' own languages and in an understandable way. Lastly, participants pointed to the need to develop local to international capacities of indigenous peoples to be able to engage meaningfully.

Participants to the two Asia workshops, held in Hanoi and Bangkok, agreed that IFC standards should not be the one used by GCF that rather should adopt an ESMS aligned to highest standards and best practices. The Fund should also acknowledge the role of indigenous peoples' traditional knowledge and support capacity building activities, while enhancing access to information to indigenous peoples, and develop a risk register and an exclusion list for projects that should not be funded.

The Africa workshop, hosted by MPIDO and ILEPA, stressed the need to strengthen engagement of IPOs and CSOs from Africa, encourage them to apply as observers, enhance the Cancun REDD+ safeguards and recognize the relevant role of FPIC. Furthermore, the current country ownership approach needs to be broadened, and indigenous peoples' capacity to engage in readiness processes and possibly vetting NIE fostered. Furthermore, the option of an indigenous peoples' direct access window through the NDA needs to be explored, as well as calling for a direct access Indigenous Peoples' Facility at African regional level.



Upper Trishuli-1 Hydro Electric Project in Nepal and the Wetland Management Project in Peru: Two compelling cases for a stringent land rights policy and guidance on Free, Prior and Informed Consent at the Green Climate Fund

A presentation by AIPP pointed to key concerns on the hydro project in Nepal (Upper Trishuli-1 Hydro Electric Project) currently under consideration for GCF funding, in

particular those related to collective land rights and individual land titles. As a matter of fact, the interim ESS, (and the IFC Performance Standards) do not deal with land acquisitions (PS5 is only relevant for titled land) nor is any measure recommended to implement PS7 when indigenous peoples are affected. Therefore, the issue of land tenure will be critical also in the development of a GCF Indigenous Peoples' Policy. In the Nepal case, in spite of the fact that collective land rights are paramount for indigenous peoples, these have been completely neglected if not distorted. An additional complication is related to consultation with affected communities. The project area population has changed since the project ESIA had been carried out as a consequence of the earthquake that hit Nepal. Such situation poses serious questions on who should be consulted, and how the different concerns and needs of populations be taken into due account.

Another outstanding issue is related to Free, Prior and Informed Consent and the possible restrictive interpretation of the same as being equivalent to Broad Community Support. It should be noted that this is one of the key reasons why the IFC PS on FPIC is not considered as adequately in line with international obligations and high level standards. Other pending matters relate to the need to provide a just compensation package based on community decision and the development of indigenous peoples' plan and funding support.

As to the compensation agreement, if the framework is only recognizing individual land titles, communities might not be willing to participate. This is an additional reason why the GCF needs to develop a clear policy on engagement with indigenous peoples, an effective and accessible redress mechanism and upgrade its safeguards to address land tenure issues.

The presentation on the Wetland Management Project in Peru by PROFONANPE focused on the lessons learned on how the GCF and the IE understand and operationalize Free, Prior and Informed Consent (FPIC), on the limited scope of current Interim ESS, as well as on the need for the GCF Secretariat, Board and ITAP to have tools available to assess how and whether FPIC is effectively ensured in funded projects. As a matter of fact, it should be noted that

modalities to enable indigenous peoples to fully and effectively engage at national level via their respective NDAs.

In Nicaragua, for instance, it is the Ministry of Finance that holds a registry of climate finance, and it collaborates with relevant ministries to access FCPF and CIF funds. As regards indigenous peoples' participation, the necessary policy space and legislative framework are positive and enabling, FPIC is recognized, benefit sharing agreements envisaged, and there is a robust IPO network organized by indigenous peoples.

In Kenya the readiness program is run by the a national Steering Committee, most of climate change funds to indigenous peoples are from the World Bank and UNDP and one IPO received funding for adaptation through the NIE. In Vietnam, the executing entity is the Ministry of Agriculture, and there are very limited opportunities for CSOs to participate in project implementation. No representatives of IPOs are present in any of the organizational structures in neither the NDA nor in the GCF National Executive Committee. Engagement of local communities is very limited, while stakeholders are consulted only in selected topics and FPIC is not applied. Traditional knowledge and livelihood are not recognized with the exception of the REDD+ national plan.

Key challenge in the Democratic Republic of Congo is the poor level of recognition of indigenous peoples, often relying on openness and goodwill of individual officials that are subject to very fast turnover. Hence, the need to make it clear to the GCF that indigenous peoples contribute to forest maintenance and that traditional knowledge has greatly contributed to natural resource management. These are sufficient reasons for the GCF to develop a dedicate funding window for indigenous peoples, since no bank at the national level disburses money to indigenous peoples and the World Bank is disbursing funds in a disorderly manner.

As regards Peru, it has proven very difficult to find first hand information on NDA activities. Indigenous peoples are not recognized as independent counterparts by the Peruvian state and therefore it is crucial for the Peruvian state to establish a space for dialogue with indigenous peoples. Peru

got readiness funding from the GCF, and MINAM obtained resources to set up technical teams to work with civil society and indigenous peoples. It should however be pointed out that most focus is on indigenous peoples in the Amazon, while indigenous peoples in the Andean regions do not have equal capacity to access funds. One of the reasons is that while the MINAM is competent for indigenous peoples in the Amazon, those in the Andean regions fall within the remit of the Ministry of Agriculture. MINAM furthermore has no strategy for the engagement of indigenous peoples. As regards, PROFONANPE and the application of the law on Free, Prior and Informed Consultation, the implementation of the latter is still problematic. Community leaders that were engaged, said they were just informed, a process that is quite different from good practices in Free, Prior and Informed Consultation. Executing Entities need to be transparent and indigenous peoples should be given the opportunity to engage by means of a national protocol in all phases of a project presented to the GCF for funding.



UNDP experience in engaging governments, CSOs and GCF to take projects to Board for approval

UNDP made a presentation on their experience in engaging communities, government, CSOs and the GCF to prepare project proposals for board approval. UNDP starts with a request that comes from the government but it does not have to originate from NDA office. It can come from somebody in the country who have an idea. It is usually directed to NDA that decides on the priority of the country. Once they agree to that, they go to the country office and then to the regional office. Consultations will be broadened and visits to project areas organized as well as frameworks and project design that would enable the project to effectively respond to local needs. In order to do so, communities should be engaged. UNDP is not an implementing entity, rather, IEs are government/

NGOs. It was suggested therefore that a fund accessible to local communities be established.



Features, objectives and modalities of a Global Indigenous Peoples' Fund

A presentation was made on the outcomes of regional preparatory workshops and national level meetings held before COP 21 in Paris in 2015 to assess indigenous peoples' funding needs and agree on key funding priorities on climate change as well as general principles and objectives for a Global Indigenous Peoples' Fund. Among funding priorities identified were land and resource security, sustainable resource management, awareness raising and capacity building, disaster risk reduction and risk management, community-based mitigation and adaptation. The Fund should also address root causes of climate change and "false solutions." Obstacles to direct access for indigenous peoples were identified and general objectives listed, such as the recognition of indigenous peoples' rights as enshrined in international standards and obligation such as ILO 169 and UNDRIP, the Fund should be participatory, transparent, and additional to existing funding opportunities currently available to indigenous peoples. Furthermore, it should be managed and governed by indigenous peoples and financial management structures set up at global, regional and national levels.

Lessons learned from other funding mechanisms and how these can inform the design of a proposed indigenous peoples' dedicated funding window at the Green Climate Fund

Representatives of various climate funds and other entities that provide direct access to finance for indigenous peoples shared their experiences and lessons learned with the purpose of providing suggestions, based on experience, on how to develop a dedicated funding window for indigenous peoples at the GCF. The GEF Small Grants Programme can provide a potential avenue for engagement of indigenous peoples with the GCF at national level, and has been working to support the capacity of indigenous peoples to actively participate in project design and implementation, in designing ICCAs, and lastly to support community based REDD+.

This program, run by the UNDP and named “Community Based REDD+ partnership for local action for forest conservation” aims at strengthening indigenous peoples' capacity in agroforestry, and sustainable livelihoods as well as education of women and communities, by acknowledging the central contribution of indigenous peoples' traditional knowledge. Interestingly, the GEF SGP is not only about funds, but also meant to convey a clear message that indigenous peoples have to be included at all levels, from decision making to project design and implementation. Somehow the same approach of IFAD and its Indigenous Peoples' Fund, where indigenous peoples experts engage in the project design phase, FPIC is a mandatory requirement, and efforts are undertaken also to enhance IFAD staff capacity.

Experience at the Forest Carbon Partnership Facility shows that early consultation with indigenous peoples' organizations is crucial, as well as the decision to empower IPOs to be able to build capacity to meet fiduciary standards. More interestingly, a crucial element is that of creating a space for indigenous peoples at all levels of governance, including the upper levels.

To that regard it was pointed out that indigenous peoples' Active Observers in the UN-REDD and the FIP have provided substantial contributions and expertise to the organizations.

The Forest Investment Program of the CIF has established a Dedicated Grant Mechanism for Indigenous Peoples with a global component and country components. National Steering Committees have been established but challenges still exist on their role and the respective roles of banks and government.

The Land Tenure Facility was developed by RRI and local communities with a view to secure land tenure for forest peoples. Around 10 regional and global consultations were done to see their aspirations on land tenure and identification of support to needed. A wide advisory group was established that included indigenous leaders, IFC, REDD, from government, CIDA, Norway and private sector. In the meantime, CIDA provided initial grants to develop project concepts and pilot projects were implemented in six pilot projects in Mali, Liberia, Cameroon, Peru Panama and Indonesia.



Key outcomes and recommendations from breakout groups

The last session of the workshop was organized in breakout groups, one dealing with the elements of a GCF Indigenous Peoples' Policy with a view to produce a short note for the GCF Board members in advance of the Samoa Board meeting. Other breakout groups dealt with issues related to access to climate funding for indigenous peoples and relevant policy requirements.

All breakout groups identified some common elements such as the need for the GCF to adopt an Indigenous Peoples' Policy and introduce instruments of engagement (such as FPIC) and related indicators, while ensuring indigenous representation in governance structures. As regards funding modalities and scale, this needs to be direct, and would have to range from 50,000 to 500 million. As regards program

approach, good examples are the ICCA, or National Action Plans. Areas of intervention include adaptation, land tenure, capacity building and documentation of application of traditional knowledge, among others. Overarching principles should be respect of indigenous peoples' rights, connection on the ground, self-selection and flexibility.

As to governance, a designated national committee composed of indigenous peoples, the AE and state representatives should be established to select projects. Pending the creation of such mechanism, the NDA could be invited to field trips to familiarize with indigenous peoples-managed projects. Dialogue with governments needs to be consolidated and the capacity of indigenous peoples to respond to calls for proposals improved. Furthermore, the risk of developing dependency on intermediaries should be prevented, and AEs will have to develop a better understanding of indigenous peoples issues as well as recognize indigenous peoples' legal status. AEs will have to be willing to be equal partners and support indigenous peoples' capacity while ensuring direct access to finance. Other suggestions focused on the need to develop indigenous peoples' capacity to submit proposals, and to propose activities in readiness plans, earmark funds for indigenous peoples via the NDA and recognize that the programmatic approach is the best option.

FRAMEWORK FOR GLOBAL INDIGENOUS PEOPLES' PROGRAMME¹

Vision

To establish an enduring indigenous peoples-led programme that provides resources to indigenous peoples in developing countries to address climate change in the context of their own needs and sustainable development.²

Rational for the Green Climate Fund

Indigenous peoples play a key role in, and offer invaluable contributions to, increasing resilience to climate change with related mitigation co-benefits through indigenous peoples' perspectives, traditional knowledge and sustainable resource management systems and practices, which are critical in achieving the goals of the Green Climate Fund (GCF).

¹ This framework has been agreed and finalized by the Indigenous Peoples' Global Partnership on Climate Change, Forests and Sustainable Development during the workshop to "Develop Concept Note of Indigenous Peoples for the GCF for Community-Based Adaptation" on 6-8 February 2017 in Bangkok, Thailand.

² While this program could be supported by any source of funding, the intention is to target current climate finance flows. These flows are meant to be channeled to action in developing countries only, hence the limitation in scope to developing countries.

Nevertheless, indigenous peoples are the most vulnerable to climate change and to the consequences of ill-conceived solutions to climate change and have the least capacity to realize this contribution. A lack of financial, technical and political support is a major factor limiting their role.

A global programme that can be directly accessed by multiple indigenous communities around the world has the potential for considerable scale over time and for driving a transition to community-driven approaches to low emissions and climate resilient development.

Providing access to indigenous communities also supports country ownership because it vests decision making at local and community levels.



Objectives and Guiding Principles

The Programme will **support indigenous peoples in developing countries** making a significant and ambitious contribution to addressing climate change.

The Programme will provide **simplified access to funding**, including direct access, to indigenous peoples particularly at a community level.

The Programme will pursue an **indigenous peoples-led approach**, including in decision-making arrangements at all levels and the full project/programme cycle.

The Programme will **promote and strengthen engagement** at all levels through effective involvement of relevant institutions and stakeholders.

The Programme will pursue holistic approaches, consistent with world views, values, cultures, knowledge, innovations, and governance of indigenous peoples.

In the context of achieving the Sustainable Development Goals, the Programme will **support the paradigm shift towards low-emission and climate-resilient development pathways**

The Programme will provide an important contribution to **operationalizing the GCF Indigenous Peoples' Policy**, other policies and goals of the GCF and other relevant international commitment such as United Nations Declaration on the Rights of Indigenous Peoples and the UNFCCC.

The Programme will operate in a **participatory, transparent and accountable** manner guided by equity, efficiency and effectiveness

The Programme will be flexible, giving primary consideration to indigenous peoples' needs and priorities on climate change adaptation and mitigation within the framework of **Indigenous Peoples' Sustainable, Self-Determined Development**

The Programme will be **continuously learning** and can make a valuable contribution to broader knowledge sharing and management.

The Programme will take a **gender-responsive** approach.

The Programme should **foster cooperation, unity and solidarity**.



Priority Activities

Although the priorities of the Programme will be driven by local level needs, the Programme will likely focus on the following specific contributions to the goals of the GCF where indigenous peoples have a proven record of contribution:

- Sustainable management [and use/access] of natural resources and landscapes;
- Increased resilience of diverse ecosystems (i.e., forests; marine and coastal; savannah; tundra, etc.) and ecosystems services, leading to increased resilience in health and well-being, food and water security, and sustainable livelihoods;
- Access to community-owned renewable energy;
- Strengthening of indigenous peoples' traditional

knowledge, practices and innovations to addressing and responding to climate change;

- Platforms for indigenous peoples' traditional knowledge-sharing and management.



Accredited Entity Criteria

- Existence of an institutional Indigenous Peoples' Policy, guidelines and principles, strong safeguards and accessible grievance mechanism, best practice with respect to indigenous peoples' policies, guidelines and principles (implementation).
- Commitment to equally partner and build capacity towards the goal of fully empowering indigenous people's communities, based on mutual respect and trust.
- Capacity/understanding of indigenous peoples' issues and will champion indigenous peoples' rights at all levels.
- Consistency with supporting indigenous peoples' rights in their other projects.
- Has the trust and confidence of indigenous peoples.
- Facilitate payment of grants to indigenous peoples' organizations that don't have full legal status.
- Able to provide support and guidance to the indigenous peoples' governance mechanisms.
- Commitment to build capacity of indigenous peoples' organizations to become executing and/or accredited entities and eventually to pass management of the programme to the indigenous peoples' organizations.
- Financial and bureaucratic efficiency, accountability and transparency.
- Track record in supporting indigenous peoples' or community-driven programmes and/or projects.

Pilot Country Criteria

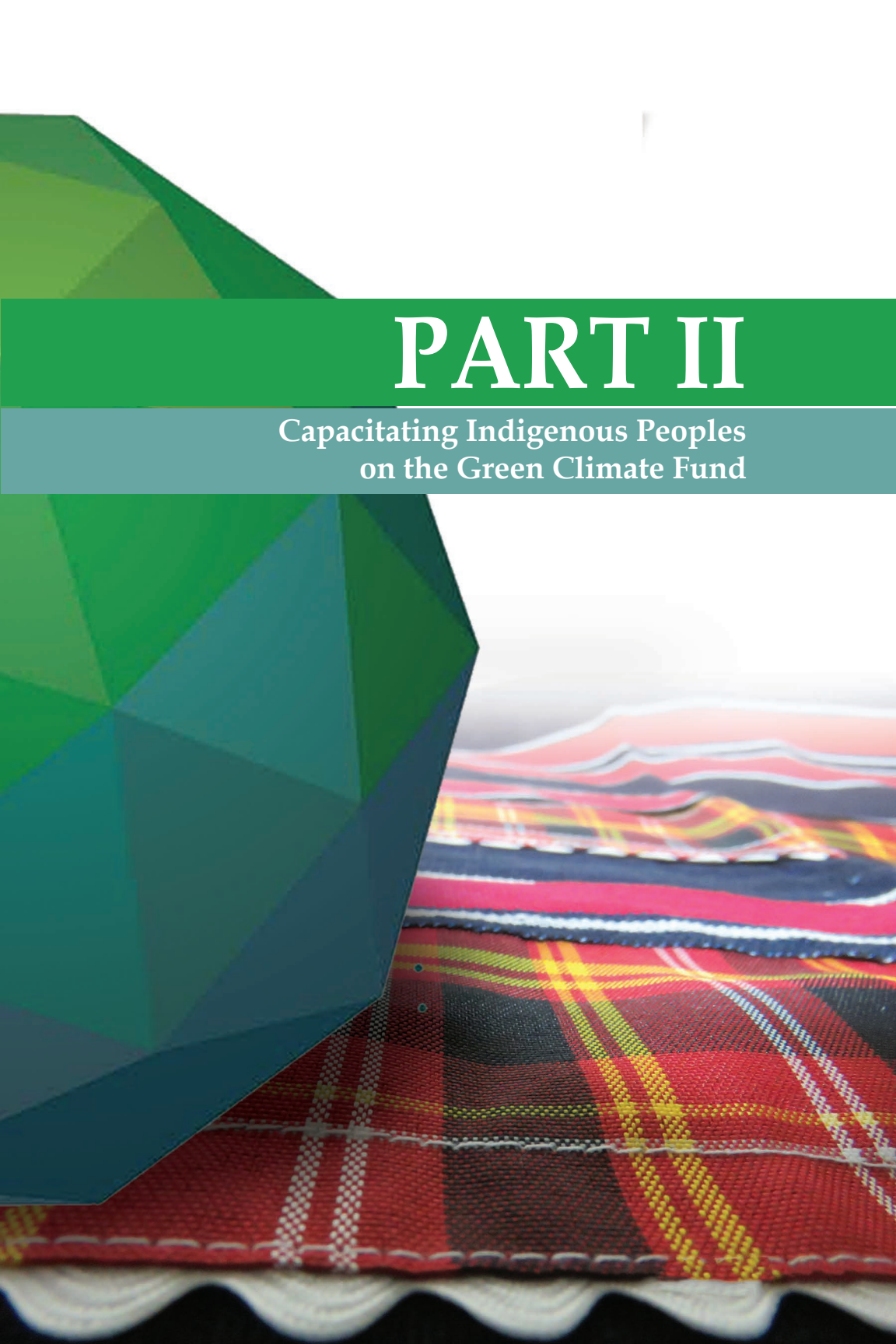
- Vulnerability of the indigenous peoples in the country.
- Level of social and economic development of the country and indigenous peoples.
- Current lack of alternative sources of financing for indigenous peoples (balance with potential for co-financing).
- Need for strengthening institutions and implementation capacity.
- Objectives are in line with priorities in the country's national climate strategy.
- Engagement and consultation with indigenous peoples.
- Supportiveness of the NDA to indigenous peoples.
- Capacity of indigenous peoples' organizations and networks in the country.
- Potential to contribute to GCF Investment Criteria.
- Uniqueness of indigenous peoples' contribution.
- Potential for co-financing or leveraging.
- Presence of AEs in the country.
- Responsiveness to GCF's allocation criteria (e.g., LDCs, SIDS, and Africa).



Top: Asia workshop on indigenous peoples and the GCF, 19-21 April 2016.

Below: Africa regional training of indigenous peoples on the GCF, 7-9 April 2016.





PART II

Capacitating Indigenous Peoples
on the Green Climate Fund



1

Introduction

The Green Climate Fund has been officially appointed as the operating financial mechanisms under the UNFCCC to fund both mitigation and adaptation activities of developing countries.

The International Indigenous Peoples' Forum on Climate Change (IIPFCC) has been negotiating with States-Parties to raise priorities and concerns of indigenous peoples in the UNFCCC and with other related multilateral bodies. While there is still a lot of work to be done, there are significant gains and lessons learned on indigenous peoples' advocacy work, which include the Cancun safeguards on REDD+, especially on the respect of indigenous peoples' rights and traditional knowledge, noting the UNDRIP; and the full and effective participation of indigenous peoples and other stakeholders in the REDD+ processes.

In relation to the Cancun safeguards, the IIPFCC through its indigenous peoples' observers in multilateral REDD+ mechanisms have pushed for the conduct of regional and global dialogues with indigenous peoples and the multilateral bodies on REDD+ such as Forest Investment Program under the Climate Investment Fund and the Forest Carbon Partnership Facility, both under the World Bank; and with the UN-REDD Programme. These series of dialogues with indigenous peoples resulted to the institutionalization of indigenous peoples' observers as members of the governance mechanisms of these REDD+ mechanisms, the development of guidelines on stakeholder engagement, FPIC, and grievance mechanisms. Under all these REDD+ mechanisms, the

indigenous peoples' observers have also successfully followed through on the approval of the governance bodies on the allocation of specifically dedicated funds for the capacity building of indigenous peoples and local communities such as the FIP Dedicated Grant Mechanism for indigenous peoples and local communities, the FCPF Capacity Building Program (CBP) for Indigenous Peoples and Southern CSOs, the UN-REDD Community-based REDD Program, among others.

Drawing from these gains and lessons learned in these global and regional processes, the IIPFCC continue to advocate for the respect and recognition of indigenous peoples' rights and traditional knowledge, their full and effective participation through indigenous peoples' observers in governance bodies, putting in place the safeguards and grievance mechanisms, and the direct access of funds for indigenous peoples in other climate change bodies. These are the priorities that the IIPFCC will continue to advocate for, and recommend to be replicated under the GCF, as well as in other UNFCCC bodies such as the Adaptation Fund, among others.

The UNFCCC created the Green Climate Fund as a financial operating entity to disburse funds for low emission and climate resilient project and programmes developed by the public and private sectors. Established during the COP 16 in Cancun Mexico in 2010, the Fund aims to promote paradigm shift by funding both mitigation and adaptation projects to contribute to the sustainable development of developing countries.

Different from many other climate finance entities, the GCF pursues a country-driven approach that on paper should promote engagement of relevant stakeholders and institutions. Governed and supervised by the board, the Fund aims to provide *simplified and improved access to funding, including direct access, that will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects*. The modalities, however, for direct access envisaged by the GCF still do not ensure that indigenous peoples can directly access financing but rather that they should go through their respective National Designated Authorities, notably national governments.

The country-driven approach and the key role attributed to national entities for planning, implementation and monitoring can represent an important element to take into account for future indigenous peoples' strategies and tactics, to ensure that the principles announced by the GCF are followed by concrete actions and commitments. For such purpose, a possible strategy would have to combine advocacy and leverage at the global level, in particular, further development of key policies such as the information, participation and safeguard policies, and a meaningful engagement at the national level, both to determine the national financing priorities and to actively contribute to their implementation.

Initial experience with a mitigation project in Peru, investigated by Tebtebba and FPP show that the Green Climate Fund and the National Designated Authority do not fully understand neither the procedural implications of Free, Prior and Informed Consent nor broader issues related to indigenous peoples' full and effective participation and representation. This is one of the reasons why IPOs are urging the GCF to develop and adopt a guidance/protocol on Free, Prior and Informed Consent and indigenous peoples based on high level standards, best practices, and international legal obligations and standards such as the UNDRIP and ILO 169.

The Fund should operate in a transparent and accountable manner and according to its fiduciary standards. However, the practice this far falls short of such principle. During the board meetings only two civil society active observers from developed and developing countries are given opportunities to intervene. Unfortunately, they are not given a voting power and may speak only at the Board's discretion. In the past couple of years, the participation of indigenous peoples in the Fund has been very limited mainly due to the fact that IPOs are not granted an active observer status unlike in cases with many other Climate and REDD+ related funds. While there is an effort for an open dialogue between the northern and southern CSOs, the participation of southern CSOs has been limited due to resources and inconsistent representation.

Meanwhile, there have been little (or no) efforts of the National Designated Authorities of countries to inform or

engage with indigenous peoples or civil society organizations in general, at the national level. It should be pointed out that stakeholder engagement is considered by the GCF as one of the key pillars to ensure country ownership. Access to information on the GCF is limited to website publications and announcements, which might even be inaccessible to many indigenous communities.

As such, the meaningful participation and engagement of indigenous peoples is undermined. And as indigenous peoples are very much dependent on their resources for their survival, they are central to any development activity that aims to mitigate or adapt to climate change in their communities. It is therefore imperative that they are informed and are actively engaged in the GCF and other climate-related funds operating within their territories.

The GCF has just approved the first set of project proposals in its last board meeting in November 2015 and is requested by the COP to agree on the arrangements for the first formal replenishment process in the upcoming board meetings. Additionally, the COP 21 gave instructions to the GCF to step up its support to results-based-payments in REDD+ and the GCF recently announced its intention to expand its portfolio of investments from US\$168 M in 2015 to \$2.5 B in 2016. With the lack of a strong safeguard system, and operating with the International Finance Corporation (IFC) performance standards in the interim, such a pressure to deliver might pose significant risks for indigenous peoples. This is one additional reasons why indigenous peoples need to fully understand the GCF and modalities to influence its decisions and activities.

Furthermore, it is worth noting that the COP 21 in fact acknowledged the role of the Green Climate Fund and the Global Environment Facility as the two key financing windows for the Paris Agreement, thereby considering the possibility of closing the Adaptation Fund and transferring all its roles to the GCF and GEF. Currently, the Fund is working on its Strategic Plan and Environmental and Social Management System. Indigenous Peoples have so far submitted calls to the board to develop the GCF's Indigenous Peoples' Policy, to uphold highest standards on human rights and the possibility

of creating a small grant window for indigenous peoples in the GCF, to develop and adopt a protocol/guidance on FPIC and ensure that indigenous peoples' can contribute to monitoring and evaluation by means of Community-Based Monitoring and Information Systems.

The Indigenous Peoples' Global Partnership on Climate Change, Forests and Sustainable Development had a global training with indigenous peoples on climate finance and the Green Climate Fund on September 2015 in Bangkok, Thailand. During the training, it was agreed that regional trainings should be conducted in Latin America, Africa and Asia.



Objectives of the regional workshops

The regional trainings aim to inform and strengthen the capacities of indigenous peoples' organizations and networks to understand, monitor, evaluate and engage in the Green Climate Fund and other climate finance relevant for indigenous peoples so that the interests and rights of indigenous peoples are safeguarded from potential adverse social and environmental impacts of the funds.

At the end of the training, a half-day session shall also be allotted for a dialogue between the Climate Investment Fund (CIF) of the World Bank and the participants. The objective of this session is for CIF to share their experiences working with indigenous peoples, as well as to explore ways indigenous peoples can be effectively engaging with CIF investments/programs at the country level. Furthermore, the experience and practices of CIF, and the role of indigenous peoples' active observers can provide important inputs and represent useful precedents for the advocacy strategy at the Green Climate Fund.

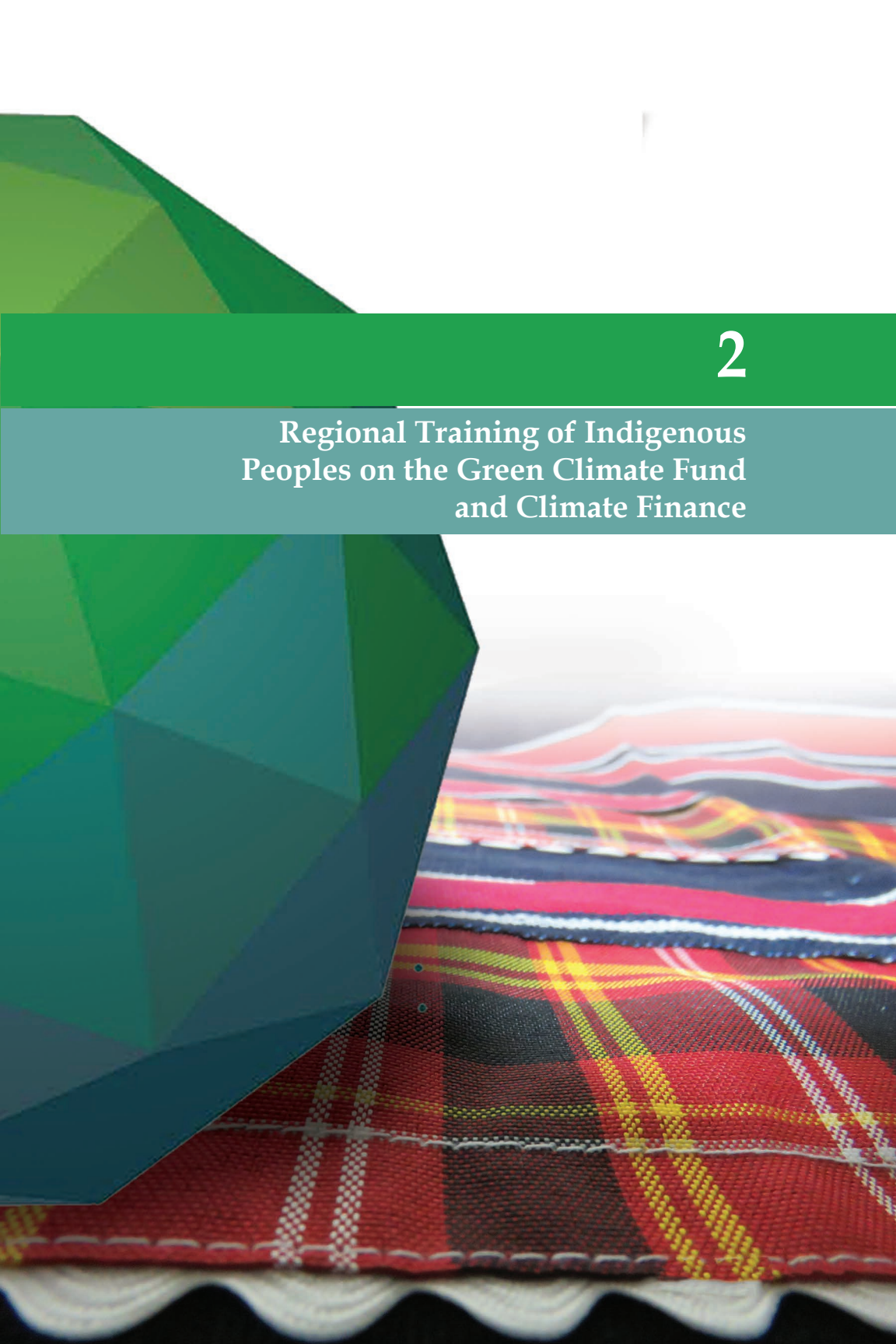
More specifically, the session will come up with recommendations on how the CIF will further support the indigenous peoples' effective engagement on the national level of the CIF

programs' implementation.

Specifically, the training aimed to:

1. Provide a general overview of climate finance and the Green Climate Fund architecture and their relevance to indigenous peoples;
2. Examine indigenous peoples' perspective, issues and opportunities within the GCF, and other climate finance;
3. To plan and strategize on how indigenous peoples can engage in their respective national processes on climate finance, specifically on the National Designated Authorities of the Green Climate Fund; and
4. Strengthen regional alliances to be able to effectively participate and engage in global process on climate finance and the GCF.

This chapter will present the highlights and agreements of the three regional workshops that were held in a) 7-9 April 2016 in Nairobi, Kenya (Africa), b) 19-21 April 2016 in Hanoi, Vietnam (Asia) and c), 8-9 April 2016 in Lima, Peru (Latin America).



2

Regional Training of Indigenous Peoples on the Green Climate Fund and Climate Finance

TRAINING REPORT AFRICAN REGIONAL TRAINING OF INDIGENOUS PEOPLES ON CLIMATE FINANCE AND THE GREEN CLIMATE FUND

Hosted by:
Mainyoto Pastoralists Integrated
Development Organization (MPIDO) &
Indigenous Livelihoods Enhancement
Partners (ILEPA)
2016

1.0 Introduction

The African regional training is a follow up of a recommendation emanating from a global training with indigenous peoples on climate finance and the Green Climate Fund held in September 2015 in Bangkok, Thailand under the Tebtebba hosted partnership—the Indigenous Peoples’ Global Partnership on Climate Change, Forests and Sustainable Development.

The regional training aimed at informing and strengthening the capacities of indigenous peoples’ leaders, organizations and networks to understand, monitor, evaluate and engage in the Green Climate Fund and other climate finance

mechanisms relevant for indigenous peoples with the overall vision of safeguarding the interests and rights of indigenous peoples from potential adverse social and environmental impacts of interventions supported by the funds. Looking ahead, the training endeavored to provide opportunities and inform future indigenous peoples' strategies aimed at influencing the work of National Designated Authorities (NDAs), National Implementing Entities and the broader GCF framework through strengthened regional alliances.

The first two days of the training deliberated on a broad range of issues related to climate change financing, with a focus on the Green Climate Fund. The third half-day session was allotted for a dialogue with the Climate Investment Fund, in which the CIF shared their experiences in working with indigenous peoples, and participants explored ways and means on how indigenous peoples could more effectively and meaningfully engage with CIF investments/programs across levels.

The two and half-day workshop was very interactive. Sessions were organized around facilitators providing inputs on the various topics related to climate change financing after which, an open plenary was provided for participants' reactions, comments and inputs. A group work session by end of the first two days, explored and harvested key issues of concerns and actions points for the region.

The African Regional Workshop held in Nairobi, on April 7-9, 2016, brought together a total of 27 participants drawn from 8 African Countries¹, in addition to representation from PACJA (a CSO presently actively engaged with the GCF), Government of Kenya and Climate Investment Fund (CIF). The workshop was jointly hosted by Mainyoito Pastoralists Integrated Organizations (MPIDO) and Indigenous Livelihoods Enhancement Partners (ILEPA) with support from Tebtebba.

¹ Botswana, Kenya, Ethiopia, Burundi, Uganda, South Africa, Rwanda, DRC.



2.0 Main Discussions

a. General information on Climate Finance Relevant for Indigenous Peoples

Climate financing is central in efforts to address the challenge of climate change. Climate financing is a commitment enshrined in the UNFCCC convention Art. 4.3, from developed to developing countries for low-emission climate-resilient development pathways, based on the principle of equity and Common But Differentiated Responsibilities (CBDR) and respective capabilities (UNFCCC, Art. 2).

Fifth assessment report of the Intergovernmental Panel on Climate Change (IPCC AR-5) warned that delaying ambitious action now—including in level of climate change financing—to limit global warming to below 2°C and to address adaptation will result in massive cost increases in the future.

Climate finance refers to the financial resources mobilised to help developing countries mitigate and adapt to the impacts of climate change, including public climate finance commitments by developed countries under the UNFCCC. Global climate finance architecture is complex with finance channeled through national, bilateral and multilateral funding arrangements.

Under the UNFCCC, there are two main operating entities of the Financial Mechanism - the Global Environment Facility (GEF) and the Green Climate Fund. Three other specialized funds, the Least Developed Countries Fund and the Special Climate Change Fund hosted within the GEF and the Adaptation Fund (AF) under the Kyoto Protocol were also established.

Sources and intermediaries of climate finance vary from governments and bilateral aid agencies to multilateral and bilateral development banks, dedi-

cated climate funds, and various private commercial institutions.

Some of the key principles considered useful in the design and operationalization of these funds include transparency and accountability in the decision making, stakeholder engagement and representation and equity in accessing the funds, information disclosure and redress mechanism.

Significant portion of public climate finance² is spent bilaterally, often administered through existing development agencies, with limited transparency and consistency in reporting.

A number of developing countries have also established national climate funds³ with a variety of forms and functions, resourced through international finance and/or domestic budget allocations and the domestic private sector.

Global climate finance is also organized around thematic areas related to climate change such as adaptation,⁴ mitigation,⁵ gender, forests and climate funding for specific geographical regions. REDD+ finance⁶ is provided by several different institutions under multilateral funds basically for “readiness” activities to prepare countries for funding based on demonstrated reductions of deforestation and associated emissions.

Most of the World Bank’s climate funds targeted at REDD+ and UN-REDD program have established

² GCCI - Global Climate Change Initiative (US); ICF - International Climate Fund (UK); ICFI - International Climate Forest Initiative (Norway); ICI - International Climate Initiative (Germany); NAMA facility - Nationally Appropriate Mitigation Action facility (UK and Germany).

³ E.g., FONERWA - Rwanda National Climate and Environment Fund.

⁴ Pilot Program for Climate Resilience (PPCR)-CIF, Least Developed Countries Fund (LDCF), Adaptation for Smallholder Agriculture Program (ASAP), Special Climate Change Fund (SCCF), Adaptation Fund (AF).

⁵ Clean Technology Fund (CTF)-CIF; Global Environmental Facility Trust Fund (GEF 4/5); Global Energy Efficiency Renewable Energy Fund (GEEREF); Scaling-Up Renewable Energy Program for Low Income Countries (SREP).

⁶ World Bank’s Forest Carbon Partnership Facility Readiness and Carbon Funds (FCPF-RF), Forest Investment Program (FIP) UNREDD program with UNEP, FAO and UNDP as implementing agencies and Congo Basin Forest Fund (CBFF), administered by African Development Bank.

dedicated funding arrangement and active observer status for indigenous peoples. These include the Capacity Building Program for Indigenous Peoples and Dedicated Grant Mechanism for IPs/LCs associated with WB's funds and Community-Based REDD+ (CBR+) of the UN-REDD+.

The Cancun Agreement acknowledges that gender equality and the effective participation of women are important for all aspects of any response to climate change, but especially for adaptation. Gender-responsive climate financing instruments and funding allocations are needed and this is a matter of using scarce public funding in an equitable, efficient and effective way.

Recent developments at existing climate funds, including the GCF follow good practices and experiences in other areas of development, where gender considerations have been systematically and effectively included in global financing mechanisms devoted to developing country actions.

Lessons learned from climate change financing with dedicated funds for indigenous peoples:

- Active indigenous peoples' representation and effective participation in policy board meetings and relevant submissions to governance bodies is increasingly informed in-country programming with respect to indigenous peoples' rights and interests:
 - The capacity among indigenous peoples' organizations and networks to comply with the standard rules and required fiduciary standards to directly access and manage the dedicated grant funding is limited.
- b. Country ownership and the role of National Designated Authorities

Country ownership and a country-driven approach are core principles of the GCF. The Fund is required to provide simplified and improved access

to funding, including direct access, basing its activities on a country-driven approach and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects. The country ownership approach is informed by a desire to ensure donor recipient countries commit to exercise leadership in developing and implementing their national development strategies through broad consultative processes and a corresponding commitment to respect partner country leadership and help strengthen their capacity to exercise it.

Key Elements of Country Ownership under the GCF:

National Designated Authorities: Its responsibilities include: i) to provide programme oversight, country programming, country level coordination and coherence with national climate change and eight development pathways; ii) Designation of national, regional and/international Implementing Entities and intermediaries; and iii) approval of funding requests and no-objection procedures for direct access. Overall, the NDA has responsibility to recommend to the Board funding proposals that are in tandem with national plans and country priorities informed by robust multi-stakeholder engagement consultation processes and capacity building under GCF readiness.

No-objection procedure: This is a tool that allows a host country to reject any proposed or ongoing activity within its borders that is deemed to be in conflict with its development plans and priorities, strategies for addressing climate change, or national activities with aim of ensuring country ownership and safeguard local interests.

Multi-stakeholder engagement: The Governing Instrument explicitly encourages the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects. The overall goal is to ensure genuine participation of a wide-range of stakeholders in all stages of strategy development as well as programme implementation and

evaluation in order to legitimize funding requests and bring credibility to the overall programme. Development of funding proposals should for example be informed by effective engagement of project beneficiaries and potentially affected communities/groups via consultations, should be aligned with the GCF's environmental and social safeguards.

Accredited Entities – NDAs and NIEs: The African Scenario

Accredited Entities are institutions that have been approved by the Board to act as channels through which the Fund will deploy its resources to developing countries. Accreditation is open to sub-national, national, regional and international, public, private and non-governmental institutions.

In the context of Africa, 6 national⁷, 1 regional⁸ and 3 International⁹ entities have been accredited to access and implement activities supported by the GCF at the respective levels as of 24 May 2016. The African regional training on climate finance and GCF benefitted from inputs from Kenya's National Implementing Entity (National Environment Management Authority - NEMA). NEMA got accredited as an NIE for GCF on 9th March 2016, during the 12th GCF Board Meeting held in Songdo, South Korea under direct access. This will enable NEMA present to the GCF concepts/programme proposals under micro category worth maximum of 10 million USD per programme.

NEMA is currently engaged in capacity building and developing a prioritization strategy and a stakeholder involvement plan. The NIE indicated its commitment to an inclusive multi-stakeholder engagement process in the development of its proposal and indigenous peoples from Kenya participating in the training were encouraged to participate.

⁷ 1. Ministry of Finance and Economic Cooperation of the Federal (MOFEC) Democratic Republic of Ethiopia, 2) Ministry of Natural Resources (MINIRENA), Rwanda, 3) National Environment Management Authority (NEMA), Kenya, 4) Environmental Investment Fund (EIF), Namibia, 5) Agency for Agricultural Development (ADA) of Morocco, & 6) Centre de Suivi Ecologique, (CSE), Senegal, National.

⁸ DBSA, South Africa.

⁹ United Nations Environment Programme (UNEP), Kenya; Africa Finance Corporation (AFC), Nigeria, and African Development Bank, AfDB, Côte d'Ivoire.

3.0 Safeguards within the Green Climate Fund and Indigenous Peoples' Interests

The GCF is positioned to be the main driver of climate change related intervention for years to come. The extent to which the fund is designed and enabled to recognize, respect and promote human rights, including the rights of indigenous peoples is critical. GCF related safeguards broadly relate to its mandate and goal, the institutional arrangement and respective roles and responsibilities, decision-making protocols of the different organs and the safeguards related policies, procedures and operational guidelines.

The GCF was established with a vision for an ambitious, reliable, predictable, accessible, sustainable and transformational fund supporting a paradigm shift in climate change related interventions. But in the context of indigenous peoples' interests, in the present the GCF is out of sync with the emerging international good practice and transformational approaches with respect to recognition, respecting and promoting indigenous peoples' rights within the context of climate change interventions.

Indigenous peoples should therefore strive to hold the GCF accountable to its vision and mandate with respect to recognition and promotion of indigenous peoples' rights.

i. Funding Access Arrangements

National Designated Authority plays a critical role in GCF funds access modalities through the "no objection" process. It's the control point for influencing/determining who eventually gets accredited to receive GCF funding and implement activities sub-nationally, nationally and regionally under enhanced direct access.

Once accredited, the IEs and NIEs must demonstrate that they meet the Fund's fiduciary standards and environmental and social, including monitoring and reporting on progress.

Indigenous peoples must therefore pro-actively monitor and engage with their respective implementing entities accreditation processes, in order to influence who ultimately gets accredited.

ii. Safeguards related policy documents, procedures and operational guidelines

a. Monitoring and Accountability Framework for Accredited Entities

The M&A encapsulate the vision, standards, implementation and monitoring procedures that the GCF will employ to ensure its policies, criteria and organizational objectives are being met. It should include provisions for monitoring and accountability of performance on its accreditation standards, fiduciary standards, environmental and social performance standards and the 10 programmatic objectives of investments. The M&A sets out the roles and responsibilities of each of the other actors in the GCF delivery chain—accredited entities, implementing agencies, expert panels, the Independent Redress Mechanism.

Indigenous peoples' organizations, communities and networks, should therefore continuously monitor and strategically hold accountable accredited implementing entities against the monitoring and accountability framework of the GCF.

b. Interim Environment and Social Standards

The GCF is in the process of developing its own Environmental & Social Safeguards with indicated commitment for inclusive multi-stakeholder participation. The Board approved guidelines for a “fit-for-purpose” accreditation approach. An Accreditation Panel within the GCF Secretariat reviews documentation of potential implementing entities and determines whether an entity shall be granted accreditation before the Board.

The Board adopted, on an interim basis, the Performance Standards (PS) of the International Finance Corporation (IFC),¹⁰ in which performance standard (PS7) is on indigenous peoples. But, it is important to note that the IFC's "business as usual" approach has proved insufficient for preventing damages on the ground, and thus does not represent international best practices and should not form the basis for GCF safeguards, especially with regards to indigenous peoples rights and interests.

c. Fiduciary Standards¹¹ and Environmental and Social Safeguards to be met by NIEs

- Basic fiduciary standards (administrative and financial capacities and transparency and accountability requirements) will apply to all entities.
- Specialized fiduciary standards (project management capacities, grant award and/or funding allocation mechanisms; and requirements associated with financial blending and on lending) will apply to intermediaries depending on the role they will take on.
- Environmental and social safeguards will include at a minimum, capacities to assess and manage environmental and social risks, if any, and to engage affected communities.

d. Information Disclosure Policy

The Fund recognizes the importance and reaffirms its commitment to transparency and accountability in all aspects of its operations in fulfilling its mandate and strengthening public trust.”¹² The GCF Board

¹⁰ International Finance Corporation (IFC) The Eight Performance Standards Include: PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention; PS4: Community Health, Safety and Security; PS5: Land Acquisition and Involuntary Resettlement; PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources; PS7: Indigenous Peoples; PS8: Cultural Heritage;

See: <http://www.ifc.org/wps/wcm/connect/115482804a0255db96fbffd1a5d13d27/PSEnglish2012Full-Documents.pdf?MOD=AJPERES>.

¹¹ Comprehensive Information Disclosure Policy of the Fund; accessible from - <https://www.greenclimate.fund/documents/20182/184476/GCFB.1224-ComprehensiveInformationDisclosurePolicyoftheFund.pdf/1551e954-baa9-4e0d-bec7-352194b49bcb>.

¹² Initial fiduciary principles and standards of the Fund – accessible from: <https://www.greenclimate.fund/documents/20182/319135/1.6-FiduciaryStandards>.

adopted a comprehensive information disclosure policy on 8 March, 2016. Access to information under the GCF is informed by a number of key principles including, aspiration to maximize access to information, commitment to limited exceptions, facilitating simple and broad access to information, and provisions for explanations of decisions and right to review.

Publicly Accessible Information	Not Publicly Accessible ¹³	Means of Accessing Information:
• Fund information (organizational and institutional information) • Information regarding organs of decision-making of the Board, the Committee and the Interim Secretariat and Secretariat information • Independent Evaluation Unit, Independent Integrity Unit and independent redress mechanism information • Interim Trustee information • Information relating to accredited implementing entities • Private Sector Facility and private sector entities information • Information to and from other stakeholders	• Personal information and staff appointment • Legal, disciplinary or investigative matters • Personal information relating to and communications involving members and alternate board members and advisers • Safety and security • Information provided in confidence • Deliberative information • Certain financial information • Board proceedings • Information relating to committees, panels and groups; accountability units • Trust Fund reports • Accreditation	• The GCF Website • Other forms (drafts for consultation, etc.) • Webcasting - live streaming of GCF Board deliberations • Requests for information - Request via online form, mail, or fax; The secretariat will either answer, respond - YES - and will refer you to the document you need; NO- and explain why such document cannot be shared. If requester believes that information is unreasonably denied, then Letter of complaint to the Executive Direct

Indigenous peoples' communities, representatives, organizations and networks should therefore develop strategies to take advantage of the opportunities under the Information Disclosure framework, to access and

pdf/083cfe10-46f4-4a73-b603-8d7bfd2a35bd.

¹³ GCF may provide access to such information in extraordinary circumstances, if it determines that the benefit to be derived from doing so would outweigh potential harm.

review submitted project proposals, monitor track record of accredited implementing entities and give life to the safeguards components related information disclosure and access to ensure indigenous peoples are responded to rights recognized and protected.

e. GCF Redress Mechanism

The Governing Instrument of the GCF includes a provision for this, calling on the Board to establish an Independent Redress Mechanism that will report to the Board. The mechanism will receive complaints relating to the operation of the Fund and will evaluate and make recommendations. Towards this end, the Board is yet to develop and adopt guidelines/criteria for addressing complaints arising from project implementation brought forward by affected communities.

f. GCF Readiness phase related safeguards

The Green Climate Fund Readiness Programme builds countries' capacity to access the Green Climate Fund, through preparing countries to plan for, manage, disburse and monitor climate financing. The Programme builds the institutional capacity of national entities, with a focus on enabling direct access to climate finance. One area of the activities supported by the Readiness Programme relevant for indigenous peoples is the Strategic planning such as prioritization, stakeholder engagement, mapping of stakeholders in priority sectors.

That sufficient resources should be provided for readiness and preparatory support, including multi-stakeholder consultation mechanisms as it relates to the establishment and operation of national designated authorities and country focal points and enhance capacity of the implementing entities and intermediaries to meet the Fund's fiduciary principles and standards, and environmental and social safeguards.

Safeguards should be reviewed throughout the whole project cycle not just at the accreditation stage. Safeguards must be mandatory in nature, meaning

that all implementing entities and intermediaries are required to implement safeguards for all projects/programs. The level of discretion and flexibility in implementing the safeguards should be low.



4.0 Challenges and Opportunities for Indigenous Peoples in the Fund: Current Experiences

At present, the GCF is indigenous peoples 'blind'. Besides, the IFCs' safeguards standard; used by the Fund on an interim basis, no other GCF policy instruments mentions, least of all provides for recognition, respect and promotion of indigenous peoples' rights in programs and activities supported by the fund.

The present Observers' space, multi-stakeholder engagement and country ownership programs under Readiness of the GCF, and the Strategic Plan document, for example do not mention, least of all provide meaningful avenues for engagement of indigenous peoples, despite the reality that 13 significant portion of climate change intervention projects to be supported by the GCF will be undertaken within indigenous peoples' territories as demonstrated by the current projects supported by the GCF.

The Fund is silent about indigenous peoples' key concerns and demands related to: a) development and adoption of an Indigenous Peoples' Policy; b) a dedicated direct active observer seat for indigenous peoples; c) a dedicated grant or access window for indigenous peoples and indicators around customary land tenure, traditional/indigenous knowledge; and e) FPIC under the fund's performance indicator framework, among other key concerns.

Engagement with the GCF has so far been limited to a maximum of 3-4 delegates supported through Tebtebba. The small team has adopted a multi-pronged approach in its endeavors to make the GCF indigenous peoples' interest

sensitive, including: participation in board meetings, reaching out to board members, secretariat and advisers; letters and submissions on key policy development processes (information disclosure, Environmental and Social Management System, Strategic plan, etc.); hosting receptions with board members; working with the civil society organizations and other observers in the GCF; and undertaking international and regional workshops on the GCF.

While there certainly is positive movement towards accommodation of indigenous peoples' participation, especially among the CSOs observer space, evidently a lot more work needs to be done to lobby the GCF board and Secretariat to pro-actively consider and address the outstanding indigenous peoples' demands.



5.0 Results-Based Financing Under the GCF: A Focus on the Forest Sector

The concept of REDD+, (Reduced Emissions from Deforestation and Forest Degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries), has emerged in the course of the UNFCCC negotiation as one of the strategic interventions for future climate regimes. REDD+ seeks to provide compensation to governments, communities, companies or individuals in developing tropical countries for actions taken to reduce GHG from the forest sector.

REDD+ has come into prominence following the recognition that land use change, principally deforestation, is responsible for 12 - 20% of global greenhouse gas emissions. Furthermore, tropical forests provide multiple ecosystem services and support the livelihoods of an estimated 1.6 billion of the world's poorest people, including indigenous peoples, who are dependent on forest resources.

REDD+ programs have the potential to deliver several benefits to indigenous peoples and other forest-dependent

communities. These include the sustainable management of biodiversity, the provision of alternative livelihoods and equitable sharing of revenues generated from emissions reductions amongst others. However, if not done appropriately, it also presents risks to rights, livelihoods, culture, and biodiversity, hence the call for integration of governance, social and environmental related safeguards to address associated risks and threats.

According to the UNFCCC Cancun decision, four building blocks for a successful REDD+ results based payment programs are identified, namely: i) a national strategy or action plan of REDD+; ii) a national forest reference emission level and/or forest reference level; iii) a National Forest monitoring system and iv) a system for providing information on how the Cancun safeguards are being addressed and respected throughout the implementation of REDD+ activities. The Cancun safeguards also incorporate safeguards targeted at indigenous peoples including on traditional knowledge, multiple function of forests, security of land tenure and their full and effective participation.¹⁴

The call for Results-Based Financing for REDD+ was reiterated by the Warsaw Framework on REDD+ negotiated at COP 19, which highlighted the importance of safeguards implementation in addition to focusing on financing for verified emissions reductions results.

REDD+ finance is provided by several different institutions under multilateral funds basically for “readiness” activities to prepare countries for funding based on demonstrated reductions of deforestation and associated emissions such as World Bank’s Forest Carbon Partnership Facility Readiness Funds (FCPF-RF) and the UN-REDD program with UNEP, FAO and UNDP as implementing agencies. The Warsaw decision and Paris, COP 21 Decisions, recognize the Green Climate Fund as the main financing entity for future Results-Based Financing under the UNFCCC framework. Following COP 21 guidance, the GCF is in the process of operationalizing its own framework for Results-Based Financing in REDD+.

This therefore makes engagement with GCF a must for indigenous peoples, who’ll be most likely impacted by REDD+

¹⁴ UNFCCC Cancun Decision par. 71 of Decision 1/CP.16.

Results-Based Financing supported by the GCF. In addition, indigenous peoples should pro-actively engage with national level REDD+ programs in order to ensure the overall respective country's strategies, stakeholder engagement mechanisms, forest monitoring, safeguards information systems and benefit sharing arrangements recognize, respect, protect and promote rights of indigenous peoples.

Concerns over the history of forced evictions/involuntary resettlement and security of land tenure of indigenous peoples in Africa in pretext of forest conservation and how these bad practices will be dealt with in the context of Results-Based Financing for REDD+ were reiterated by participants. As a beginning point, participants called for the mapping-out of potential REDD+ landscapes, Pilot sites, in order to strategically influence the design of national forest monitoring systems (NFS) and associated national safeguard information systems (SIS).

6.0 Climate Investment Funds

The CIF representatives provided an overview of the objectives, design and governance arrangements of the Climate Investment Fund emphasizing on the place and role of stakeholder engagement, particularly how indigenous peoples are involved in the fund.

The CIFs include four key programs that help developing countries pilot low-emissions and climate resilient development. The specific funds include; Clean Technology Fund,¹⁵ Forest Investment Program,¹⁶ Pilot Program for Climate Resilience,¹⁷ and Scaling Up Renewable Energy in Low

¹⁵ Provides resources to scale up the demonstration, deployment, and transfer of low carbon technologies to low-income developing countries, e.g., South Africa, Nigeria, Morocco, Egypt in Africa.

¹⁶ A funding window of the CIF, providing direct investments in forestry to support countries' development and REDD+ objectives, e.g., Cote d'Ivoire, Democratic Republic of Congo, Ghana, Mozambique, Rwanda, Tunisia, Uganda, Zambia in Africa.

¹⁷ The programme assists national governments in integrating climate resilience into development planning across sectors and stakeholder groups and in piloting innovative public and private sector solutions to pressing climate-related risks, e.g., Ethiopia, Gambia, Madagascar, Malawi, Mozambique, Niger, Rwanda, Uganda and Zambia in Africa.

Income Countries Program.¹⁸

The Fund prides itself in being a leader in efforts to promote transparent leadership in Climate Finance as reflected in its governance and decision-making arrangements which for example has representatives of indigenous peoples in all committees and sub-committees. The Fund also promotes collaborations and partnership that encourage governments and stakeholders, including indigenous peoples to work together on long-term initiatives and specific projects to design and deliver mutually agreed solutions.

Engagement with stakeholders in the context of CIF encompasses a broad range of issues including, access to relevant information, opportunity to participate in decision-making processes, public awareness, participatory monitoring and effective access to judicial and administrative proceedings, including redress and remedy with a broader goal of promoting a greater sense of ownership over outcomes of climate change interventions, and strengthening sustainability.

The Fund recognizes and seeks to promote the place of indigenous peoples as holders of traditional knowledge arising from their close relationship with the environment and its resources, and how climate change distorts this relationship, exacerbating the difficulties faced by indigenous communities ultimately posing threats to their very survival.

Indigenous peoples' representative to the four CIF funds are selected on the sidelines of the United Nations Permanent Forum on Indigenous Issues (UNPFII) by indigenous peoples' representatives participating in the UNPFII. A total of 10 indigenous peoples' representatives participate as Observers to the four of the CIF programs, funds, i.e., 4 in FIP, 2 in CTF, 2 in PPCR and 2 in SREP.

Specifically, the CIF has established one of the largest global REDD+ grant initiative created solely for and by indigenous peoples and local communities—the Dedicated Grant Mechanism under the Forest Investment Programme (FIP).

¹⁸ A funding window of the CIF, supporting developing countries by demonstrating the economic, social, and environmental viability of renewable energy, e.g., Ethiopia, Ghana, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Rwanda, Sierra Leone, Tanzania, Uganda, and Zambia in Africa.

The aim of the DGM is to provide grants to indigenous peoples and local communities (IPLCs) to enhance their capacity and support initiatives to strengthen their participation in FIP and other REDD+ processes at the local, national and global levels.

While participants appreciated the value of the information shared, (as a significant number were not exposed to the CIFs before), concerns were raised over the indigenous peoples' self-selection process to the CIFs funds. A request was presented to the CIF representative to consider supporting an African regional workshop to explore strategies for an improved Observers self-selection process.

Participants also found useful, the present study being undertaken by the CIF on the role of indigenous/traditional knowledge and technologies in climate change in Africa. A number of recommendations were made that includes the following:

- a. That the study should make deliberate efforts to incorporate researchers who are indigenous peoples' knowledge holders,
- b. The study should make deliberate efforts to capture and reflect the diversity of indigenous knowledge systems based on the different livelihoods systems of indigenous peoples, e.g., hunter-gathering and pastoralism, and
- c. That the preliminary research findings should be validated by indigenous peoples' communities/representatives studied, to pre-empt any potential misrepresentations in the ultimate publication.

7.0 Key Messages/Outcomes and Recommendations

a. Capacity Building

Overall, the indigenous peoples' participants found the training particularly useful, as the GCF is designed to be the next frontier for struggle around land rights, as climate change interventions supported by the fund could potentially be a future major driver of land dispossession and change in land use. The topic of climate change financing more generally, and the GCF in particular, is both technical and highly dynamic. Hence, the need for sustained awareness creation and training within and across indigenous peoples networks, down to the communities.

The major concerns for indigenous peoples effective awareness for meaningful engagement at project, national and global levels, calling for actions beyond boardroom, to ensure GCF funds reach those most affected by climate change at grassroots or at least minimize potential negative impacts. The capacity-related needs include the ability and tools to track climate change financing in-country and across the region, in order to determine level of access by local communities, monitoring the nature of projects supported, e.g., adaptation vs. mitigation and impacts of the intervention on local livelihoods.

Other capacity related issues mentioned include:

- Community-sensitive benefit-sharing arrangements;
- Enhanced contracting and negotiations capacities; and
- Strategies aimed at strengthening of financial and administrative capacities among IP/LC organizations to competently manage large amounts of funding.

To facilitate need-informed and targeted capacity building interventions, participants recommended in-country indigenous peoples' needs assessment exercise with respect to GCFs processes, mandate, and thereby develop requisite strategies to build the emerging capacity gaps.

b. Participation and representation

GCF guiding principles call for inclusive decision-making at all levels, including through Observers, Advisory Panels, multi-stakeholder engagement and virtual spaces. In the present set-up, indigenous peoples' participation is negligible. Participation and representation across levels and the emerging institutional arrangements related to climate change financing is a must if indigenous peoples from Africa, and globally were to influence the vision, working and ultimate impacts of these processes.

Globally: Overall guidance to multilateral climate change financing entities such as the Adaptation Fund and the Green Climate fund emanates from the decisions of the Conference of Parties to the United Nations Framework Convention on Climate Change and Global Environmental Facility also serving as financing mechanism for a number of environmental related conventions.¹⁹ In addition to COPs of the multilateral processes and mechanisms, are subsidiary bodies and thematic committees associated to them such Subsidiary Body on Implementation (SBI), Subsidiary Body on Scientific Technological Advancement (SBSTA) and the Standing Committee on Finance in the context of the UNFCCC which provides further guidance on implementation of the COPs decisions. Indigenous peoples' participation to these bodies is paramount in order to keep issues of interest to indigenous peoples within the negotiation table, with ultimate trickle down to the financing entities.

GCF Institutional arrangement: The Green Climate Fund is in the formative stages of establishing policy guidelines and operationalization procedures on a broad range of areas and issues of interest to indigenous peoples. The GCF meets an average of four times a year to explore, discuss and make decisions around these policy issues and consider and approve project proposals for funding. Indigenous representatives need to engage directly with the GCF Board deliberations as observers through the broader CSOs observer arrangements.

¹⁹ Convention on Biological Diversity (CBD), United Nations Framework Convention on Climate Change (UNFCCC), Stockholm Convention on Persistent Organic Pollutants (POPs), UN Convention to Combat Desertification (UNCCD), Minamata Convention on Mercury.

Participation in the CSOs' Observers strategy preparatory meetings prior to GCF board sessions are particularly crucial for informed participation and lobbying. Furthermore, indigenous peoples' organizations (IPOs) are encouraged to apply for Observer status with the GCF, in order to increase the presence and voice of IPs in the negotiation processes.

For those who cannot make it to attend meetings in person, they can take advantage of the now available webcasting facility of the GCF to follow and influence deliberations real-time virtually. Tied to the webcasting engagement space, is a very vibrant skype-chat coordinated by the CSO active observers. The virtual discussion provides an opportunity for members in the skype-group to follow and contribute real-time on specific agenda items under consideration by the GCF board.

Linkages with the Southern CSOs Active Observers to the GCF: In the absence of a dedicated active observer position for indigenous peoples under the GCF as in most other UN bilateral processes, indigenous peoples are politically represented by the active observer for Southern CSOs. IPs from Africa should therefore strategically establish strong linkages with the active observer, including participating in the skype-calls periodically organized by the active Observer to explore current issues and enlisting in the southern-CSOs-GCF list-serve in order to remain engaged and informed on GCF related matters.

- Lobby for development and adoption of an indigenous peoples' policy, that would contain provisions and criteria that promote, respects and protects indigenous peoples' rights guaranteed under international human rights standard and obligations such as the ILO 169 and UNDRIP.
- Push and lobby for the development and adoption of robust guidelines to ensure the effective engagement, consultation and participation of indigenous peoples in the GCF related activities globally and at country and regional levels, e.g., engaging with the National Designated Authority and the Implementing Entities.

National Level GCF related institutions and Activities: National Designated Authorities (NDAs) play a key role in

multi-stakeholder consultation and country coordination, and hence failure to meaningfully engage the NDA or focal point early on in the process of proposal design actually represents a much larger failure of inclusive stakeholder participation—the very stakeholder participation that will be absolutely necessary to ensure GCF activities are successful, sustainable, and operate with minimal reputational and strategic risk.

Country ownership should be understood as something beyond only ownership of a single person or ministry in a government—that is, the NDA or focal point. Rather, in order to achieve sustainability and ensure the needs of recipients and communities are met, it should be understood as broad-based ownership of all stakeholders, including indigenous peoples in the country—in the design, development and implementation of strategies, projects and programs.

GCF Readiness Programs: Country GCF Readiness programs provides the initial critical opportunity for any stakeholders to bring their interests and perspectives on the table. The readiness process sets the country's priority areas of intervention, identifies stakeholders and capacity needs, establishes action plans and institutional framework to coordinate and implement GCF supported activities.

The NDAs also provide a critical control point for vetting and possibly influencing the decisions related to nationally Accredited/Implementing Entities through the no-objection procedures. Candidates seeking accreditation as implementing entities at the national level should be vetted against their historical responsiveness to indigenous peoples' issues and on gender responsiveness and sensitivity.

c) Indigenous Peoples' Access to GCF Funding

The GCF policy guidelines indicate commitment to enhanced direct access (EDA), including to non-state local actors, directly addressing needs and benefiting vulnerable people and communities, and indicative key result areas for funding under SMEs, e.g., adaptation activities to reduce climate-related vulnerabilities.

While the GCF is yet to respond to demands being made by indigenous peoples for consideration of either a dedicated window or an arrangement for direct access of GCF by indigenous peoples, existing potential access modalities of the fund should be explored. One of the ToR of NDAs is to “support small scale activities with local actors that directly address needs and benefits of *vulnerable people and communities*,” including scaling up of effective community-based adaptation (CBA) actions.

In addition, to sustaining the call for direct to GCF funding by indigenous peoples, participants to the workshop also called for consideration of a common African Indigenous Peoples' Project, by assessing and exploring possibilities for indigenous peoples engagement as implementers at sub-national/community level, and also considering the potential partnership opportunities with other indigenous peoples-friendly national implementing entities (NIEs).

d) Monitoring and Safeguarding of Safeguards

The GCF IFC interim safeguards, “fit-for-purpose” accreditation approach, Monitoring and Accountability Framework, information disclosure, independent redress mechanism, at the minimum targets the “do-no-harm” safeguards threshold. Indigenous peoples from the African region committed to themselves to establish pro-active sustainable strategies to hold the GCF board, NDAs, NIEs and other related institutions accountable and push for a higher threshold beyond “do-no-harm” to “doing good” that complies with international law in relation to environment, human rights, including rights of indigenous peoples.

At, the national level, once National Accredited Entities are accredited and are successful in accessing GCF funding, indigenous peoples should consistently monitor implementation in order to ensure to the application and respect of GCF, country-level and specific Implementing Entities' safeguards protocols.

To enable this monitoring aimed at ensuring enforcement of safeguards, participants called for development and

operationalization (where do not exist) modalities, tools and approaches to engage with indigenous peoples. These tools include (not limited to) Free, Prior and Informed Consent, Community-Based Monitoring Information Systems and community protocols.

Recommendations were also made for scoping studies at the national level on impact of Readiness programmes, especially on stakeholder engagement, capacity building and the profile of accredited implementing entities and extend to which they meet the GCF social and environmental safeguards in order to inform future engagement activities related to GCF supported interventions.

e) Networking, Solidarity and Coordination

Modalities guiding access and safeguarding potential negative impacts of climate change financing are often negotiated, developed and established through multilateral global and international processes. This makes participation of indigenous peoples from Africa in global indigenous peoples' movement and platforms such the International Indigenous Peoples' Forum on Climate Change (IIPFCC) engaging climate change financing related process critical.

To this effect, participants proposed to identify and nominate lead institutions at the African regional and at national levels as hubs for coordination and communication on matters related to Climate change financing, with particular emphasis on the Green Climate Fund. Indigenous Livelihoods Enhancement Partners and Mainyuito Pastoralist Integrated Development Organization, were nominated to coordinate global and regional climate change financing related activities, respectively.

A team of five²⁰ was nominated to work on a concept note/proposal on a workshop to explore strategies and modalities improve African's indigenous peoples' self-selection process to the CIFs, for consideration for support by the CIFs.

²⁰ Makuregye Nathan, Keikabile Mogodu, Desalegn Kebede, Joyce Syokino and Kimaren Ole Riamit.

SYSTEMATIZATION: REGIONAL WORKSHOP FOR INDIGENOUS PEOPLES ON THE GREEN CLIMATE FUND AND CLIMATE FINANCE

April 25-26, 2016

Lima, Peru

Hosted by: Centro para la Autonomía y Desarrollo de
los Pueblos Indígenas (CADPI) and Centro de Culturas
Indígenas el Perú (CHIRAPAQ)



Participants' Profile

The participants were the following:

- Indigenous women and men from subregional and regional indigenous organizations, mainly from priority countries in the Green Climate Fund mechanism with clear commitment to follow and monitor the Fund at national and international level and
- Indigenous and non-indigenous representatives in the Green Climate Fund mechanism and others.

The main countries convened were Argentina, Brazil, Colombia, El Salvador, Honduras, Mexico, Nicaragua, Peru, and Paraguay.



Program and Methodology

The program was organized in four parts:

1. Presentation of the overview of climate change processes and participation of indigenous organizations

in Latin America. This part included contributions of indigenous representatives on how they perceive the presence of indigenous peoples in this process and share experiences of participation.

2. The presentation of the Green Climate Fund structure and other financing mechanisms, with the presence of representatives of the Ministry of Environment of Peru for a comprehensive explanation of the Fund's experience in this country.
3. A reflective participants' evaluation on indigenous peoples' participation in this mechanism.
4. An assessment on the monitoring capabilities required by indigenous peoples to monitor commitments within the mechanism.

It is noteworthy that one of the products of this workshop was to have a position paper detailing recommendations for effective participation and presence of indigenous peoples in the decision-making mechanisms of the Green Climate Fund.

Participants' Reflections:

Mexico

We need to ensure that the use of these funds by private entities do not indirectly influence activities that have risk of provoking violence against indigenous peoples, instead these funds should be used for the preparation of the leaders of these peoples.

Often indigenous peoples are accused of opposing various projects, when from the beginning there was no consent or dialogue process, because they did not consider this as part of the reality in the formulation of a project.

Honduras

In our country, ensuring our territory is a primary concern; our priority is land titling to continue becoming empowered to defend these lands.

There is the unfortunate event of the death of Berta Cáceres (an indigenous Lenka), and two weeks after, the death of Celio Álvarez (an indigenous Garirruna of the Atlantic coast). These are examples of indigenous leaders who have lost their lives in the process of defending their territories. This is not an exclusive reality of the country, but a global phenomenon.

Nicaragua

In Nicaragua, mitigation and adaptation activities are being implemented, and there has been a change in promoting and implementing wind energy. Overall, there has been a big change in the energy matrix of the country since the 80s with geothermal and hydroelectric power.

Peru

The Indigenous Development Association of the Peruvian Rainforest (AIDSESP) has had experience running a project funded by the DGM with funding from the World Bank; it aims to title 20 million hectares of land, which would benefit 1,240 communities.

For the participatory design of this project, the indigenous organizations AIDSESP and CONAP formed a National Steering Committee Peru in 2013, which defined their priorities, responsibilities and its regulations. After holding meetings between the Committee, the local indigenous organizations and the World Bank, where the leaders were consulted on the recommendations of the social and environmental consultants, WWF was identified as the National Executing Agency in 2014. In 2015 the World Bank granted the "no objection" and jointly developed the operating manual.

This project, "MDE Saweto Peru", has the scope to respond to territorial demands and improve sustainable agroforestry practices, including fish farming and forest management for timber and non- timber (e.g., eco-tourism and handicrafts).

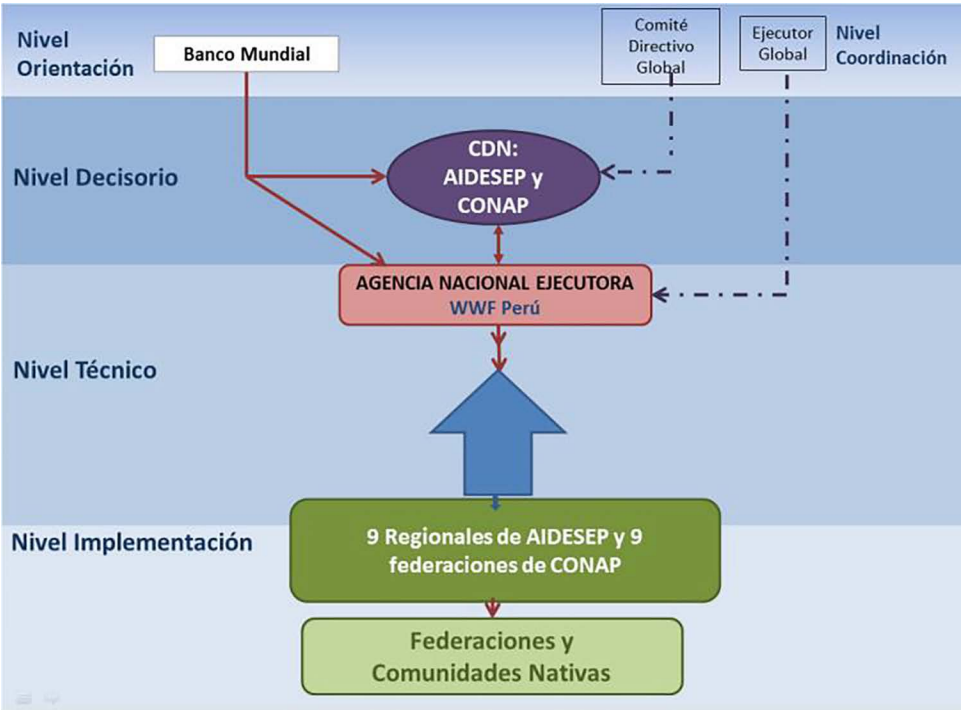
In a second phase, it will finance up to five small timber sub-projects at a sustainable scale.

It is worth noting that it has allocated half a million USD for sub-projects proposed and managed primarily by women.

As this is an innovative experience, an effective dialogue is pending with the World Bank as "a bank with another bank," we indigenous peoples as a natural resource bank and the other bank as one of USD. This could be an intercultural adaptation of financing channels, and a local adaptation of the guidelines of DGM.

This project will provide the "enabling conditions" to expand opportunities for international cooperation, and state compliance with legal and political commitments on titling, management and indigenous territorial governance. Now we are wondering how we can complement this project with other international climate funds.

The following graph explains structure and decision, technical and implementation levels for this fund:



CHAPTER II - Climate Finance Mechanisms
for Indigenous Peoples

Green Climate Fund

The GCF is a UNFCCC financial mechanism which applies current ownership approach, and is expected to be the main entity to mobilize public and private resources to finance mitigation and adaptation to climate change in developing countries.

The Fund is accountable to the COP and while dependent, operates under COP guidance. The Paris Agreement recognizes the financial mechanisms of the Convention, it mandates funding to less developed countries, it agrees to support the preparation of financing by developed countries, and funding for the preparation of National Adaptation Plans. In conclusion, GCF negotiations will be the funding framework for the Agreement.

The Green Climate Fund has a Board and an independent Secretariat. The Board which is the supreme governing body is composed of 24 members—12 developed countries and 12 from developing countries. Each year, the Board elects two co-chairs from developed and developing countries.

The following graph shows the structure of the GCF:



Operational Policies and Rules of the Green Climate Fund

It operates in a transparent and responsible manner, and in an efficient and effective way.

Its role is to channel new, additional, adequate and predictable resources to developing countries.

Focused on a country-led approach to promote and strengthen participation at the national level with the effective involvement of relevant institutions and stakeholders.

Conducts monitoring and evaluation processes.

Maximizes the impact of adaptation and mitigation funding, seeking balance between sectors, while generating and promoting co-benefits of social, environmental and economic development taking into account a gender-sensitive approach.

Gender Policy Objectives:

Ensure that through a gender-sensitive approach, the Green Climate Fund achieves more effective results and sustainable and equitable climate impact in an efficient form and across its internal and external processes.

Create equal resilience in women and men to combat climate change and ensure that they equally contribute and benefit from activities supported by the Green Climate Fund.

Combat and mitigate risks for women and men associated with adaptation and mitigation activities funded by the Green Climate Fund.

Continue to reduce the gender gap on social, economic and environmental vulnerabilities exacerbated by climate change.

Information Policy Disclosure

The new policy was facilitated by the Ethics Committee of the Fund and a public call for input was made that seeks to maximize access to information produced and/or which is under its possession and not within the list of exceptions.

The request for access to information is made in English by email at disclosure@gcfund.org, and the response period is 30 days maximum, and there is an appeal mechanism.

Clarity as to when one can access any communication:

Proposal: when the Board meets.

Environmental and Social Reporting: Category A - those calling for 120 days before the decision; Category B - those that are requested 30 days before the decision.

Board records: there is live webcast of the meetings and access to the meeting recordings are available three weeks after, for the next year and a half.

Social and Environmental Safeguards:

The Green Climate Fund has adopted an interim ESS using the International Financial Corporation (IFC) standards that focuses on: i) assessment and management of environmental risks and impact, ii) labor and work conditions, iii) resource efficiency and pollution prevention, iv) community health, safety and security, v) land acquisition and involuntary resettlement, vi) biodiversity conservation and sustainable management of living natural resources, vii) indigenous peoples, and viii) cultural heritage.

Fund focused on the protection of forests

REDD+ has reached a prominent track after recognition that land use change, mainly due deforestation, is responsible for 12 to 20% of global emissions of greenhouse gases. In addition, tropical forests provide multiple ecosystem services and support livelihoods of an estimated 1.6 billion of the poorest people in the world who depend on forest resources.

REDD+ is supposed to have the potential to help promote environmentally and socially sustainable use and conservation of forest resources as part of development strategies, adoption of protective measures, gender sensitive inclusive beneficiary schemes and rights to traditional use by indigenous peoples are recognized and protected.

The Framework for REDD+ negotiations at COP 19 (Warsaw, 2013) highlighted the importance of the application of safeguards in addition to focus on financing for verified emission reduction results.

The Capacity Building Program of the FCPF aims to provide indigenous peoples, forest-dependents and other forest dwellers and Southern CSOs information, knowledge and awareness of REDD+ in order to improve their understanding of REDD+, to participate more meaningfully in the implementation of REDD+ activities, and to strengthen mechanisms for inclusion, accountability and participation.

The Dedicated Grant Mechanisms for IPs and LCs of the CIF-FIP, is a global initiative conceived and developed as a special window under the Forest Investment Program (FIP) to provide grants to indigenous peoples and local communities (IPLC) to improve their capacity and support initiatives to strengthen their participation in FIP and other REDD+ processes at local, national and global levels.

UNREDD CBR+ is a partnership between the UN REDD Program and the Small Grants Program GEF to provide grants directly to indigenous peoples and communities to empower them to participate fully in the design, implementation and monitoring of the activities of preparation REDD+, and develop experiences, lessons and recommendations at the local level that can contribute to national REDD+ processes.

Community-Based REDD+ supports projects at community level that complement national UN-REDD programs, processes and/or strategies for preparation for national REDD+. Currently in its pilot phase, CBR+ is present in six countries: Cambodia, Sri Lanka, Panama, Paraguay, Democratic Republic of Congo and Nigeria.

Climate Investment Fund (CIF)

It is a financing instrument to help developing countries to experience different ways to transform their economies through low carbon emissions development resilient to climate change through increased funding channeled through multilateral development banks (MDB).

Participation and role of indigenous observers in the Climate Investment Fund

Responsibilities of Indigenous Observers:

- Serve as key carriers of knowledge and voice of their constituents.
- Ensure that information and decisions of the Climate Investment Fund will be widely and entirely shared to

- their constituents.
- Provide their constituents views and expectations to the Committee.

Peruvian experience

The Ministry of the Environment (MINAM) and the Green Climate Fund

MINAM's vision is to achieve the proposed objectives in the main policy documents for the management of natural resources at the national and sub-national level like the National Strategy on Climate Change, Biological Diversity, Combat on Desertification and Drought, Forests and Climate Change (under discussion); and commitments on Nationally Determined Contributions (NDCs).

MINAM is the National Designated Authority for the Green Climate Fund in Peru. Its functions as the focal point are:

- Provide a strategic vision and secure that activities financed by the Fund are in alignment with the national priorities.
- Convene representatives of the public and private sectors and civil society to identify the programs and projects that can benefit from the Fund.
- Present to the Fund's Board of Directors project proposals for implementation at the national level, as well as institutions that seek accreditation as intermediary entities.

The management of climate finance that promotes MINAM is focused on four pillars:

1. Planning activities that would identify projects needing funds.
2. Access to national and international resources.
3. Monitoring of the activities.
4. Evaluation of how results contribute to the goals outlined in the national management of climate change.

The Readiness Phase—preparation phase for MINAM to access resources—was approved. This phase includes:

1. Designing a system for evaluation of projects and applications for accreditation of institutions seeking access to the Fund.
2. The process of socialization and training at national level on the Fund, its opportunities and how it works (there was a first workshop).
3. Identify new and potential national institutions that can directly access the Fund's resources (for new entities).

PROFONANPE was accredited as intermediary national entity in Peru, becoming the first institution in Latin America to gain this status. Other institutions that can seek accreditation are, AgroBanco, COFIDE, among others.

The first project approved is “Building the Resilience of Wetlands in the Province of Datem del Marañón in Peru” for US\$10M; it has as objective to enhance the resilience of the indigenous communities living in the rich carbon stock wetland ecosystem in the Province of Datem del Marañón (PDM) in the Region of Loreto, Peru by improving their livelihoods and to reduce greenhouse gas emissions from deforestation.

Reflections on concerns and observations from indigenous peoples on the Green Climate Fund and other funding mechanisms:

- It is necessary to carefully review the Green Climate Fund’s website, sign-up to the GCF CSO list and track relevant information that may be useful for indigenous peoples’ advocacy.
- Have information about the focal point or entity accredited in each country, make contact and request information about the process in which it is located.
- Read the reports and updates from the observers from civil society organizations.
- There is either lack or shortage of information about GCF workshops, priority areas and on indigenous peoples in the website.
- The materials available online are in English only.

- There is a lack of proper assessment of the impacts and progress of implemented activities in countries with this Fund.
- Much of the funds are to cover consultants' budgets that are not familiar with Indigenous people's issues and perspectives.

CHAPTER III - Evaluation on the participation of Indigenous peoples in the climate financing

Reflections of the working groups:

Indigenous Peoples participation on the Green Climate Fund	There are some who are participating, but not in an effective manner. It is expressed that there is a need to be inside to have real participation and to be taking into consideration. Indigenous peoples participate in an indirect way. This participation is in an isolated manner, when it should be done in blocks and in community.
Evaluation of participation	The decision making of the indigenous representatives in these spaces must take place from the bases, a bottom-up identification of the community needs to the organization, and from the organizations to those in the decision-making spaces on climate. The decision and execution of decisions will be inefficient if it does not incorporate Indigenous peoples in this process. This can lead to ineffectiveness from the proposal to the implementation. Mechanisms must be guaranteed to access specific funds to address the problems of indigenous peoples. These funds must be direct, allowing to combat problems directly and have support to correctly enter the process within the framework of financing.

	Indigenous peoples must establish alliances with international organizations already accredited, with voice and vote, to effectively enforce the agreements and proposals from indigenous peoples. They must build and secure scenarios through technical specialists to support indigenous organizations own initiatives. Constitute a team with a clear and articulated policy proposal that allows to develop and implement a negotiation plan that influences the different climate finance mechanisms and allowing access to them. There must be a direct communication channel with those responsible for decision making within the Green Climate Fund, as sometimes information provided by intermediaries is not specific or effective.
Advantages and disadvantages for indigenous peoples	Advantages: Indigenous peoples are the holders of rights to their territories. There is the capacity to implement the free and informed consent. They have international legal frameworks that guarantee their rights. There is the possibility of funding mechanism, the environment is preserved, not allowing the destruction of the environment. Disadvantages: Non-existent policies for our own safeguards. Non-existent of real participation and representation in the decision making and governance processes. The mechanisms to access financing are cumbersome and complicated. Due to the intermediaries, there is no direct participation. When decisions are made, only the participation of the State is considered. It is necessary that indigenous peoples are also included. The knowledge and ancestral wisdom is often not respected.

CHAPTER IV - Reflections on the necessary organizational capacity for tracking and monitoring the mechanisms.

The language barrier is one of the main difficulties of indigenous peoples to access information on opportunities related to climate change funds and the Green Climate Fund. In general, online portals, official sites of different funding mechanisms for climate actions are in English, so it is necessary to stress that information showed at least be distributed in Spanish.

It is also necessary for indigenous organizations to make the effort to train its members not only in the technical and operational aspect, but also in learning the terminologies and narratives used in the official language of either the United Nations and other climate funding mechanisms; to ensure that the documents, petitions and statements of indigenous peoples are welcomed and timely within these systems.

The efficiency of indigenous people's participation should be improved through exchange of experiences and proposals that allows informed discussion and proposition. To do this, information must be shared with the organizations, only then could the capacity of proposal articulation can increase, which could lead to joint proposals via the States or directly with an institution accredited to the Green Climate Fund and other financing mechanisms.

Because indigenous peoples cannot directly participate in the decision making as they are not considered a negotiating party in this process, it is necessary to continue joint, organized, fraternal advocacy within the same national jurisdiction (State-Party); and continue influencing the complaints mechanisms at national and regional levels.



CHAPTER V - Conclusions

Our territories and our rights against Climate Finance:

- Indigenous peoples have international legal frameworks that guarantee our rights and participation. However, some funds or implemented projects do not guarantee the human rights of indigenous peoples.
- We note with serious concern the legal risk that our territorial rights are under. We note that not all mechanisms ensure territorial rights in the process of free, prior and informed consent; despite indigenous peoples being the primary holders of the right to land, forest and natural resources.

About the GCF and other climate finance mechanisms:

- The current structure of the Green Climate Fund does not guarantee the full and effective participation of indigenous peoples in the mechanisms that directly affect their rights and respect of their territories.
- There is no direct participation of indigenous peoples in the Green Climate Fund governance.
- The policies of the Green Climate Fund do not contemplate indigenous peoples' own vision or their rights. There is the absence of specific policies towards indigenous peoples, or specific funds for indigenous peoples as in the case of the Climate Investment Fund.
- Indigenous peoples have insufficient information or no appropriate channels for communication and information mechanisms. For example, queries can be made in English only (website has no Spanish version).
- The Green Climate Fund does not have its own safeguard policies; it has no safeguards to ensure respect for the rights of indigenous peoples and their territories.

- We note that the Green Climate Fund does not guarantee the right and possession of the territory of indigenous peoples, human rights, political participation and the free and informed prior consultation.
- The resources of the Climate Investment Fund are quick to access for the pre-investment phase, these are given for specific studies for investment proposals, but it is still difficult to understand and directly access them.

About our participation in this framework:

- There is a need for indigenous peoples to be informed and trained in everything that happens on the Green Climate Fund the main concern is the implementation of its mechanisms in indigenous territories and its possible impacts in community structures of indigenous peoples.
- There is no effective, active and direct involvement of indigenous organizations in the different processes of the Green Climate Fund.
- The governance of the Fund will be poor if indigenous peoples are not incorporated as part of the decision-making as subjects of primary rights.
- The procedures that affect the participation in territory and indigenous peoples must follow free, prior and informed consent.
- Barriers have been identified for direct access to funds. It is of concern that the funds are not directly managed by indigenous organizations, mainly and supposedly because as they are large amounts, indigenous organizations do not have the capacity to handle them. However, since the National Designated Authority is to provide guarantees and an intermediary is to act as administrator, there is a risk of the national authority not reflecting as national interest the priorities of indigenous peoples and that the high overhead and unnecessary costs would be utilized by the intermediary on activities that are neither useful nor necessary for indigenous peoples.

- The capacity of organizations and networks of indigenous peoples to meet the referenced norms and fiduciary standards is limited; therefore it is necessary that indigenous people's organizations build their financial and administrative capacities.



CHAPTER VI - Declaration - Indigenous Peoples with Voice

Latin American representatives of indigenous organizations gathered for a Regional Workshop on Indigenous Peoples and Climate Finance in Lima on April 25-26, 2016. Through dialogue and analysis we evaluated with particular attention the Green Fund Climate, the primary financing mechanism of the UNFCCC.

In this space we reviewed with emphasis the creation, processes, implementation, and incidence of the GCF and CIF funds, as well as their policies related to indigenous peoples and their territories, within the framework of respect for international instruments for the protection of the rights of indigenous peoples.

An analysis on the progress in the implementation of these funds in some countries in the region was also conducted, through the voices of representatives of indigenous peoples themselves.

In this paper, we present the main challenges, conclusions and recommendations:

1. The Green Climate Fund's current structure does not guarantee the full and effective participation of indigenous peoples in the mechanisms that directly affect our rights as indigenous peoples and our territories.
2. Currently, according to GCF's processes, indigenous peoples do not have enough information nor adequate communication channels and information mechanisms.
3. The existing policies of the GCF do not contemplate the vision of indigenous peoples and their rights.

4. Considering that GCF is in the process of defining safeguards, it should carry a consultation process with indigenous organizations from the seven sociocultural regions to inform the safeguards.
5. Indigenous peoples must have information and training on what happens on the GCF; being our main concern is the implementation of its mechanisms in indigenous territories and its potential impacts in our indigenous peoples' community structures.
6. The GCF must recognize and take note that indigenous peoples are the primary holders of rights to our territories, forests and natural resources.
7. Procedures involving the implementation in the territories of indigenous peoples must adhere to our rights to free, prior and informed consent as enshrined in the ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples as well as in other international and national legal frameworks that guarantee our rights and participation.
8. Given GCF's architecture, structure and functioning complexity, indigenous peoples demand improved communication to and towards networks of indigenous peoples organizations leading to an efficient governance with full indigenous peoples' participation.
9. One of the identified gaps is that information distributed by the GCF and on the web is only in English, limiting the access of indigenous peoples to appropriate and useful information for decision making.
10. We note that unlike in the UNFCCC, the GCF does not allot a seat for indigenous peoples as active observers.
11. It is worrying that indigenous organizations cannot access funds directly; funds go to intermediaries who don't know the priorities, interests and rights of indigenous peoples. The identified barriers for indigenous peoples to access these funds demand and require more effort to develop relevant management skills.
12. We note that current and existing mechanisms in the GCF do not guarantee the right and possession of territory of indigenous peoples, human rights, political participation and FPIC, referred to in the UNDRIP and ILO Convention 169.



Recommendations

1. Ensure the protection of the rights of indigenous peoples in the mechanisms of the CIF and GCF, taking as a fundamental basis the UNDRIP and ILO Convention 169.
2. Ensure active and direct participation of indigenous peoples actively, directly and in all processes of the CIF and GCF at the national, regional and international levels.
3. The GCF should support the creation of an indigenous technical team to participate fully and effectively in all related implementation processes of the Fund at the national and international levels. This initiative needs effort and investment to train indigenous professionals.
4. Make the effort and ensure spaces for indigenous observers in international negotiation processes, understanding that the interests and priorities of indigenous peoples are specific in relation to the general interests of civil society, due to the socio-cultural context (e.g., territory).
5. Establish adequate information flows that allow understanding in different languages, at minimum in UN official languages.
6. Ensure participation in national implementation mechanisms to help reduce risk for violation of human rights of indigenous peoples and their territories.
7. Ensure an appropriate legal framework, taking into account indigenous peoples as primary law subjects relative to their territories. Develop specific safeguards instruments consistent with existing international standards on the rights of indigenous peoples.
8. Ensure culturally appropriate communications and information to secure the adequate spaces for dialogue and consensus on decision-making, at all levels.
9. Designate resources to generate capacity on GCF from our own perspective and in full respect for our world-

view, in appropriate communication forms.

10. Consider indigenous peoples as key players for proper implementation of programs and their impact on indigenous territories, taking into account their indigenous knowledge contributions on climate change and its complexities from local and at all levels.
11. Develop clearly defined policies and criteria for the accreditation of "accredited organization." They must share the purposes of the GCF in combating effects of climate change and with full respect for indigenous peoples inhabiting the territories taking into account these basic conditions:
 - Full respect for the rights of indigenous peoples.
 - Sustainability criteria.
 - Transparent and full respect for human rights.
 - Association and collaboration of indigenous counterparts to ensure the rights of indigenous peoples and their right to land at the local level.
 - Transparency and proper application of FPIC due process.
 - Transparency and access to information on NDA selection processes.
 - Indigenous participation in the selection process of accredited entities (in the accreditation committee directly).
 - Respect ethical rules, avoid conflicts of interest in decisions on accreditation, and grant funding rules.
 - Do not accredit entities with extractive or polluting activities that go against the ethical principles of GCF and indigenous peoples.
12. In the governance structure, the direct and active participation of representatives of indigenous peoples should be considered for direct involvement with GCF actions to specific concerns and strategies that are not included or understood as civil society and in accordance with the achievements in the UN system.



CHAPTER VII - Recommendations

Cross-cutting immediate actions

- Creation of an indigenous technical team to participate fully and effectively in all processes related to the implementation of the Green Climate Fund and similar mechanisms, with the respective recognition as a negotiating party and as an autonomous entity that captures its own funds for improving their impact.
- Have spaces for observers in international negotiation processes with the understanding of maintaining clear differences between civil society organizations and Indigenous peoples organizations.
- Establish information flows adequate to languages that allow ease of understanding, of at least the UN official languages, such as Spanish and French.

Strengthening indigenous peoples participation

- Ensure culturally appropriate information and communication to ensure the adequate spaces for dialogue and consensus for free, prior and informed communication and information decision-making.
- Participate in the implementation mechanisms to ensure risk reduction in the violation of the rights of indigenous peoples and our territories.
- Ensure appropriate legal framework, taking into account indigenous peoples as subjects of primary rights in relation to their territories.
- Consider indigenous peoples as a collaborator with proposals for the appropriate implementation of programs and impact on their indigenous territories.

On the functioning of Climate Finance

- That the ethical rules be respected and conflicts of interest avoided in decisions on accreditation and grantmaking.
- Direct and active participation of indigenous peoples must be considered, in the governance structure of all global finance mechanism, in different forms that we must build/propose.
- It should be advocated that all global funding mechanisms grant 10% of its financial provision to indigenous peoples, as nonrefundable, because they usually have the figure of climatic repairs.
- Include participation of indigenous peoples in developing Green Climate Fund's safeguards.
- Have designated resources to build indigenous peoples' capacity on the Green Climate Fund, and delivered from our own perspective and with full respect of our cosmovision.
- Advocate for global funds to include a 10% allocation of their financing for indigenous peoples, as non-refundable, as it is generally the figure for climate reparations.

On the accreditation of Designated National Authorities (DNAs) Green Climate Fund

- Clear criteria to be defined in the accreditation of an Accredited Entity, with the understanding that they have to be aligned with objectives of the fund, the fight against climate change and with full respect for indigenous peoples.
- Indigenous peoples should participate in the selection process of accredited entities, for example, directly in the accreditation body.
- Exclude from accreditation institutions that have carried or carry activities working against the ethical principles of the Green Climate Fund, or violate human rights and indigenous peoples rights and have extractive and polluting activities.

Annex

Regional Training of Indigenous Peoples on the Green Climate Fund and Climate Finance

Lima, April 25-26, 2016

Indigenous Peoples with Voice

Latin American representatives of indigenous organizations gathered for a Regional Training of Indigenous Peoples on the Green Climate Fund and Climate Finance in Lima on April 25-26, 2016. Through dialogue and analysis we evaluated with particular attention the Green Fund Climate (GCF) and the Climate Investment Funds (CIF), major financial funds created by the UN Framework Convention on Climate Change (UNFCCC).

In this space we reviewed with emphasis the creation processes, implementation, and incidence of the GCF and CIF funds; as well as their policies related to indigenous peoples and their territories, within the framework of respect for international instruments for the protection of the rights of indigenous peoples policies.

An analysis on the progress in the implementation of these funds in some countries in the region was also conducted, through the voices of representatives of indigenous peoples themselves.

In this paper, we present the main conclusions and recommendations, which are also challenges:

1. The Green Climate Fund's (GCF) current structure does not guarantee the full and effective participation of indigenous peoples in the mechanisms that directly affect our rights as indigenous peoples and our territories.
2. Currently, according to GCF's processes, indigenous

peoples do not have enough information nor adequate communication channels and information mechanisms.

3. The policy of the GCF does not contemplate the vision of indigenous peoples and their rights.
4. Considering that GCF is in the process of defining safeguards, it should carry a consultation process with indigenous organizations from the seven sociocultural regions to inform the safeguards.
5. Indigenous peoples must have information and training on what happens on the GCF; being our main concern the implementation of its mechanisms in indigenous territories and its interference in our indigenous people's community structures.
6. The GCF must recognize and take note that indigenous peoples are the primary holders of rights to our territories, forests and natural resources.
7. Procedures involving the implementation in the territories of indigenous peoples must follow our rights to free, prior and informed consent (FPIC) in the implementation of ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples; as well as international and national legal frameworks that guarantee our rights and participation.
8. Given GCF's architecture, structure and functioning complexity, indigenous peoples demand improved communication to and towards networks of indigenous peoples organizations and thus to contribute to an efficient governance with full indigenous peoples participation.
9. One of the identified gaps is that the flow of information distributed by the GCF and on the web is only in English, limiting the access of indigenous peoples to appropriate and useful information for decision making.
10. We note that indigenous peoples have no direct representation on the civil society main group, which

does not respond to the recognition and respect for indigenous peoples achieved in the UN system with representation as actors with direct involvement.

11. It is worrying that indigenous organizations cannot access management of funds directly; funds go to intermediaries who do not know the priorities, interests and rights of indigenous peoples. The identified barriers for indigenous peoples to access these funds demand and require more effort to develop relevant management skills.
12. We note that current and existing mechanisms in the GCF do not guarantee the right and possession of territory of indigenous peoples, human rights, political participation and FPIC, referred to in the UNDRIP and ILO Convention 169.

Recommendations:

1. Ensure the protection of the rights of indigenous peoples in the mechanisms of the CIF and GCF, taking as a fundamental basis the UNDRIP and ILO Convention 169.
2. Ensure participation of indigenous peoples actively, directly and in all processes of the CIF and GCF at national, regional and international levels.
3. The GCF should support the creation of an indigenous technical team to participate fully and effectively in all related implementation processes of the fund, at national and international levels. This initiative needs effort and investment to train indigenous professionals.
4. Make the effort and ensure spaces for indigenous observers in international negotiation processes, understanding that the interests and priorities of indigenous peoples are specific in relation to the general interests of civil society, due to the socio-cultural context (e.g., territory).

5. Establish adequate information flows that allow understanding in different languages, at minimum in UN official languages.
6. Ensure participation in national implementation mechanisms to help reduce risk for violation of human rights of indigenous peoples and their territories.
7. Ensure an appropriate legal framework, taking into account indigenous peoples as primary law subjects relative to their territories. Developing specific safeguards instruments consistent with existing rights of indigenous peoples.
8. Ensure culturally-appropriate communications and information to secure the adequate spaces for dialogue and consensus in a free, prior and informed manner on decision-making, at all levels.
9. Designate resources to generate capacity on GCF from our own perspective and in full respect for our worldview, in appropriate communication forms.
10. Consider indigenous peoples as key players for proper implementation of programs and their impact on indigenous territories, taking their indigenous knowledge contributions on climate change and its complexities from local and at all levels.
11. Develop clearly-defined policies and criteria for the accreditation of "accredited organization." They must share the purposes of the GCF in combating effects of climate change and with full respect for indigenous peoples inhabiting the territories; taking into account these basic conditions:
 - Full respect for the rights of indigenous peoples.
 - Sustainability criteria.
 - Transparent and full respect for human rights processes.
 - Association and collaboration of indigenous counterparts to ensure the rights of indig-

enous peoples and their right to land at the local level.

- Transparency and proper application of FPIC due process.
- Transparency and access to information on NDA selection processes.
- Indigenous participation in the selection process of Accredited Entities (in the accreditation council directly).
- Respect ethical rules, avoid conflicts of interest in decisions on accreditation, and grant funding rules.
- Do not accredit entities with extractive or polluting activities that go against the ethical principles of GCF and indigenous peoples.
- Evaluate the entity applying for accreditation and not just evaluating the project.

In the governance structure, the direct and active participation of representatives of indigenous peoples should be considered for direct involvement with GCF actions to specific concerns and strategies that are not included or understood as civil society and in accordance with the achievements in the UN system.

Lima, April 2016

Participants

Country	Names	Organization
Perú	Benito Calixto	CAOI
Honduras	Donaldo Allen	CONPAH
Estados Unidos	Galina Angarova	Tebtebba
Argentina	Verónica Huilipan	Confederación Mapuche de Neuquen
México	Noemí Tuz Canté	Alianza de Mujeres Indígenas de Centroamérica y México
México	José Luis Montenegro	Asam-Des
Nicaragua	Dennis Mairena	CADPI
Nicaragua	Rainiero Romero	CADPI
Perú	Beatriz Caritimari	ONAMIAP
Perú	Jesús Colina	FECONAYA
Perú	Julio Cusurichi Palacios	FENAMAD
Perú	Gloria Quispe Girón	REOJIP
Perú	Juan Tapayuri Murayari	ORDEPIAA
Perú	Víctor Hugo Sánchez Guimaraes	CONACIP
Perú	Tarcila Rivera Zea	CHIRAPAQ, Centro de Culturas Indígenas del Perú
Perú	Ing. Joe Rengifo Vasques	Municipalidad Provincial del Alto Amazonas
Perú	Ing. Paul López Useglio	Municipalidad Provincial del Alto Amazonas
Colombia	María Elizabeth Apolinar	ONIC
Perú	Juan Mamani	CONACIP

Hanoi City, Vietnam
April 19-21, 2016

Highlights of the Training, including Agreements and Issues raised

Climate Finance Opportunities and Actual Experiences of Indigenous Peoples, Grace T. Balawag, Climate Change Adaptation and Mitigation Programme of Tebtebba

This session focused on the fundamentals of climate finance, global climate finance frameworks and principles as well as the global climate finance architecture and the actual experiences of indigenous peoples on the ground. At present, there are multilateral channels for climate finance and acting as implementing agencies and institutions. Climate finance can also be channelled through bilateral climate finance channels and through national climate change. Climate finances could either be only for mitigation or adaptation adaptation, some are cross cutting, while some others are for forest protection (e.g., REDD+) with REDD+ having bilateral and multilateral funds.

¹ Documentors: Maribeth Bugtong-Biano and Helen Biangalen-Magata.

With persistent advocacy, there are climate finances particularly focused on REDD+ which have dedicated funds for indigenous peoples and with indigenous peoples' observers such as the following:

- World Bank's FCPF has capacity building fund for indigenous peoples;
- Climate Investment Fund-FIP has Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities; and
- UN-REDD-CBR+ of the UN-REDD Programme and the GEF Small Grants Programme.

Some climate funds, such as the CIF has gender policies that govern their climate financing operations. Accordingly, there are good practices and experiences on systematic and effective inclusion of gender considerations in global financing mechanisms.

Meanwhile, there is no direct access for indigenous peoples and local communities in the GCF. So funds can be accessed through intermediaries or accredited entities. There is also no direct access for indigenous peoples in the GEF, who is managing the REDD+ pilots that goes through the process and guidelines of the UNDP.

The participants shared their experiences with the climate funds.

Grace Balawag said that among the few examples of indigenous peoples' direct access to funds is the the Equator Initiative. Tunga Rai of Nepal also said that FCPF is a designated fund for indigenous peoples and NEFIN was able to access Nepal being a REDD+ country.

Vaing Samrith, a volunteer for Indigenous Peoples' Working Group on REDD+ in Cambodia, shared their experiences on how indigenous peoples are engaging in the Community-Based REDD+ initiative. He said that it is not easy to apply to the CBR+ fund especially for indigenous communities because of very taxing requirements that are mostly hard for indigenous communities to comply with. In the end, only two communities were able to access. Even other NGOs did not apply because there is no administration cost allowed in the grant.

Vu Thi Hien of CERDA in Vietnam commented that UNDP works with the government and not with the people, hence, ownership of the project is usually not felt by the community. There are also questions about full and effective participation of indigenous peoples. With the REDD+ being implemented at the national level and accessed only by forest owners, the forest ministry and other government agencies, the concern is for indigenous peoples who have no legal status. The indigenous peoples never became owners of REDD+ project.

Because of this fact, Vu Thi Hien said that their organization which is CERDA set up models of indigenous peoples REDD+. They are maintaining a right of use for 15 years to community members. They capacitate communities to be forest owners able to meet international standards by increasing their knowledge of international standards. CERDA works with communities help them obtain legal status, and set up cooperatives. Soon, they will set up national REDD+ bodies and have legal status.

Vu Thi Hien also lamented that if the FCPF have funds for the government, why not with NGOs and indigenous peoples with a different standard. She said that indigenous peoples need to access funds and not just be beneficiaries. Again, she echoed the observation that it is not easy for indigenous peoples to have direct access to funds unlike the government.

Khamla Soubandith from Laos mentioned that there are small grants for CSOs which is US\$20,000 which is easy to access by the CSOs but difficult for the communities to directly access. CSOs act as intermediary but indigenous peoples also find difficulty accessing funds due to some requirements that indigenous peoples find hard to comply.

Green Climate Fund: Opportunities, Challenges and Risks, Indrajit Bose, Senior Researcher, TWN

Climate change is being experienced by millions of indigenous peoples but it is the poor peoples who did not cause climate change, are the same people who are most impacted. He also said that there is a huge amount of finance and tech-

nologies to adapt and to mitigate climate change. Thus, the establishment of the Green Climate Fund.

The GCF is a financial mechanism of the UNFCCC, created by the COP, hence it needs to report annually to the COP. It was designed to be different from other climate finances as it places country ownership and paradigm-shift as its major operating principles. So far, \$10.2B has been pledged to GCF out of which \$168M was allocated to a total of eight approved projects.

Despite the evident challenges in the Fund, there are opportunities that indigenous peoples should be aware of. The Board has adopted its first Strategic Plan to guide the Board in addressing policy gaps and resource gaps. They have also several projects in the pipeline that will pass through big multilateral banks and that it is important that CSOs, including indigenous peoples will play important roles in the said projects.

Among the several challenges in the Fund include the following:

1. There have been questions whether the GCF is a multilateral bank or a funding institution only linked to the UNFCCC, doing business as usual. Developing countries are keen on reiterating that they are not asking for charity but are asking the developed countries to fulfil their obligations in the convention through the GCF.
2. GCF has accredited controversial entities despite CSO petitions.
3. There are many challenges within countries and the GCF should set up a benchmark for NDAs to implement for indigenous peoples.
4. There is also a concern that an accredited entity from developed countries will not understand communities in developing countries.
5. There is a huge demand to have an exclusion list of project that GCF is supposed not to fund but this has not be acted upon yet.
6. The concern of indigenous peoples is their non-recognition as an independent constituency. Bose said that

there is a major risk in not recognizing indigenous peoples and not giving them platform of participation. Renewable energy projects are being implemented in the lands of indigenous peoples who are the rights holders.

7. Furthermore, there are false solutions being put in the market which is another concern. With this, there is a need to constantly ask the roles of the GCF. The kinds of projects that get funded are key issues to be raised and Bose opined that indigenous peoples should push for projects that promote the rights of indigenous peoples and not to harm them.

Overall, its crucial for indigenous peoples to be engaged with the National Designated Authorities. To be able to do this, it is important to study national policies and be familiar with the national context. Whether the Fund grows or not, the fight depends on how the indigenous peoples sustain it.

Challenges and Opportunities of Indigenous Peoples in the Fund, Helen Biangalen-Magata, Communications Officer, Tebtebba

The biggest challenge for indigenous peoples in the GCF is the absence of indigenous peoples' policy. Unlike the UNFCCC, indigenous peoples are also not recognized as a separate and distinct constituency. So only the two CSO active observers act as intermediary for all CSO issues including indigenous peoples, to the Board. However, even the active observers are experiencing challenges in the board room as they only intervene at the last part of the meeting and cannot take votes.

Beside not having a dedicated seat for indigenous peoples in the board, the GCF also falls short in terms of providing direct access for indigenous peoples in the fund. Additional to this fact is the absence of any information about funds reaching indigenous peoples.

Indigenous peoples should be more proactive in terms of monitoring of projects that may be being implemented in

their communities. The current practice of the Fund is that the accredited entities do self-reporting. So the Fund can actually benefit from independent, external and participatory monitoring system.

The Fund only uses English as its official language and this can be a limitation for countries using different languages. In the last meeting, there was a long discussion on the live webcast of the board meeting. The US and UK were not supportive of a webcast but the Board finally decided to do live streaming of the meetings by 2017. There are no funds to bring in active observers from developing countries in the meeting. So the CSOs raise their own funds to be able to participate in the meetings.

But indigenous peoples have been consistently participating in the GCF board meetings and were raising the above-mentioned issues in different forms. The Secretariat usually calls for inputs and through the CSOs, the GCF Indigenous Peoples' Advocacy Team were able to send a number of letters to the board and secretariat, detailing indigenous peoples' recommendations.

In the upcoming UNFCCC SBI meeting in Bonn, an informal dinner with members of the Board and the UNSRRIP is being planned.

Another thing that indigenous peoples can do to sustain their participation in the GCF is to continue working with the CSOs and other organizations present at the GCF meetings. Regional trainings are also part of building the capacity of indigenous peoples to be able to engage with the GCF effectively.

In the advocacy works of indigenous peoples in the GCF board meetings, there are key demands issues that indigenous peoples are following up. Among them are the following:

- The need for an Indigenous Peoples' Policy and a dedicated seat for indigenous peoples in the board.
- Strong safeguards. The IFC performance standard is not in line with internationally recognized standards.
- The need for a stronger implementation of the information disclosure policy.

- Indigenous peoples' concerns to be visible in the Independent Redress Mechanism.
- The concept of country ownership is good but there should be a clear balance of how the principle is practiced without necessarily jeopardizing indigenous peoples' rights.

In addition to the list above, Raymond de Chavez of Tebtebba added that the two-year term of the board members pose a challenge in terms of lobbying. There has to be a quick rapport-building with incoming board members. Tebtebba has been supporting a small team to lobby at the GCF board meetings—Helen Magata, Francesco Martone, Galina Angarova and Stanley Riamit. Indigenous peoples' organizations can get accredited as observers as well to be able to participate in the meetings. Accreditation for observers is open every year with the 10th round just begun on the time of the training.

GCF Safeguards and Accountability Mechanisms, Francesco Martone, Policy Advisor, Forest Peoples' Program

The first role of the GCF safeguards is to be used as a benchmark in the accreditation of the entities who must comply with the GCF investment criteria. But the compliance to safeguards lies in the Accredited Entity. If GCF accredits an entity, the AE has to be fully capable of implementing the project and the safeguards. The NDA only provides oversight functions so the GCF has to have the mechanism in place to see how safeguards are complied.

As such, the GCF needs to have a clear set of principles of safeguards. In relation to indigenous peoples, the GCF should be consistent with the UNDRIP and applicable international human rights instruments. The Secretariat has a proposal to the Board which has explicit reference to indigenous peoples but was not adopted by the Board.

When will the new Environmental and Social Safeguards developed? The discussion may be pending. The negotiation should start next year. There is contradicting language of the Board and ESS is not in the immediate board meeting.

A brief look on the IFC standards would show that it does not respect FPIC as in *consent* per se but only (FPI) *consultation*. Hence, it is not in consonance with the UNDRIP. It should be noted also that the monitoring and Accountability Framework which was adopted in 2015 has very loose safeguards.

Martone reiterated that it is important for indigenous peoples to know the Accredited Entity and the project it will implement in the country. It is best to know the government's NDAs and engage with Accredited Entities. But this could also be a challenge since the name of the entity will only be disclosed after the Board approved it. Thus, it is difficult to know if the Accredited Entity has good precedents on safeguards compliance.

An opportunity in the CBMIS is that indigenous peoples could work around CBMIS that is recognized in accountability and monitoring framework. This can be used in monitoring implementation. This can be an opportunity, too, to engage the secretariat.

Concerning issue of FPIC of indigenous peoples in the GCF mechanism, Martone contended that one of the key problems is how the FPIC is to be implemented. For example, the PROFONANPE project showed that the GCF did not understand fully how FPIC should be done. The secretariat even argued that FPIC cannot be mandatory in a public-private partnership.

In the GCF, there is no bypassing the government which means that indigenous peoples can only access funds through the accredited entities that go through the NDAs. There is a need to go to the government and negotiate the possibility of accessing those funds.

Once indigenous peoples know the accredited (financial intermediary) and the implementing entity of the project, it is good to know how consultation with indigenous peoples was done. Most of the implementing entities are big, private financial entities which do not have an Indigenous Peoples' Policy. It is therefore important also to make sure that the NDAs have the capacity to implement safeguards.

Indigenous peoples also spell out safeguards on indigenous peoples and complement existing instruments in and outside the GCF. There is therefore a need to talk to the secretariat to prevent harm while GCF is developing its safeguards. The FAO voluntary guideline can be used as a benchmark or the UN-REDD+ safeguard.

Country Ownership and the Roles of the NDAs,

Helen Biangalen-Magata, Tebtebba

Country ownership is loosely defined as a goal of placing maximum responsibility for the development of national programmes and the management and oversight of resources, at country-level, by stakeholders and implemented through national government bodies and other public, non-governmental, or private entities.

Accordingly, the core elements of country ownership are: centralized leadership and coordination based on national plans/strategies; and country-level decision-making with multi-stakeholder engagement.

National Designated Authorities roles are: 1) To provide programme oversight, country programming, country level coordination and coherence with national climate change and development pathways; 2) Designation of IEs; and 3) Approval of funding requests and no-objection procedures.

Indigenous peoples should expect the NDAs to conduct multi-stakeholder consultation but there is no report as of the moment about the implementation of a multi-stakeholder consultation. Multi-stakeholders is broadly defined that includes indigenous peoples.

The participants iterated the fact that while country ownership aims to ensure that projects and programs are according to national priorities, this may prove to be problematic and double-edged sword for indigenous peoples. This is socially the case for states that do not recognize indigenous peoples in their countries.

Results-Based Payments (RBP) and GCF, Grace T. Balawag, Climate Change Program, Tebtebba

One of the mandate of the GCF is to ensure funds for the operationalization of Results-Based Payments.

Urges the Board of the Green Climate Fund to operationalize results-based payments for activities referred to in decision 1/CP.16, paragraph 70, consistent with decision 9/CP.19, and in accordance with Green Climate Fund Board decision B.08/08;

The Paris Agreement provides:

*Recognizes the importance of adequate and predictable financial resources, including for **results-based payment**, as appropriate, for the implementation of policy approaches and **positive incentives for reducing emissions from deforestation and forest degradation**, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks; as well as alternative policy approaches, such as joint mitigation and adaptation approaches for integral and sustainable management of forests, while reaffirming the importance of non-carbon benefits associated with such approaches; encouraging the coordination of support from, inter-alia, public and private, bilateral and multilateral sources, such as the Green Climate Fund, and alternative sources in accordance with relevant decisions by the Conference of Parties. (Para. 55)*

Hence the Green Climate Fund in its strategic plan has provision on RBP:

*Operationalizing results-based payments for REDD+ in line with COP guidance and the Governing Instrument, evaluating the implementation of results-based payments, and **assessing its applicability to other sectors** within the purview of the GCF.*

But for indigenous peoples, for REDD+ to succeed, safeguards are necessary to address risks and threats. Indigenous peoples are pushing for strong social, environmental and governance safeguards. The Cancun Safeguards and the Warsaw Framework should be the benchmark in reiterating these in the GCF.

In the last submission of indigenous peoples to the GCF about RBP, the letter states:

We are concerned about new work proposed to the Secretariat regarding the operationalization of results-based payments approaches on support for alternative policy approaches, such as joint mitigation and adaptation approaches, for sustainable management of forests in response to the COP mandate. This should not be taken up by the Fund at this time in the absence of an articulated IP policy for the Fund, in light of missing stakeholder engagement guidelines and with a PMF on results-based finance that completely excludes references to co-benefits and the rights of forest-dependent communities.

Tunga Rai and Uchacha a Chak of Bangladesh has raised issues and opined that they see many complexities around the RBPs that include MRVs, non-carbon benefits, payments, the balance between market and non-market actions, and indigenous peoples' access to forest among others.



Challenges, Opportunities, Recommendations and Demands of Indigenous peoples in the GCF

In small groups, the participants shared their views on the challenges and opportunities that indigenous peoples have in the GCF and how these challenges can be won.

Challenges	Recommendations and Key demands of IPs to the GCF
• NDAs ignore safeguards • NDAs do not accept indigenous peoples' organizations as stakeholders • Government policies have negative impacts on indigenous peoples • Lack of information and consultation by the NDA • Limited consultation with the stakeholders	• Engage and advocate with the NDAs and follow up activities with the NDA • Lobby with the GCF and push the NDA to consider the indigenous peoples • Align with national and international organizations and advocates • Advocate for policy changes both at the national and GCF level • Production of IEC materials on indigenous peoples and the GCF • Prepare strategy plans on the engagement with the UNFCCC to target climate finance, specifically the GCF

Meanwhile, they listed outstanding key demands that that indigenous peoples should make to the GCF:

- Clearly define who stakeholders are in the Fund and what their stakes are;
- Acknowledgement of indigenous peoples organizations as a separate distinct constituency in the Fund;
- Inclusion of an indigenous peoples' observer seat in the board meeting;
- Promulgation of an Indigenous Peoples' Policy defined by the indigenous peoples themselves;
- Compliance of the GCF to ILO 169, UNDRIP and other international human rights instruments in its ESMS;
- Full disclosure of projects that are going to be implemented in indigenous peoples communities, in a timely and indigenous-friendly manner (including disclosure of feasibility study results);
- Ensure full and effective participation of indigenous peoples at all levels, from readiness to implementation, monitoring and evaluation;
- Recognize and promote traditional knowledge of indigenous peoples as in the GCF PMF;

- Develop and adopt safeguards to ensure protection of indigenous peoples' rights in accordance with ILO 169, UNDRIP among others;
- Ensure disclosure of information in sensitive manners and accessible by indigenous peoples, bearing in mind the language barrier in the disclosure of information and also access is a big concern;
- Specific fund allotted for indigenous peoples' capacity building, especially for the local communities that have already the project in place or approved or planned to be implemented;
- Ensure protection indigenous peoples' rights, not only at the international but also in the national level with consideration of contexts of each country.



Ways Forward

The participants acknowledged that there is a huge amount of work in store for indigenous peoples in relation to the Green Climate Fund. Below is a listing of the plans and strategies that they come up with:

1. GCF Engagement: The constitution of the GCF IP team is really small (due to fund limitations) and could benefit from more people participating. At present, only four people (Helen Magata, Galina Angarova, Francesco Martone, Stanley Kimaren) are in the team and there is a need for at least one representative from Latin America.
2. The next GCF Board Meetings are as follows: June 2016, Songdo, October 2016, Ecuador, December 2016, Samoa.
3. Regional Workshops on the climate finance are being done simultaneously on April 2016.
4. Tebtebba to develop a module and other popular forms of materials like videos which partners may localize in their own language.
5. Scoping research with partners in five pilot countries—Vietnam, Kenya, DRC, Nicaragua, Peru.

6. There is a need to document experiences of indigenous peoples in participating in the different climate funds and build upon it; look into cases where indigenous peoples received climate funds to show that indigenous peoples have engaged and are capable to deliver and that GCF can consider.
7. Indigenous peoples need to be updated about the GCF and the projects it is implementing. There should be a mechanism for a quick information and knowledge sharing between the GCF IP team and the IP organizations (e.g., a listserve).



Feedbacks, insights and recommendations from the training

The participants said the training is very useful to understand more about climate finance and the GCF. The knowledge would enhance and increase confidence to engage on the GCF at the country level. Others said that the face-to-face training is more helpful than circulating information through the web.

However, the limitation in resources for engaging and following up on the developments in the climate finance bodies and the GCF at both the national and regional level remains a challenge for most of the participants.

Engagement is not possible without funding. Hence, indigenous peoples need to look for funds to sustain their engagements and for capacity building to engage, tap possible sources and replicate the training at the national level.

There is a need to create a platform where complaints or grievances of indigenous peoples on the GCF can be consolidated.

Raising indigenous peoples' interests at the GCF is a long and continuing arduous process that requires a lot of energy and effort. Indigenous peoples have made significant inroads in the GCF and are opening spaces to meaningfully engage with the GCF at global and national levels...

This publication was conceived to consolidate the reports, letters and briefing notes of indigenous peoples' engagement with the GCF thus far. It also aims to celebrate the achievements and account for the challenges and opportunities that indigenous peoples face in the Green Climate Fund.



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