



INDIGENOUS PEOPLES & WORLD BANK PROJECTS



A Community Guide to the International Finance Corporation's Performance Standard 7 on Indigenous Peoples (PS7)





Welcome to your guide to the International Finance Corporation Performance Standard 7.

This guide summarises:

- 1. The rules of IFC Performance Standard 7 (PS7) on Indigenous Peoples;**
- 2. The most important rules affecting indigenous peoples in IFC Performance Standard 1 (PS1) on Assessment and Management of Environmental and Social Risks and Impacts ;**
- 3. The rules and procedures IFC staff and the borrower company must follow for preparing and approving any project that might affect indigenous peoples;**
- 4. What you can do if you are worried about an IFC project.**

This guide is written by the Forest Peoples Programme (FPP) based on FPP's understanding of the standards that the IFC and its borrowers must follow. It is an updated version based on the revised 2012 Performance Standards. It is possible that the IFC has changed some of the procedures after the date this guide was published. This should be checked by reading the Performance Standards and Social and Environmental Review Procedures on the IFC website [📄](#) when assessing an IFC-supported project.

Illustrations adapted from 'Where there is no artist'
by Petra Röhr-Rouendaal

Front cover photos:

The International Finance Corporation's Compliance Advisor Officer meeting NGOs and Melayu farmers in Sambas, West Kalimantan, Indonesia.
(Photo: Marcus Colchester, 2007)

Villagers demonstrating with placards defending their rights.
(Photo: Galus Ahtoi, 2012)

About this guide

This guide tells you what to do if a company is planning to develop projects on or near your customary lands, using a loan from the International Finance Corporation (IFC) – the private sector part of the World Bank Group. This guide is also useful for any projects using loans from other funders or companies that have chosen to follow the IFC's social and environmental rules.

You can find out if the company is seeking a loan from the IFC by asking the company directly, by checking the IFC Project database ④, or by asking other indigenous peoples or organisations that support indigenous and local communities ⑦ what they know about the project.

If a company wants a loan from the IFC for a project in your area, it must follow the IFC's social and environmental rules, which are called its Performance Standards. There are eight IFC Performance Standards in total ⑤. The company must also obey national laws and regulations.

The IFC must also follow certain rules which are laid down in the IFC Policy on Environmental and Social Sustainability, IFC Information Disclosure Policy and the IFC's Environmental and Social Review Procedures (ESRP).

The rules say that the IFC will not fund projects that harm the lives or customary lands and resources (lands, plants, animals and water) of indigenous peoples if the affected indigenous communities do not support and agree to the project.

This guide explains how IFC borrower companies must try to prevent, or at least reduce, any harm that the project might cause to indigenous peoples.

The guide also explains your people's rights to be consulted fairly and honestly about IFC funded projects, to receive

The numbers ①②③④⑤⑥⑦ in the guide tell you where to get more information from the IFC or other organisations, using the addresses and websites on pages 13 and 14.



information about projects, to participate in them, and to refuse the project if your community chooses to do so. The guide suggests how to tell the company and the IFC about your people's needs and concerns, and how to demand changes or object to a proposed project going ahead.

As well as following the suggestions in this guide, you may be able to use your national courts or other administrative appeal processes to stop or alter the project if you consider it violates laws or regulations in your country. To find out your options it is a good idea to consult a local lawyer or legal advisor.

Dealing with 'Equator Bank' projects

This guide may also help you and your communities discuss projects funded by private banks or government export credit guarantee agencies that have signed the 'Equator Principles'. The Equator Principles are a set of non-binding voluntary principles that are mostly based on the IFC's rules, and which many private banks have agreed to obey when they fund projects. The banks that have signed up to the Equator Principles cover over 70% of international project finance in emerging markets, and say they will comply with the updated PS7 and other IFC Performance Standards. Some of the Equator Principles' standards are actually in advance of the IFC's, as they explicitly reference human rights, but as they are voluntary there is no specific complaints mechanism. For more information, and to find out if any project funders have signed the Equator Principles, see: <http://www.equatorprinciples.com>

The IFC's rules



Here you can find out the IFC's rules for the projects it funds, at each stage of the project.

1 THE START OF A PROJECT - PLANNING

Before a company asks for IFC funding, it must first carry out a social and environmental assessment of the project's risks – the possibility that the project could harm the environment and communities that are on or near the project site or its 'associated facilities' (see Boxes 4 and 9). If the company or the IFC find out that indigenous peoples might be affected, then the IFC must apply its rules for projects affecting indigenous peoples, which are set out in Performance Standard 7 (PS7).

If the company is planning a project on or near the customary lands of indigenous peoples, then it must involve those affected communities in identifying potential risks and impacts (see Box 4).

When deciding whether to fund a project the IFC must look at **every part** of that project and its associated facilities that might affect indigenous peoples or their traditional lands, including the sections of the project that are funded by other agencies or banks. During the planning stage the IFC decides whether the project will be 'category' A, B, C or FI.

- Category A means that the project could have serious negative impacts.
- Category B means that the project could have bad, but limited, impacts.
- Category C means that the project has very few or no environmental or social impacts.
- Category FI means that it is a project being funded through another organisation – a 'financial intermediary'.

(see Box 9 for more information on categories).

All the protections of the Performance Standards apply to all projects. But if a project is Category C it means the IFC has decided that it will do very little or no harm and does not expect that the standards will be triggered.

ACTION POINT: So, it is **very** important to challenge a project risk category if you think the risk rating put forward by the company and IFC is wrong. Find out the risk category given to the project that you are worried about as soon as possible and tell the IFC **1 2** if you think the category is not the right one.

2 YOUR RIGHTS TO INFORMED CONSULTATION AND PARTICIPATION

The company borrowing money from the IFC must send 'consultants' to discuss with your people at each stage of the project, from design and planning through to carrying out the project ('implementation') and monitoring of the project. The consultants find out your community's opinions on the project – what you think it should do, whether you support the project and whether you agree or not to project activities that may affect your customary lands or affect your lives and livelihoods (ways of making a living) (see Box 4). You may be visited several times by consultants, company staff or IFC staff during the project.

If the project goes ahead and it could harm (even in a limited way) your community or your customary lands and resources, the company must regularly talk to your community about its proposals. It must discuss with you what the project will do, what the good and bad outcomes might be and ask how you feel about the project. They should take into account the views of both men and women, and if they are different they must record them separately.

If the project is on your customary lands (not only affecting them from nearby lands) or if it will use your traditional knowledge in any way, the company must establish an ongoing relationship based on Informed Consultation and Participation (ICP) with your community (see Boxes 3 and 6).

Every consultation must be free, prior and informed.

- **'Free'** means your community gives its opinions willingly and is not persuaded, tricked or forced to say or agree to certain things.
- **'Prior'** means the company tells you in advance when it will consult with you, and carries out the consultation before decisions are made, not afterwards.
- **'Informed'** means the company tells the whole truth about the project, including the good things and the bad things that may happen and all the different alternative activities that can be done to achieve the project objectives and avoid or reduce harm. The company must give you information in the right languages and in a way that your communities can understand.

The company must carry out the consultations honestly and sincerely, in 'good faith', and in a way that respects your culture and your community's governing institutions, including your traditional ways of making community decisions.

Informed Consultation and Participation means more than just giving you information and listening to you. It means that the community is actively involved in making decisions about the project. For the IFC to agree to fund a project that may harm indigenous peoples, they will require your free, prior informed consent before they agree to fund the project (see Box 3).

IMPORTANT: The IFC requires companies to share draft documents with affected communities. So at each stage of the project you should ask the company to give you copies of the documents.

If your government has a process to engage with indigenous peoples the company should also work with the responsible government agency. However, if the government process is not as good as the one outlined by the IFC then the company should still conduct its own process of engagement according to the IFC rules.

The IFC's rules



3 FREE, PRIOR AND INFORMED CONSENT (FPIC)

PS7 has some important additional protections for your customary lands, your livelihoods and your traditional knowledge as indigenous peoples. If a proposed IFC project

- is on your traditional or customary lands and may have harmful effects (even limited ones); or
- might harm your livelihoods and economic well being; or
- may threaten cultural heritage that is essential ('critical') to your collective identity and way of life; or
- means you may have to move or change where and/or how you live,

then PS7 states that the company cannot carry out the project unless your communities have given their FPIC to the project through a process of mutual dialogue and agreement between the affected communities and the company proposing a project, which the IFC calls 'good faith negotiation'.

Good faith negotiation means the company must talk with you in a way that you fully agree from the start of discussions. The company must show you and your leaders that it will respond to anything you ask quickly, regularly, and in a language your people understand. It must give you all the information you need to make an informed decision. It must discuss with you any serious concerns you may have with the project, and be willing to change its plans to avoid problems for your communities – and even to stop certain project activities. It must give you and your leaders enough time to discuss things among yourselves according to your own ways of deciding things.

If there is no 'successful outcome' to the process, or if your communities choose to reject negotiations, then the IFC cannot continue with the project. Otherwise, a successful outcome means that your communities have negotiated

with the company and agree to the project continuing with any conditions your communities and freely-chosen representative organisations may have placed on it.

The process should include how the company will avoid - or at least minimise - project impacts, and ensures your compensation and involvement, in a culturally appropriate way. The company should consider the particular impacts on women.

IMPORTANT: The company must respect your methods of decisionmaking in a culturally appropriate way, although they are expected to negotiate across all sections of the community.

ACTION POINT: Tell the IFC and company how they must respect your community FPIC process and tell them on what terms and according to which community rules you will engage in consultation and negotiation.

If your communities do not have an agreed way of doing FPIC, seek advice from trusted allies and organise collectively to agree internally among your communities how FPIC must be done. If you need time to work out your own FPIC process, ask for the time required. Do not be pressured to accept an FPIC process suggested by the company.

IMPORTANT: The company must keep a written record of the entire consultation, FPIC and complete negotiation from start to finish, including the FPIC process you have agreed on, and produce evidence that there is an agreement as a result of negotiation.

ACTION POINT: You should always ask for, and be given, the record of any negotiations that takes place between your people and the company doing the project. If there are mistakes or misunderstandings in the company consultation and FPIC record, ask for them to be corrected.

The IFC's rules

4 ENVIRONMENTAL AND SOCIAL ASSESSMENT AND MANAGEMENT SYSTEM (ESMS)

The borrower company must carry out a detailed process of environmental and social assessment to create an Environmental and Social Assessment and Management System (ESMS) for the project. The process should identify indigenous communities who may be affected by the project and collect information about its possible impacts – both good and bad – on them. If the planning stage shows that the project might harm you or your traditional lands, the company must bring in people from outside the IFC who know about the project area. These 'external experts' must carry out the assessment with the active participation of your communities.

IMPORTANT: This early stage of assessing risks and possible impacts of a proposed project is important because what your community says during the impact evaluation may have a better chance of influencing the design of a project than if you give comments and objections later on.

The consultants must work with your communities and organisations and give you the chance to give your opinions and suggestions about the project and its possible impacts on your lands and communities. The ESMS must look at how bad impacts can be avoided or reduced. It must find out how the land directly used by the project will be affected – this may include your community lands or areas next to your lands. The ESMS must also find out how the project will affect indigenous peoples and the environment in the 'project area of influence' and the impacts of 'associated facilities' connected to the project (see Box 9 for explanations of these terms).

According to the IFC's rules, your lands include all 'lands traditionally owned by, or under customary use', meaning all areas traditionally owned, occupied and used by your communities and your ancestors, including occasional and seasonal use for livelihood, ceremonial and spiritual purposes or for other cultural activities. This includes lands that may not be legally recognised by the government (that is, the community may not have gained recognised, official title to the lands).

The project risk assessment and impact study must include a study of the customary land and resource tenure system of your communities (how you own, manage, control and use your lands and resources according to your custom, including cultural, ceremonial or spiritual use) within the project area of influence if:

- the project may affect your traditionally owned lands, 'customary lands under use' or traditional knowledge; or
- the project might involve land that is taken from you or intends to resettle your community; or
- your livelihoods, economic well being and cultural heritage will be threatened in some way.

ACTION POINT: The findings of the ESMS affect what rules the IFC and the borrower company must follow in the assessment process, in project appraisal (Box 7) and project implementation (Box 8). It is therefore very important that you give the consultants information so that their report makes the right decisions about how the project will affect your communities, both directly and indirectly. To make sure your concerns have been included, ask the consultants to give you a copy of the draft ESMS.

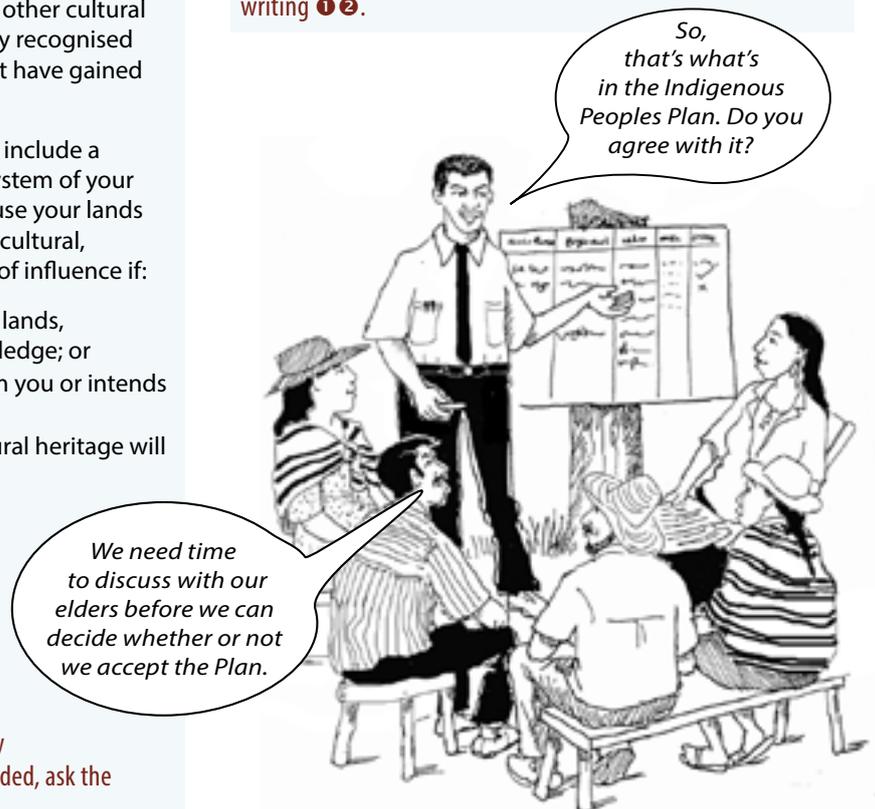
5 INDIGENOUS PEOPLES PLAN (IPP)

The company must write an Action Plan to show the IFC how it will obey all the rules to prevent or minimise harmful impacts on indigenous peoples and provide benefits to them, and how it will obey any other rules under the full set of Performance Standards that might apply to the project.

Within the Action Plan, the company should create an Indigenous Peoples Plan together with your community and its representative organisations, making sure that men and women both have an opportunity to be heard, that your traditional leaders, councils or elders are involved, and that you have enough time to make your decisions and give your views. The Plan should include a 'grievance mechanism' – ways for your community to complain directly to the company if anything goes wrong during the project. The company must tell you how you can use this system.

The Plan must include the various actions that you have agreed to, in order to make the project better for your people. This includes the actions needed to prevent or minimise damage from the project, and to make sure that you get benefits from the project. The Plan must be written in your own language or a language you can understand. It must include a timetable for the company to fulfil all of the promises and agreements that have been made with your community.

ACTION POINT: Remember to ask for a copy of the draft Indigenous Peoples Plan for the project. If your communities are not happy with aspects of the Plan or how it has been developed you should inform the company and the IFC in writing 1 2.



The IFC's rules

6 PROTECTION AGAINST FORCED RELOCATION

PS7 forbids any company that wants an IFC loan from relocating indigenous peoples from their traditional and customary lands unless there is a process of FPIC and documented proof of informed participation and a 'successful outcome' of the negotiation (see Box 3).

This means the company cannot move you, your houses or communities unless you agree.

Also, the company cannot occupy, or deprive you of, any part of your lands, stop you from getting resources that you need for your livelihood, your well being or your culture, or stop you from going to your customary lands under use, **unless** your communities agree first.

ACTION POINT: Before you consider accepting relocation be sure to study the Performance Standard 5 (PS5) in the IFC social and environmental rules ⑤. This explains what the IFC and a company must do if they propose resettlement and sets out additional IFC rules for compensation.

7 APPRAISING AND APPROVING THE PROJECT

At this stage, the company must give your community a copy of the final Action Plan and the Indigenous Peoples Plan. It must also give you a copy of the Environmental and Social Review Summary (ESRS – see Box 9). It must give you these documents in a language and a form that you can understand. The company and the IFC will also give these documents to the public, together with the Summary of Proposed Investment (SPI – a project overview document – see Box 9).

The company must also provide your community with final copies of the Environmental and Social Management System documents for the project, which may include studies of your customary land tenure and community land and natural resource use.

The final version of all these documents must be given to you:

- At least 60 days before the IFC approves the project in the case of projects with likely serious problems (category A);
- At least 30 days before IFC approval in the case of projects with some problems (category B).

ACTION POINT: Because 30 or 60 days gives you very little time to respond, ask for copies of these documents in advance, or as soon as possible, so that your community has enough time to study them.

The IFC 'appraises' (reviews) all the information about the project, including the company consultation and FPIC records and agreements (where applicable). It also reviews the results of its own consultations and communications with your communities when making its decision about whether to fund a project. In projects that may do harm to your communities, the IFC must be sure that you have engaged in a process of Informed Consultation and Participation, and that you agree to the proposed investment.

As noted in this guide, if the project may harm your customary lands, involve resettlement or threaten your way of life, the IFC must find out if there has been a successful process of FPIC and whether, as a result of that negotiation, an agreement exists between your communities and the company (see Box 3).

ACTION POINT: Contact the IFC office ① and ask when they will visit your community to see whether you support the project. Arrange to meet them to discuss the project. If the IFC office does not respond, complain to the Compliance Advisor Ombudsman (CAO) ⑥.

When the company starts doing the project, it must respect the plans it has agreed with your community.



8 DOING THE PROJECT

The company must give your community the final project documents in a language and form that respects your culture, and at a place that you can get to easily. The company must set up the project's complaints system. It must monitor how the project is carried out and involve your community in that monitoring, as part of an ongoing relationship based on a mutually acceptable process.

The IFC must make sure that the company is carrying out the project according to the legal agreement of the loan, and according to the agreements in the Action Plan. The Action Plan may include an Indigenous Peoples Plan (see Box 5), which is a special separate plan for your communities. If there is any change to this Plan during the life of the project then the company must talk to you about these changes, and you need to agree to them before they become officially part of the Action Plan.

The IFC's rules

If we know what these words mean, there is a better chance that the IFC and the company will listen to us.

9

UNDERSTANDING THE IFC'S LANGUAGE

The IFC Performance Standards use particular words to explain what its rules mean ('definitions').

- **Action Plan:** Also known as the Environmental and Social Action Plan (ESAP), this lists how the borrowing company will actively ensure there is minimum harm done, and may include the likes of a Stakeholder Engagement Plan, Resettlement Action Plans, Biodiversity Action Plans, Community Health and Safety Plans and an Indigenous Peoples Plan.
- **Associated facilities:** Structures which the project depends on, but does not fund e.g. in a petroleum processing plant funded by the IFC, the gas pipelines and the gas drill are 'associated facilities' because they are needed to bring the gas to the processing plant.
- **Customary lands under use:** See Box 4.
- **Environmental and Social Assessment and Management System (ESMS):** A study done by the company or its consultants to find out all the possible ways that a project may affect your communities, lands, resources and way of life within the 'project area of influence' (see below), and how the borrowing company will deal with these. The ESMS must be given to you by the company at the same time as the ESRS (see below). *If you do not receive it, contact the IFC 2.*
- **Environmental and Social Review Document (ESRD):** a set of documents that is updated from time to time covering the project through its lifetime from planning up to when the project is closed. The ESRD gives information on the IFC's social and environmental rules and the tracking of the project activities and performance. *This is not public but it may be worth asking the IFC for a copy 2.*
- **Environmental and Social Review Procedures (ESRP):** A rule book for IFC staff on how to apply the performance standards and other relevant policies.
- **Environmental and Social Review Summary (ESRS):** The document through which IFC publicly explains how a project was reviewed and the reasons for IFC's decision to invest. It explains the project's classification (see Box 1) and describes the main social and environmental risks and impacts of the project, and the key measures to avoid or reduce those risks and impacts. It says what the project must do to meet the Performance Standards – these activities will be included in the company's Action Plan. The ESRS is a public document that the company must give you in a language and form that you understand. *You can also obtain it from 4.*
- **Exclusion List:** A list of activities for which the IFC will never provide investment funding, loans or financial services, e.g. IFC will not fund any project or activity which is against national law. For more details see: www.ifc.org/exclusionlist
- **Financial Intermediary (FI):** An organisation or company through which the IFC invests money in projects. The FI arranges its own projects, loans and finances, and the IFC does not know all the investments that the FI will make with the funds that IFC provides. When an FI is involved,



the process for implementing the performance standards is different, but the principles are the same, including a categorisation of impacts from serious (1) to low (3).

- **Financing Agreement:** The legal agreement between IFC and the borrowing company which defines the terms of the financing, including the activities in the Action Plan. This may include equity agreements, which means the IFC agrees to become a part-owner of a company or project to provide money. Sometimes this agreement is secret, but not always. *You can ask for a copy of this agreement from the company.*
- **Free, prior and informed consent (FPIC):** See Box 3.
- **Good faith negotiation:** See Box 3.
- **Indigenous Peoples Plan (IPP):** See Box 5.
- **Informed Consultation and Participation (ICP):** See Box 2.
- **Project Appraisal:** See Box 7.
- **Project area of influence:** The main site of the project plus any areas affected by related construction or developments. It also covers 'associated facilities' (see above). It includes areas that may be affected over a long period of time by changes brought about by the project.
- **Project Data Sheet (PDS):** A document prepared by the IFC project team. It describes the project, the potential investment and key policy issues, reviews IFC's role in the project and the impact of the project, and outlines issues and policy concerns (including project classification). The PDS is continually updated during project appraisal and is a key decision document for the Investment Review Meeting, which is when the IFC decides whether or not to continue with the project and invest money. *This is not public but it may be worth asking the IFC for a copy 2.*
- **Summary of Proposed Investment (SPI):** Also known as Summary of Investment Information (SII), the SPI is a public document that must be released before the Board of Directors of the IFC meets to decide whether they will fund a project – 30 days before for Category B projects and 60 days before for Category A projects. The document gives an overview of the project, including the loan amount, the project category, name of the company, location, development impact, and references to any environmental and social review (if done). The SPI must also include contact details for people responsible for the project (in the company and in the IFC) and where to get locally available information about the project. *This is a public document that the company must give you in a language and form that you understand 4.*

Community Action

A GETTING INFORMATION ABOUT A PROJECT

Ask other indigenous peoples, your NGO partners and international support NGOs 7 for information about the project and advice on how to deal with it.

Get as much information about the project as you can from the IFC representative for your country or region 1 or from the IFC headquarters in the USA 2.

Ask the IFC in writing 1 2 or through the IFC web site 4 for copies of any information publicly available about the project, as well as the Project Data Sheet and the preliminary environment and social assessment (see Box 4). These documents give the aims of the project, its timetable, the name of the company and sometimes the name of the IFC person responsible for the project. You should request the name of a person in the IFC who will be responsible for giving you information; this may be the project manager or a communications officer.

The IFC says that it will normally release any document requested. Reasons not to release documents are few e.g. if they reveal private company information, or affect security.

Ask the company for information about the project and the name of the person responsible for the project. Try to contact this person as early as possible to tell them how you expect to be involved.

- Do these documents correctly recognise the existence of your people, all your communities and their lands and natural resources that could be affected by the project?
- Have your views and concerns been properly recorded?

Start discussing the project with community members.

ACTION POINT: If you don't get enough information from the IFC or company, send a written complaint to the Environmental and Social Development Department in the IFC headquarters 2.

REMEMBER!
Don't rely on verbal agreements with the consultants. Always write down what the consultants told you and what your community said. If you can't write, ask someone you trust to help you. Keep copies of every letter you send to the company or IFC in case you have to prove this later.



B CONSULTATIONS AND FPIC AGREEMENTS WITH YOUR COMMUNITY

- Did the company tell your community about the consultation in good time, and make arrangements for everyone to participate?
- Were your traditional leaders, elders, women and other important community groups included?
- Did you and all affected communities of indigenous peoples fully understand your collective FPIC rights and IFC consultation and FPIC commitments from the start of the project?
- Did you get enough information in a language you can understand, so that you could be informed about the project?
- Were you told about the bad things as well as good things that could happen in the project?
- Were you told about all the different options for carrying out the project activities?
- Did the consultation respect your indigenous culture, institutions, and traditional ways of making decisions?
- Did the consultation find out the whole community's opinion, not just the views of some individuals?
- If your communities accepted the social and environmental assessment stage of the consultation ('impact study') as part of the consultation and/or FPIC process, were your communities meaningfully involved in the risk assessment and were community views on impacts taken on board in the study?
- Were community members able to talk freely about what is most important to them and their worries about the project, and did the consultation record these things?
- Were community concerns and questions properly answered? Are you happy with the information you received?
- Does your community think that the company consulted with you honestly and sincerely and in the manner in which you agreed with the company in the beginning?
- Did the consultation allow your communities, freely-chosen leaders and organisations that speak for your people, to make decisions about the project and change how the project will be planned and carried out?

ACTION POINT: If you think you were not consulted properly according to Box 2, or that your rights to informed consultation and participation, or FPIC (see Box 3), were not respected, write to the IFC office in your country or region 1 and send a copy of the letter to the IFC's Environmental and Social Development Department 2. Keep copies of these letters.

Community Action

C PARTICIPATING IN THE SOCIAL ASSESSMENT

Mobilise your community to discuss the project. Educate them about the IFC rules that apply.

- Is the company following the rules of the Performance Standards?

Discuss how the project could affect your customary rights (including your people's laws and traditions) to your lands and resources, your livelihoods and your spiritual practices.

If your communities want to participate in the social and environmental assessment, make sure the company and its consultants involve you fully and record your concerns about impacts and risks.

IMPORTANT: This is your right under IFC rules and the company cannot refuse you. If the company has hired an outside expert to study your customary land use and you agree with this, find out how she or he will actively involve you and your communities in this important study.

ACTION POINT: If you think the project could damage your community, lands or resources, tell the consultants carrying out the social assessment and land use studies how and why the project might be harmful for your people. Write down what you told the consultants and send it to the IFC office in your country ❶ with a copy to the IFC headquarters in the USA ❷. Keep copies of what you write.

D DECIDING ABOUT THE PROJECT

If your community decides that it does not want the project, tell the consultants and send a written copy of your statement to the IFC representative in your country or region ❶. If possible, get an outside person or organisation that you trust to witness your decision. Keep a copy of your declaration of opposition to the project.

If the project is located on your customary lands under use and may harm you, the IFC will not fund the project if it receives clear proof that your community objects.

If you object, the company may offer to negotiate with your communities. If you do not reject the offer and you decide to enter into discussions, do not start any negotiations until you have first agreed with the company on the rules for the talks and the way in which your communities will decide on any final agreement. This right is guaranteed by Performance Standard 7 ❸.

If your community thinks the project might be a good thing, ask the consultants to tell you what they will write in their report, including any agreements they have made with you about what the project will do. Tell them whether you approve or disagree with what they have written and ask them to change any sections you are not happy with.

If you are still worried about some parts of the project, tell the consultants how the project must change before you can give your support or before you can agree to it. Write these concerns down and keep a copy. Be confident and explain clearly to the consultants that your community has its own way of making decisions that the company and the IFC must respect.

If your community might accept the project, tell the consultants that you will confirm your support **only** after you have seen all the final project documents and draft agreements and you have checked that the company has, **in writing**, agreed to fully respect your rights and interests and will protect your community and provide it with project benefits.

IMPORTANT: Do not sign any document supporting the project unless you are happy with it and know what the communities are agreeing to. Be sure to carefully study and understand the final project documents and any draft agreements between the company and your communities **before** you make an agreement. Nothing should be signed until you are completely certain that your affected communities are fully satisfied with the agreement resulting from the FPIC process. You can ask the company to see these documents as early as possible as the company must give them to you anyway later on at the Appraisal stage. They cannot refuse you if the project affects you directly (see Box 2).

ACTION POINT: Your communities may wish to ask people, who are independent and whom you trust, to verify whether the communities have truly given their FPIC or not and to carefully check any agreements made between the company and the communities (even if the IFC itself does not require such verification).

We said we don't want the project because the oil pipeline crosses the forest where we collect food in the dry season. It could leak and harm our forest.



Now the company is asking if we will accept the project if it gives us other land away from the pipeline. If we decide to negotiate, we must first be sure the company accepts our ways of negotiating and making a final decision.

Community Action

E COMMUNITY INPUT TO THE INDIGENOUS PEOPLES PLAN

Find out from the IFC staff ❶, company, consultants or your NGO partners when the company will consult with you about the Action Plan, whether this will include an Indigenous Peoples Plan, and how the company will arrange for your informed participation (see Box 2) in preparing and carrying out the Plan.

If your community agrees to the project, decide what you want the project to do for your people, both to avoid harm and to provide benefits. If possible, work out how much money it will cost to carry out these activities so you can check later whether the company has given enough money for the activities in the Indigenous Peoples Plan.

- Did the company use the right procedures (Box 2) for consulting with your community about the Indigenous Peoples Plan?
- Will your community be involved in planning and carrying out the Plan?

ACTION POINT: Ask the consultants to tell you what they will write in the Indigenous Peoples Plan and the Action Plan. Are you satisfied that the Plans deal properly with the things that are most important for your community? If not, you should tell the company and the IFC in writing ❶❷ and consider withdrawing your support or consent.

So that's what I have written in the IPP. The project will train your women's group in health care and provide bicycles so you can take your products to market.

But we said the most important thing was to stop outsiders from taking our forest products. The IPP does not say how the project will protect our land rights.



The power station will affect the animals in our main hunting area. We don't want to move, but what can we do if we have no game left?

Don't worry. Remember, it's an IFC-funded project, so the company cannot force you to leave your lands or stop you using your traditional resources against your will.



F PROTECTION FROM FORCED DISPLACEMENT

- Did the company use the right procedures in Box 2 for Informed Consultation and Participation, Box 3 for FPIC and Box 6 for Protection from Forced Relocation?
- Did the consultants record any objections from your community to relocation or changing the way you use your lands and resources?
- If you do not agree to the relocation it cannot happen. If the company is planning on relocating you and you have not agreed, you must let the company, the IFC and your own government know that you do not agree. Do this in writing and keep copies of your letters.
- If your community will *probably* agree to relocate or change its use of land and resources, make sure the consultant has properly recorded your demands for alternatives or compensation for loss of lands, resources, livelihoods and spiritual practices.

IMPORTANT: Remember that the company, under an IFC project, cannot force you to move off your lands or change your use of your customary resources without obtaining FPIC. Unless the communities consent to these moves and changes the IFC cannot support or fund relocation activities under the project.

Community Action

G IFC PROJECT APPRAISAL (REVIEW) AND APPROVAL

Before the project is approved by the IFC's Board of Directors in the USA, write to the IFC ② to find out if and when the IFC's appraisal team will visit your country. Ask the team to meet with the leaders and groups that speak for your community. Try to have your own observers at the meeting as witnesses to the discussions.

- Have you received project documents in the right languages and in a form you can understand?

Make sure you ask for copies of all the social and environmental assessments done in relation to the project. There may be more than one, and the IFC should give you all of them.

Make sure you get a copy of the updated Environmental and Social Review Summary and the Summary of Proposed Investment.

- Does the Summary of Proposed Investment state that you have given your free, prior and informed consent to the project? See Box 3.
- Does it state if there has been good faith negotiation (if the project is within your customary lands)?
- Do you agree with the IFC record of what happened?
- Does the Environmental and Social Assessment and Management System report properly describe your people and your circumstances?
- Does it state how your community thinks the project will affect you?
- If the project is on your land or affects your land, does the assessment include accurate information about your customary laws and tenure regimes?

- Do you agree with the category given to the project and the way risks have been identified?
- If the company has made agreements with your community about the project, do the project's final documents record these correctly, as well as your community's worries and objections to the project?
- Do you agree with the draft and the final Indigenous Peoples Plan (especially its aims), the overall Action Plan, methods of monitoring the project, complaints system, budgets and contracts for who will carry out the work?

ACTION POINTS: If you do not agree with what the documents say, speak to the IFC appraisal team and write to the IFC ②. Keep a copy of what you said. If you are not satisfied with the IFC's reply, write again stating your objections so that your letter can be presented to the IFC's Board before the project is approved. Send a copy of the letter to the member of the Board of Directors responsible for your region ③.

If you do not get a positive response, write another letter to the IFC, this time copying that letter to international organisations and forums, such as the Secretariat of the United Nations Permanent Forum on Indigenous Issues, the Special Rapporteur on the Rights of Indigenous Peoples of the United Nations, the Special Rapporteur on Indigenous Peoples of the Inter-American Commission on Human Rights (if you live in north, central or south America) and the African Commission on Human and Peoples' Rights if you live in Africa. The international support agencies listed on page 14 ⑦ can provide these addresses.

If you still have objections to the project, ask to meet your country's representative on the IFC's Board of Directors ③ before the Board meets to approve the IFC loan.

H DOING THE PROJECT AND MONITORING ITS IMPACTS

- Did your community receive the project documents in the right way (in the right language, with enough time to review before deciding, in a format understandable to your community)?
- Is your community fully involved in the project through a relationship with the company built on Informed Consultation and Participation?
- Do you get regular information on how the project is doing, how the budget is being spent, and the Action Plans that were agreed with you?
- Is the company respecting its agreements with you in good faith?
- Do you understand the project's complaints system? Is it easy for you to use and do they respond quickly?

Ask for copies of the project's monitoring reports, and make sure they record any problems you have raised.

If there are still problems with the project or the company is not respecting the rules and agreements in the project documents, use the project's grievance mechanism to register your concerns and write to the IFC in your country or region as well ①.

You can also ask for help from your National Human Rights Commission, public defence organisations, and national and international NGOs ⑦.

You may also wish to make a formal complaint to the IFC Compliance Advisor Ombudsman (CAO) ⑥. This is a separate IFC group that can assess complaints about the IFC, and mediate between your community and the company to try to find solutions.

For More Information

1 CONTACTING IFC IN YOUR COUNTRY OR REGION

Some countries have an IFC representative in the capital city, usually attached to the World Bank office. Other countries are served by a regional office. To find out your regional or country representatives, search on the websites:

http://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/about+ifc_new/contacts

Here you can find the contact details for the people in the IFC responsible for investments in your region or country, and information about some of the IFC investments in that region or country.

2 CONTACTING IFC HEADQUARTERS

If you want information about projects in your country, you will usually be more successful if you contact your country representative, but you can also write or email directly to the IFC headquarters, to their Environment, Social and Governance Department.

You should copy any letters or emails you send during the project planning and appraisal to your country office and the headquarters.

Email: AskSustainability@ifc.org

International Finance Corporation
Environment, Social and Governance Department
Social Responsibility Program
2121 Pennsylvania Avenue, NW
Washington, DC 20433, USA
Tel: +1 202 473 1000

3 CONTACTING IFC BOARD OF DIRECTORS

The Directors are listed at :

<http://siteresources.worldbank.org/BODINT/Resources/278027-1215526322295/BankExecutiveDirectors.pdf>

They can also be searched at <http://www.worldbank.org/en/about/leadership/directors> by selecting your country from the drop down list, then using the contact details on the left-hand panel.

4 ABOUT IFC PROJECTS

For information about proposed or existing IFC projects, search the IFC project database at: <https://disclosures.ifc.org/#/landing>

Type in key words or use the menus to locate the project and the documents that you want. If you don't find the information you need, you can fill in a request form, under 'Inquiries' on the above webpage.

5 ABOUT IFC'S RULES

To get copies of the documents which together make up the social and environmental rules that the IFC and companies must follow, visit the following web sites or write to the IFC. See 1 and 2 on this page.

1. Understanding IFC's Environmental and Social Due Diligence Process (a summary infographic): <http://www.ifc.org/wps/wcm/connect/b58ead804942ee5da7a5ff4f5ddda76e/IFC+Process.pdf?MOD=AJPERES>
2. IFC Access to Information Policy: <http://www.ifc.org/wps/wcm/connect/98d8ae004997936f9b7bff2b4b33c15/IFCPolicyDisclosureInformation.pdf?MOD=AJPERES>
3. Environmental and Social Review Procedure (ESRP): http://www.ifc.org/wps/wcm/connect/d0db8c41-cfb0-45e9-b66a-522c88f270a5/ESRP_Oct2016.pdf?MOD=AJPERES
4. Eight Performance Standards & associated Guidance Notes:
2012 Performance Standards: http://www.ifc.org/wps/wcm/connect/115482804a0255db96fbff1a5d13d27/PS_English_2012_Full-Documents.pdf?MOD=AJPERES
Guidance Notes: http://www.ifc.org/wps/wcm/connect/e280ef804a0256609709ffd1a5d13d27/GN_English_2012_Full-Documents.pdf?MOD=AJPERES
 - Performance Standard and Guidance Note 1: Assessment and Management of Environmental and Social Risks and Impacts
 - Performance Standard and Guidance Note 2: Labour and Working Conditions
 - Performance Standard and Guidance Note 3: Resource Efficiency and Pollution Prevention
 - Performance Standard and Guidance Note 4: Community Health, Safety and Security
 - Performance Standard and Guidance Note 5: Land Acquisition and Involuntary Resettlement
 - Performance Standard and Guidance Note 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources
 - Performance Standard and Guidance Note 7: Indigenous Peoples
 - Performance Standard and Guidance Note 8: Cultural Heritage
5. In addition to these 11 documents, the IFC continually updates and releases environmental, health and safety guidelines which can be found at <http://www.ifc.org/ehsguidelines>

6 MAKING A COMPLAINT

If you are not happy with an IFC project that affects your communities, you may file a complaint with the IFC's Compliance Advisor Ombudsman (CAO). The CAO will review your complaint and may travel to your area to investigate and meet with you to discuss your concerns. This complaint can be made at any time before a project is approved or after it has already started. You can write to:

Office of the Compliance Advisor Ombudsman (CAO)
International Finance Corporation
2121 Pennsylvania Avenue, NW
Washington, DC 20433 USA
Tel: +1 202 458 1973 Fax: +1 202 522 7400
Email: CAO@worldbankgroup.org
<http://www.cao-ombudsman.org/>

For Advice & Help

In many countries there are also NGOs already working on issues to do with World Bank Group projects or who may have had difficulties with a World Bank or IFC project in the past.



It is a good idea to contact NGOs with World Bank experience in your country for advice and help about IFC projects.



7 INTERNATIONAL SUPPORT ORGANISATIONS

The **Forest Peoples Programme (FPP)** is a non-governmental organisation that supports the rights of indigenous peoples to self-determination and to challenge top-down and destructive projects of international agencies like the World Bank. FPP can give advice on the Bank's rules and the options open to you for responding to World Bank projects, including legal options.

Website: <http://www.forestpeoples.org>

Forest Peoples Programme
1c Fosseyway Business Centre
Stratford Road
Moreton-in-Marsh, GL56 9NQ, UK
Tel: +44 1608 652893
Fax: +44 1608 652878
Email: info@forestpeoples.org

The **Bank Information Center (BIC)** is an NGO that works with civil society in developing countries to influence the World Bank and other international financial institutions to promote social and economic justice and ecological sustainability. BIC's website has a lot of information about World Bank projects that are planned or being carried out around the world.

Website: <http://www.bicusa.org>

BIC also has the contact addresses of people at many international financial institutions. To find these, search on the region in which your country is at: <http://www.bankinformationcenter.org/regions>

The site will also show all the regional international financial institutions, such as the Asian Development Bank, the Inter-American Development Bank or the African Development Bank.

Bank Information Center
1023 15th St NW, 10th Floor
Washington, D.C. 20005, USA
Tel: +1 202 737 7752
Fax: +1 202 737 1155
Email: info@bankinformationcenter.org

The **International Accountability Project (IAP)** is an international NGO that gives advice to indigenous and local communities about how to make complaints about international financial institutions and aid agencies, including the IFC.

Website: <http://www.accountabilityproject.org>

International Accountability Project
601 W 26th St #325-220
New York, NY 10001, USA
Tel: +1 718 427 4737
Email: via website above

The **Coalition for Human Rights in Development** is a global coalition of social movements, civil society organisations, and grassroots groups working to ensure that all development finance institutions respect human rights. It has a broad and diverse global membership who can offer different types of support.

Website: <http://rightsindevelopment.org>

Email: contact@rightsindevelopment.org

For a full, updated list of support organisations working on the World Bank please visit <http://www.forestpeoples.org/publications/2017/updated-community-guide-ifc-performance-standard-7>



Forest Peoples Programme

1c Fosseyway Business Centre, Moreton-in-Marsh, GL56 9NQ, UK

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