

The Global Environment Facility and its Local Benefits Study

A critique



Tom Griffiths

*A report prepared for the
Third GEF Assembly*

Cape Town

August 29-30, 2006



Forest Peoples
Programme

Summary

For many years indigenous peoples and traditional communities have criticised large conservation projects supported by the GEF for being top-down interventions that violate their rights and undermine their livelihoods. Many of these criticisms have now been vindicated in the recently published GEF evaluation study on *Local Benefits in Global Environmental Programs* (2006).¹ The evaluation compiled by the GEF Evaluation Office confirms that in many medium-sized and full-size GEF projects:

- Inadequate attention is given to poverty risks and the potential for negative social impacts
- Affected communities are not involved in project design and preparation
- The design is flawed due to defective participation and little understanding of local livelihoods
- Traditional knowledge is often ignored or disregarded
- Land tenure is often not addressed
- Costs are imposed on indigenous peoples and local communities without adequate compensation
- Alternative livelihood and income generation activities often fail
- Communities are sometimes impoverished and left worse off as a result of the project

The GEF Management response to the findings of the study accepts its main recommendations, but argues that the critical results of the study are based largely on an old sample of GEF projects, and that the GEF has since learned lessons on social issues and made improvements in more recent GEF-assisted biodiversity conservation activities.

This briefing challenges this assertion and the complacency of the GEF reaction to the evaluation. The briefing (i) summarises some of the findings of the Local Benefits Study; (ii) pinpoints some gaps in the evaluation; (iii) highlights the weakness of the GEF Management Response and; (iv) makes recommendations for essential GEF reforms to address the critical issues raised by this important review of local benefits.

It is recommended that the GEF urgently:

- Comply with CBD COP8 guidance to review and revise its policies in relation to protected areas and indigenous peoples and local communities, with their full and effective participation
- Involve indigenous experts and representatives in the ongoing revision of the GEF project cycle review criteria
- Adopt a rights-based approach to conservation and development
- Develop and implement policies on indigenous peoples, land tenure and resettlement, including standards to respect the right to free and prior informed consent and secure land and territorial rights – ensuring such standards are consistent with the UN Declaration on the Rights of Indigenous Peoples.
- Establish GEF oversight and accountability mechanisms for its projects and programmes independent of its implementing agencies

¹ GEF (2006a) *The Role of Local Benefits in Global Environmental Programs* Evaluation Report No. 30, GEF Evaluation Office, Washington, DC

1 Introduction

Indigenous peoples' organisations, community-based groups and NGOs have repeatedly criticised the GEF's large conservation projects for being top-down and undermining the rights, livelihoods and land tenure security of affected indigenous peoples and traditional communities. While independent indigenous and NGO studies have consistently documented such negative impacts regarding specific GEF projects, information on the effects of the overall biodiversity portfolio on indigenous peoples and local communities has been lacking. Given this shortage of official data, indigenous peoples' observers participating in the GEF Council called on the GEF in 2001 to review such impacts and to make an assessment of the extent to which indigenous and local communities benefit from GEF-assisted projects. The GEF responded in 2002 by launching a review of "Local Benefits and GEF Focal Areas". The study was duly undertaken by the GEF's independent Monitoring and Evaluation Unit between 2002 and 2005 at a total cost of US\$1.8 million partly financed by the governments of Norway, Sweden and Canada.

It involved field and desk-based reviews of 132 projects in the GEF focal areas of biodiversity, climate change and international waters, of which 88 were GEF biodiversity conservation projects completed or under implementation by 2001. The final study, which the GEF admits generated heated internal debate and divergent views within the GEF and among its implementing agencies, was presented to the GEF Council in November 2005 and published in June 2006.

II Results of the GEF Local Benefits Study and the management response

The review found that, while a modest number of GEF full-size and medium-sized biodiversity projects had achieved at least some degree of success in addressing local benefits, many projects, particularly those supporting protected areas, had imposed costs on communities that had not been adequately identified and had not been dealt with effectively.

Among numerous findings on the shortcomings in GEF performance, the study found that a significant number of GEF biodiversity conservation projects suffered from (see also Box):

- Inadequate attention to poverty risks and the potential for negative social impacts
- Aversion to dealing with critical social and rights issues such as land tenure, because these activities are not considered "GEF-able" (i.e. not eligible for direct GEF support)
- Little or no participation of indigenous peoples and local communities in project design
- Impoverishment of communities caused – directly or indirectly – by project interventions
- Failure to recognise the importance and relevance of traditional knowledge

- High rates of failure in alternative livelihood and local income generation initiatives (IGAs), due to poor understanding of local livelihoods, markets and financial sustainability issues; short time-scales, slow disbursement and inadequate financial and technical support
- Unrealistic expectations of “win-win” scenarios (e.g. unrealistic expectations on returns from ecotourism, etc.)

Local Benefit Study’s recommendations for change

Although the study notes improvement in the design of some more recent GEF projects during GEF-3 (2002-2006), it highlights the essential need for more attention to social issues in GEF projects and programmes. The recommendations of the study call for the need for, *inter alia* (emphasis added):

- More integration of local benefit issues in the GEF portfolio and its programming ...“*where local benefits are an essential means to achieve and sustain global benefits*”
- More social science expertise in the GEF secretariat and in the GEF Scientific and Technical Advisory Panel (STAP)
- Increased use of social assessment and analysis in project preparation
- Attention to the potential for negative social and livelihood impacts and the need to develop *mitigation strategies*
- GEF procedures for dealing with *trade-offs* between global and local benefits in situations where win-win results do not materialize
- Improved oversight of activities targeting social issues and vulnerable groups
- Increased emphasis on programmatic approaches and “blended projects”
- Adoption of a coherent GEF position on the relationship between GEF activities and poverty reduction
- Reassessment of the GEF incremental costs criterion and calculation, and a re-interpretation of what is “GEF-able”.

The El Sira Communal Reserve, Peru



The El Sira Communal Reserve in Peru is supported under the GEF-assisted Indigenous Management of Protected Areas in the Amazon (PIMA) Project. Indigenous communities and their organisations bordering the reserve complain that the PIMA project has not dealt with land rights grievances stemming from the Reserve, and is flawed in its design because the intervention fails to combat damage to the reserve caused by illegal logging operations – pictured above.

In other areas the project has also come in for heavy criticism because affected indigenous people have not been properly consulted about government plans for the legal designation of several areas zoned for conservation.² In the Santiago Comaina Reserved Zone, for example, affected indigenous peoples refuse to cooperate with the PIMA project due to its failure to respect their territorial land claim over their ancestral lands.

Measures are necessary to ensure that GEF protected area projects respect the rights of indigenous peoples, including land and territorial rights and the right to free and prior informed consent.

² Gutiérrez-Laya, O (2004) *El Proyecto – Manejo de las Area Protegidas en la Amazonia Peruana por las Comunidades Nativas – un estudio de caso y evaluación independiente*, Lima, www.forestpeoples.org

Some findings of the GEF Local Benefits Study

The review found, *inter alia* (emphasis added):

- A “narrow interpretation” of the incremental costs criterion, which has often prevented the GEF from supporting local benefits work (35, 46)
- A **weakening** of official GEF policy guidance on the need to deal with social issues in project preparation in revisions of the GEF project cycles guidelines in 2000 and 2003 (25)
- Most biodiversity projects supported government-run protected areas that impose access and use restrictions on indigenous and local communities - 81 of the 88 projects evaluated (58)
- Most projects aimed to establish new or strengthen existing protected areas – 76 of the 81 (74)
- A consistent failure to identify and address potential negative social impacts (7, 75, 80)
- GEF staff have an overly cautious approach to funding land rights components in GEF projects (68)
- The majority of the projects showed “... little documentary evidence” of community participation or involvement in the design of the project (28, 59)
- Limited or no local involvement in project design led to a lack of trust, conflict and ineffective outcomes (75)
- Indigenous peoples “often faced barriers to their involvement in decision-making” in GEF projects (32)
- Many projects lacked any social assessment or analysis and so projects suffered a weak understanding of local livelihoods and community relationships to the environment (33, 34, 60, 63)
- Limited attention to gender issues in project design and implementation (32)
- An absence of monitoring of negative impacts on communities during implementation (75)
- Direct and indirect negative impacts more widespread than reported in GEF/IA documents (76)
- Some projects resulted in increased livelihood insecurity and the further impoverishment of the poorest sections of local communities (61, 64, 75)
- Not all IAs have policies to deal with difficult social issues such as resettlement and restriction of access, leading to variable approaches in GEF projects (34)
- The majority of projects failed to recognise the importance and relevance of traditional knowledge (74)
- Alternative livelihood and income generation activities (IGA) were often unsuccessful
- Project assumptions about the existence of unsustainable resource use and social threats to biodiversity were not backed up by objective analysis and assessment (81)

The review also found that relatively successful GEF projects were based on, *inter alia*:

- Prior social, ecological, livelihood and market analyses of local livelihoods (28,56,58,70)
- Pre-project analyses of policies and legislation to pinpoint areas needing change or strengthening (30,70)
- Community-driven project design based on local demands and priorities (52)
- **Joint decision-making** with affected indigenous peoples and local communities in project **design** and implementation (70, 82)
- Enabling policy and legal frameworks (6, 58)
- Measures to secure land tenure, access and sustainable use rights of indigenous peoples and local communities (82, 84)
- Broadened opportunities for sustainable use by indigenous peoples and local communities (79, 60)
- Attention to and support for non-monetary local benefits (57)
- Understanding of, and collaboration with, existing indigenous and local institutions (70)
- Recognition that protection of biodiversity is related to the well-being of indigenous peoples and local communities (77)
- Effective supervision of key social issues and impacts, including poverty, gender, indigenous peoples, and participation (31)
- Long-term engagement and formal agreements with indigenous peoples and local communities (7, 71)

The Sundarbans Biodiversity Conservation Project (SBCP)³



Photo: Maurizio F. Ferrari, July 2005

The Sundarbans Biodiversity Conservation Project (SBCP), planned for implementation between 1999 and 2006, was supported, among other donors, by the GEF. It was intended to establish a proper management system to maintain the biological integrity of the Sundarbans forest through poverty alleviation, but it was suspended by the implementing agency and co-funder, Asian Development Bank (ADB), in September 2003 due to problems with project design, implementation, and financial management. It was then formally and unilaterally cancelled by the ADB in early 2005, blaming the Forest Department for failing to take steps to revise the project. While the Forest Department is partly to blame for the failure of the project, other parties should also be held accountable. For example, the GEF technical assistance input (under project contract TA 3158/BAN) was tendered by ADB and contracted out to ARCADIS Euroconsult. The GEF provided US\$12.2 million direct to the ADB but the funds were administered through ARCADIS Euroconsult and the Forest Department had no influence over their use. SBCP's consultancy budget was managed entirely by the ADB who allocated 61% of total expenditure to consultancy, indicating how the SBCP's objective of poverty reduction was mere lip service.

³ Hossain J and Roy K (2006) *Deserting the Sundarbans - Local People's Perspective on ADB-GEF-Netherlands Funded Sundarbans Biodiversity Conservation Project*, Njera Kori and Unnayan Onneshan, Dhaka, Bangladesh, forthcoming

Local people voiced their concerns about the project from the outset. They report that although a few villages were “consulted” about the SBCP before it started, they were never properly involved in the design of this conservation project. Local communities criticise the project for failing to take into account the primary forces causing damage to the ecosystem, in particular the clandestine extraction of timber and other forest resources organized by powerful elites in collusion with corrupt forest officials.

Local communities also condemn the SBCP for not having tackled land use changes in the “impact zone” adjacent to the forest reserve, driven by industrial shrimp farming, which is undermining traditional systems of sustainable land and resource use. Shrimp farming has caused the conversion of thousands of hectares of agricultural village land to ponds controlled by only a few powerful investors, creating severe ecological problems, engulfing homes and villages, and throwing a large number of people off their smallholdings. Displaced from their lands, these communities have no alternative but to rely on the Sundarbans wetland and forest resources for their survival. This in turn has undermined the sustainable activities of traditional Mawali (honey and wax), Bawali (firewood), and Golpata (Nypa frond) collectors; traditional fishermen; and the customary resource use practices of indigenous Munda communities. Instead of addressing this underlying cause of biodiversity loss and taking into account many other cases of mangrove destruction due to shrimp farming (such as the Chokoria Sundarbans), the SBCP further encouraged aquaculture practice through micro-credit schemes for community livelihoods. The SBCP should have considered alternative community activities based on traditional practices and customary use.

The GEF must establish its own mechanisms to ensure that affected indigenous peoples and local communities are effectively involved in both the design and implementation of GEF projects and programmes.

New GEF oversight mechanisms must be established to ensure essential social elements in GEF project design intended to benefit indigenous peoples and local communities are implemented in a timely manner with the full involvement of the beneficiaries.

Who is to be held accountable when GEF projects fail or do harm? The GEF should establish its own grievance mechanism to investigate community complaints.

Official GEF “Management response”

In its response to the Local Benefits Study, the GEF Secretariat and its Implementing Agencies (World Bank, UNDP, UNEP, among others) have accepted its main recommendations – which have since been endorsed by the GEF Council.⁴ In terms of concrete initiatives already underway, GEF management reports that it is currently reviewing the GEF project cycle and appraisal criteria and tools like social assessment are being considered as “operational requirements” for project processing.⁵ At the same time, however, the official GEF secretariat response argues that the sample on which the study was based was out of date and that newer GEF projects have improved the way in which local benefits and social issues are addressed.⁶ The response is inaccurate because it maintains that “a large proportion” of projects surveyed were designed during the GEF pilot phase (1991-1994), while in practice only a minor proportion of the project sample included projects designed during that period.

Management also indirectly dismisses the finding that there is a lack of social expertise and social analysis in GEF operations, maintaining that social experts are routinely employed by the GEF’s implementing agencies and that “stakeholder consultation, participatory rural assessments, and social assessments are widely used in GEF projects”. Management enthusiastically backs the evaluation team’s problematic view that “... there are winners and losers in almost all interventions” (GEF 2006: 39-40), and that win-win scenarios are difficult, so that trade-offs between local and global benefits must be made.

III A short critique of the study and the weak reaction of the GEF

The Local Benefits Study has produced a detailed set of findings on how large GEF conservation projects have struggled to address social, poverty, equity and benefit-sharing issues at the local level, which substantiate many of the criticisms of GEF projects made over many years by indigenous peoples and civil society. Its frank findings are welcome because they have taken forward the GEF discussion on conservation and development. Yet the study could and should have gone further in its analysis and its recommendations. Some of its shortcomings include its:

- Narrow mitigation approach towards negative social impacts in GEF projects
- Lack of any thorough assessment of the impacts of GEF projects on indigenous peoples.
- No detailed assessment of the actual use of budget allocations and issues of financial accountability (though this was due mainly to a lack of appropriate IA project records)

⁴ <http://thegef.org/MonitoringandEvaluation/MEOngoingEvaluations/MEOLocalBenefits/meolocalbenefits.html>

⁵ GEF (2005) *Management Response to the Role of Local Benefits Environmental Programs, Part I: Nature and Conclusions of the Study* Prepared by the GEF Secretariat and Implementing Agencies, GEF/ME/C.27/5, October 12, 2005

⁶ GEF (2006a) *op. cit.* at page 80.

- Emphasis that there will often be “losers” in activities aimed at achieving global benefits, so that a trade-off approach is required
- Lack of recommendations on free and prior informed consent (FPIC)
- Failure to recommend a rights-based approach to conservation and development
- Decision not to translate several key findings into concrete recommendations

While a number of the recommendations made by the GEF Local Benefits evaluation team and their acceptance by the GEF Council are welcome, they do not go as far as recent GEF 2004 Biodiversity Programme Study (BPS 2004) recommendations that have urged the GEF to develop clear policies, rules, and regulations of its own on social and local benefit issues, particularly in relation to resettlement, indigenous peoples and land tenure.⁷

Problems with the Management Response

The biggest disappointment is with the official GEF “Management Response”. The response does not address critical issues raised by the study, including: the need for improved supervision and oversight in GEF projects; variability in the standards applied by different IAs and; the need for additional measures to ensure public and community participation in project design. Several serious questions are raised by the GEF position that its support for indigenous peoples and local communities is only necessary where local benefits are required to achieve global benefits:

- If GEF support for local benefits can only be provided where the GEF considers such support is essential to the achievement of global benefits, who makes these judgments on local-global linkages and according to which criteria?
- The problematic issue of trade-offs in GEF projects raises other questions:
- Who is to take decisions on local-global “trade offs” and who will decide whether indigenous peoples and local communities will be winners or losers?
 - How will the GEF ensure that assessments and judgments on local and global dimensions of biodiversity conservation do not become top-down decisions imposed on indigenous and local communities by global bureaucrats and “experts”?

A further problem with the official response is that it appears to gloss over discrepancies between its current priorities in its different focal areas. Despite GEF claims that poverty reduction and the MDGs are being addressed as part of its Strategic Priorities for GEF-4, the targets under the GEF Biodiversity focal area remain geared towards the consolidation and strengthening of protected area systems and make no reference to MDGs nor to community-based conservation targets (although these have rightly been incorporated in GEF-4 targets for its international waters and land degradation focal areas).⁸

⁷ Dublin, H and Volonte, C (2004) *GEF Biodiversity Program Study* September 2004, GEF Office of Monitoring and Evaluation, Washington, DC at page 47

⁸ GEF (2006b) *Revised Programming Document for GEF-4* (GEF/R.4/33). June 5, 2006, Washington, DC

Ongoing problems in full-size and medium-sized GEF projects

The claim that problems in dealing with social issues in past GEF medium- and full-size projects have now largely been resolved in newer GEF projects is, likewise, questionable. While the GEF is rightly beginning to support indigenous peoples' global and regional initiatives and community-based conservation in some places,⁹ there are still serious shortcomings in existing GEF full-size conservation projects. Many of these projects still do not have, or entirely lack, mechanisms to address issues of land and customary resource rights, traditional knowledge, informed participation and free, prior informed consent.

In GEF projects being prepared by the World Bank there are disappointing signs that the Bank's new social requirement for Broad Community Support prior to project approval is not being implemented effectively. Even the leaders of affected indigenous communities are not being fully informed about project design and budgets.¹⁰

Regrettably, even recent full-size GEF projects under implementation that aim to promote indigenous peoples' participation in conservation have not adequately addressed essential land rights and prior consent issues (See, for example, Box 2). At the same time, biodiversity projects in the GEF pipeline and under preparation show worrying signs that lessons have not been learned.

In India, for example, it is not clear that the lessons from the India Ecodevelopment Project have been taken on board. The *Biodiversity Conservation and Rural Livelihoods Improvement Project* in the GEF pipeline has not properly involved indigenous and local communities in project design. Project objectives and proposed activities fail to incorporate components to deal with land tenure, customary resource rights and involvement of communities in decision-making about conservation and sustainable use. Scrutiny of the project appraisal document suggests that many of the failings in past full-size GEF biodiversity projects are in danger of being repeated.¹¹ Problems with the proposed project include, *inter alia*, its failure to address the obstacles posed by existing exclusionary conservation laws and policies in India; the lack of detailed assessments of the risk of involuntary restrictions on access and use of natural resources; and little treatment of land tenure, rights and equity issues in the project's analysis of "threats, root causes and intervention logic."¹²

⁹ Examples include the GEF support for the global project *International Indigenous Peoples Network for Change* and the regional GEF project assisting the Integrated Ecosystem Management in Indigenous Communities network in Central America See UNEP (2005) *Support to Indigenous Peoples* www.unep.org/gef/content/indigenous.htm See also GEF database at <http://www.gefonline.org/projectDetails.cfm?projID=1092>

¹⁰ Perfunctory application of the "Broad Community Support" safeguard has taken place in the Project *Consolidación del Corredor Biológico Mesoamericano de Atlántico Panameño* in Panama and indigenous peoples' leaders have not been meaningfully involved in Project design (source: Internal FPP trip report, June 2006)

¹¹ World Bank (2006) *Project Appraisal Document on a Proposed Loan to the Government of India for a Biodiversity Conservation and Rural Livelihoods Project* March 21, 2006

¹² Kothari, A (2006) *Comments on Biodiversity Conservation and Rural Livelihoods Improvement Project – World Bank Project Appraisal Document*, March 21, 2006 Kalpavriksh, Pune

Pench National Park, India



Photo: Tom Griffiths, 2002

Demolished dwellings at Totladoh village on the banks of Totladoh reservoir, Maharashtra state, Pench National Park, India, where villagers were forcibly relocated outside the protected area in April 2002. In Madhya Pradesh, Pench National Park formed part of the much criticized GEF/World Bank India Ecodevelopment Project (IEP) that closed in 2004. Villagers in Madhya Pradesh report that they are worse off after IEP interventions which they consider have reinforced access and resource use restrictions imposed by the forest authorities. Even traditional healers are now prevented from entering the forest to collect medicines, which villagers complain threatens their traditional knowledge system. Although some benefits have been received under the project in a few places such as Periyar, many affected villages in other project sites, such as Gir, advise that IEP alternative livelihood initiatives have not compensated them for loss of access to subsistence resources.¹³ In Nagarhole, the project was implicated in violent forced evictions of Adivasi communities and the whole IEP project has been condemned for not dealing with vital land tenure and customary rights issues.¹⁴

Despite severe criticisms of the project from numerous local communities and activists, the final World Bank evaluation surprisingly draws largely positive conclusions regarding project outcomes, while disregarding the negative impacts of the project.

GEF projects must respect and protect customary land tenure and resource use regimes.

Project preparation and implementation mechanisms must be put in place to make sure GEF projects are fully consistent with the commitments of recipient governments under international environmental and human rights treaties.

¹³ Devullu, P, Raj, M, Bhanumathi, K, Kumar, S and Bandhopadhyay, A (2004) *Indigenous and tribal communities, biodiversity conservation and the Global Environment Facility in India - General overview and a case study of people's perspectives of the India Ecodevelopment Project*. Samata, Hyderabad, www.forestpeoples.org

¹⁴ Janata Budakattu Hakka Staphana Samithi (2000) *Nagarahole: Adivasi Peoples' Rights and Ecodevelopment*, www.forestpeoples.org

Biological Corridor project, Panama



Photo: O. Masardule, Kuna Yala territory, June 2006

“The first GEF and World Bank Biological Corridor project in Panama was delayed because they never talked properly with the Kuna General Congress before the project was approved, so an agreement was not signed until two years into the project. Now the government is talking about a second phase. It is shocking that once again the Kuna people have not been effectively involved in the elaboration of this new project. We do not know the detail. We are just told it will benefit us and will promote ecotourism. Yet ecotourism is not a priority for all the Kuna people and the government knows that. The GEF must set up mechanisms to ensure that indigenous peoples affected by it activities have the guaranteed right to participate fully in the design of these projects. The GEF must respect our right to have a say about whether or not a project that affects our traditional lands and livelihoods can go ahead.”

[Onel Masardule, Foundation for the Protection of Traditional Knowledge – FPCI,
Panama, August 2006]

Need for bold GEF reforms

The timid GEF response to the Local Benefits Study not only disregards current specific recommendations for changes to GEF policy and practice made by indigenous peoples and NGOs, it also fails to answer repeated calls for meaningful GEF reform made by a variety of conservation bodies and international conventions, including the CBD (Box 2 and 3).

IUCN Resolutions and recommendations on GEF policy and practice

Resolution 3.055 of the World Conservation Congress (2004)

URGES international development agencies such as the World Bank, Global Environment Facility, Regional Development Banks and bilateral development agencies, to update, amend and implement their policies relevant to indigenous peoples in accordance with international best practice on protected areas established at the Vth IUCN World Parks Congress and CBD COP7.¹⁵

Convention on Biological Diversity (CBD) COP8 calls for GEF reform¹⁶

“Invites the Global Environment Facility...to review and revise, as appropriate, its protected areas’ policies in relation to indigenous and local communities;” and “To support community conserved areas, ensuring the immediate, full and effective participation of indigenous peoples and local communities in the development of relevant activities [Decision VIII/24 on Protected Areas: paragraphs 22 (d) and (e)]

“Invites international and regional development banks to ensure coherence among their respective institutional policies and improve guidelines related to biodiversity conservation...Such policies should allow for the full and effective participation and **prior informed consent** of indigenous and local communities.” [emphasis added] (paragraph 21)

The same decision also invites Parties to:

“...assess, document and communicate the socio-economic values of protected-area systems... including specific evaluations of the impacts of the existing variety of funding mechanisms and protected area programmes on indigenous and local communities” (paragraph 18(c))

“To note the need that all activities are carried out with the full and effective participation of, and full respect for the rights of, indigenous and local communities consistent with national law and applicable international obligations” (paragraph 18(j))

United Nations Permanent Forum on Indigenous Issues (UNPFII)

The human rights-based approach to development should be operationalized by States, the United Nations system and other intergovernmental organizations, including the international financial institutions, and should be the framework underpinning the Millennium Development Goals and poverty reduction strategies, programmes and activities (Recommendation of Fourth Session, 2005)

The Permanent Forum reaffirms and reiterates that self-determination, free, prior and informed consent and accountability form the basis of, and prerequisite for, any relationship that can be called a true partnership for development, and urges all States, indigenous peoples, United Nations bodies, international development agencies, corporations and the private sector, as well as civil society, to uphold these vital principles (Report of Fifth Session, May 2006)

¹⁵ IUCN (2005) *Resolutions and Recommendations, World Conservation Congress, Bangkok, Thailand, 17-25*

November 2004 IUCN, World Conservation Union http://app.iucn.org/congress/members/WCC_Res_Recs_ENGLISH.pdf

¹⁶ <http://www.biodiv.org/doc/decisions/COP-08-dec-en.pdf>

IV Recommendations

The GEF must make bold reforms in response to the findings of the Local Benefits Study and show leadership in incorporating social issues into international support for conservation and development. To this end, it is recommended that the GEF:

- Comply with CBD guidance to review and revise its policies in relation to protected areas and indigenous peoples and local communities, with their full and effective participation
- Involve indigenous experts and representatives in the ongoing revision of the GEF project cycle review criteria
- Adopt GEF policies that promote a rights-based approach to conservation and sustainable use, including a GEF prohibition of forced resettlement and respect for the right of free and prior informed consent
- Ensure its projects deal with critical social issues like land tenure
- Undertake social impact assessments (including human rights impact assessment) jointly with indigenous experts before GEF projects are undertaken in indigenous territories
- Establish GEF oversight and accountability mechanisms for its projects and programmes independent of its implementing agencies to ensure GEF operations comply with GEF policies and applicable standards consistent with international environmental, human rights and development standards and the UN Declaration on the Rights of Indigenous Peoples

“The GEF should engage actively with the UN Permanent Forum on Indigenous Issues, a body mandated by the UN to coordinate the work of UN agencies, bodies and funds on their activities and policies on indigenous peoples' issues. Now that the UN Declaration on the Rights of Indigenous Peoples has been adopted at the First Session of the Human Rights Council, there is a universal framework which can now be used as a standard in evaluating the GEF projects in so far as these affect indigenous peoples. The Declaration, together with the Programme of Action of the Second International Decade of the World's Indigenous People are very concrete frameworks which should be used to guide the GEF and other multilateral bodies on how to operationalize the human-rights based approach in their policies and programmes.”

[Victoria Tauli-Corpuz, Tebtebba Foundation, August 2006]

Cover picture: Indigenous forest dwellers rest while trekking through their traditional lands inside Nki National Park. This protected area and others in Cameroon are targeted by the recently approved *Forest and Environment Development Policy Grant (FEDPG)* being implemented by the World Bank with the support of a \$10.3 million GEF grant. A quite progressive Indigenous Peoples Development Plan (IPDP) has been drawn up for the project, yet since it started little has so far been done by the executing agencies to implement the plan.

Photo: John Nelson, May 2006