

Free, Prior and Informed Consent (FPIC)

Indigenous peoples-driven development pathways



Investing in rural people

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Key Messages

_IFAD's **community-driven approach** means that smallholder producers across the world – women, men, youth and indigenous peoples – are contributing to project design and leading their own development. Our pioneering work in empowering people to lead their own development — and to realize their own aspirations — is now the norm — FPIC is key to this process.

_Indigenous peoples have the **right to self-determination** and the right to determine priorities and strategies for exercising their right to development as enshrined in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). A human-rights based approach is instrumental to the role that IFAD can play as the only specialized global development organization exclusively focused on and dedicated to transforming agriculture, rural economies and food systems.

_When development projects value and build upon the distinctiveness of indigenous peoples' communities, development effectiveness is likely to be achieved. Indigenous peoples hold valuable **knowledge, traditions and practices** that provide solutions to major challenges, including those related to sustainable natural resource management, climate resilience, and promoting food systems that provide healthy diets not only to their communities but to humanity at large.

WHAT IS FPIC?

Free, prior and informed consent (FPIC) is the right to self-determination of indigenous peoples as recognized in the UNDRIP. Article 23 of the UNDRIP states that Indigenous peoples have the right to determine and develop priorities and strategies for exercising their right to development. In particular, indigenous peoples have the right to be actively involved in developing and determining health, housing and other economic and social programmes affecting them and, as far as possible, to administer such programmes through their own institutions. At IFAD, FPIC is applied as an operational instrument that empowers local and indigenous peoples' communities, ensuring mutual respect and full and effective participation in decision-making on proposed investments that may affect their rights, their access to lands, territories and resources, and their livelihoods. FPIC is implemented as an iterative process, solicited through consultations in good faith with the representative institutions endorsed by communities. IFAD is the first international financial institution to adopt FPIC as an operational principle in its Policy on Engagement with Indigenous Peoples (2009) and as a criterion for project approval. IFAD-funded projects and programmes are people-centred and rarely finance large-scale infrastructures. For IFAD, therefore, FPIC is not simply a safeguard principle; rather it is a proactive approach to identify development pathways with local communities.

“IF DEVELOPMENT IS ABOUT ACHIEVING WELLBEING, WELL, THERE ARE DIFFERENT CONCEPTIONS OF WHAT WELLBEING MEANS.”

DR. FILIBERTO PENADOS

FPIC IN ACTION AT IFAD

Indigenous peoples' holistic approach to well-being emphasizes harmony with nature, self-governance, priority of community interests over individual ones, security over land and resource rights, cultural identity and dignity. Central to their identity is their relationship to ancestral territories and resources. However, long-standing pressures from extractivism, logging and advancing agricultural frontiers threaten indigenous peoples' lands, territories and resources and thus the core facets of their survival.

IFAD's work with indigenous peoples is guided by its Policy on Engagement with Indigenous Peoples. The Organization's approach to engaging with indigenous peoples is that development strategies must be shaped by their identity, values and culture. The policy reinforces IFAD's objectives to ensure that indigenous peoples in rural areas are empowered to improve their well-being, income and food security through self-driven development. The policy establishes nine guiding principles: (i) Acknowledging cultural heritage and identity as assets; (ii) Applying FPIC; (iii) Enhancing community-driven development; (iv) Promoting equitable access to land, territories and resources; (v) Valuing indigenous peoples' knowledge; (vi) Enhancing the resilience of indigenous peoples' ecosystems (environmental issues and climate change); (vii) Promoting access to markets; (viii) Supporting empowerment; and (ix) Promoting gender equality.

In 2021, IFAD updated its Social, Environmental and Climate Assessment Procedures (SECAP), including a dedicated Standard on indigenous peoples that requires IFAD-funded projects to:

- i) Conduct meaningful consultations leading to FPIC with a continual process throughout all phases of the project cycle;
- ii) Promote engagement with indigenous peoples undertaken in good faith, in a culturally appropriate manner and with full regard to their institutions, governance systems, customs and methods of decision-making;
- iii) Prepare an Indigenous Peoples Plan for projects in areas home to indigenous peoples;
- iv) Ensure that indigenous peoples have an equitable share of benefits derived from any commercial development of their lands, territories or resources, or from the valuation of their cultural heritage;



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IFAD-FUNDED PROJECT: RESILIENT RURAL BELIZE (BE-RESILIENT)



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As a Small Island Developing State in the Caribbean hurricane belt, Belize is highly vulnerable to the impacts of climate change. While the most extreme and visible effect is an increased intensity of tropical storms and hurricanes, climate change also manifests itself through documented trends of increased droughts, flooding and significant rainfall pattern variations. Smallholder farmers and indigenous peoples are among the most vulnerable, as they suffer devastating losses, most dramatically in the occurrence of an extreme event but similarly through the impacts of persistent and unpredictable seasonal variations.

The project has been designed to introduce climate-resilient agricultural practices that will allow smallholder farmers and indigenous peoples to have a sustainable production process and improved market access for their produce, even under the stress of climate change and extreme climatic events; therefore increasing their economic, social and environmental resilience. The project proposes a comprehensive climate-resilient approach to reduce exposure to climate and economic shocks by promoting climate-resilient agricultural production, investing in climate-proof infrastructure, supporting producer associations, and strengthening value chains to establish smallholder farmers as reliable and competitive suppliers of domestic produce in Belize for an expanding market for fruit and vegetables.

During the design phase of the Be-resilient project, an Indigenous Peoples Planning Framework was created, taking into consideration how FPIC would be sought during implementation. Now that the project has started its implementation phase, indigenous peoples' FPIC is being sought before any activity is undertaken, on the basis of their own independent deliberations and based on full and effective participation of their communities in line with IFAD and Green Climate Fund (GCF) policies and guidelines.

Indigenous Peoples Plans are being prepared according to GCF's Indigenous Peoples Policy and in line with IFAD's Social, Environmental and Climate Assessment Procedures. The plans follow a series of consultations in which indigenous peoples' communities detail actions related to the use of communal lands and resources. For instance, communities discuss elements of the construction of facilities on communal lands, including: specific location; plans for regulating the use of the site and the facility during and after the life of the project; and measures to prevent or mitigate any potential adverse effects. The plans also identify opportunities and actions to improve the livelihoods of the indigenous peoples' communities and include measures to support indigenous peoples' engagement in the conservation and sustainable management of the natural resources on which they depend.

v) Ensure that provisions are made in project design and implementation to support the legal recognition of customary and traditional land tenure and management systems, and the collective rights of project-affected indigenous peoples;

vi) Avoid involuntary resettlement of indigenous peoples from their lands or territories – no IFAD-supported project should result in involuntary resettlement nor should a project result in adverse impacts on indigenous peoples living in voluntary isolation;

vii) Seek FPIC in case a project is likely to affect cultural heritage that is essential to indigenous people's cultural, ceremonial or spiritual identity;

viii) Disclose information emerging from the consultation process undertaken during project preparation along with FPIC implementation plans, Indigenous Peoples Plan and Indigenous Peoples Planning Frameworks, all of which should be accessible and disclosed in a timely manner, in a place accessible to indigenous stakeholders, and in a form and language understandable to them;

ix) Establish a culturally appropriate grievance mechanism for each IFAD-supported project, and ensure that it is easily accessible to affected indigenous peoples in local languages.

WHEN IS FPIC REQUIRED AT IFAD?

In working with Member States, recipients and partners, IFAD supports the participation of indigenous peoples' communities in determining priorities and strategies for their own development. IFAD shall consider consultation and consent as a criterion for project approval, in particular in the following cases:

1. When IFAD-funded projects are targeting rural areas that are home to indigenous peoples. In areas that are home to indigenous and tribal peoples and ethnic minorities, there is a general requirement for FPIC. Although some countries do not recognize the generic term "indigenous peoples", most countries have national or local terms to identify them in their particular context, such as adivasis, janajatis, mountain dwellers, hill tribes, ethnic minorities, scheduled tribes, adat communities, highland peoples, huntergatherers, pastoralists and aboriginals. Many countries have developed registers of indigenous peoples, but lack of data is still an obstacle in some regions.

2. When IFAD-funded projects are likely to have an impact on the land access and use rights of rural communities. In projects that affect land access and use rights of communities, IFAD requires the application of FPIC to local communities in a broad sense. In compliance with the SECAP, design teams need to identify the local communities that could potentially be affected.



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HOW DO WE ENSURE THAT FPIC IS EFFECTIVELY SOUGHT IN IFAD-FUNDED PROJECTS?

IFAD policies and procedures stipulate that borrowing governments, private sector partners and grant recipients are responsible for programme and project preparation, including social, environmental and climate assessments. To this extent, these actors are responsible for seeking FPIC through their implementation units. While formal responsibility remains with the borrowers, recipients and partners, IFAD provides support at the design and implementation phase and jointly supervises the projects with borrowing Member States, ensuring compliance with the SECAP requirements during field missions.

The opportunities for, and barriers to, implementing FPIC differ considerably among regions, countries, local contexts and communities. While some countries, particularly in Latin America and parts of Asia, have made progress in terms of demarcating community lands, many of these lands still do not have legal recognition. This constitutes a major obstacle for the process of seeking FPIC, which can be overcome by having early consultations with the communities concerned and by including in project design the measures, approaches and resources for ensuring demarcation and recognition of territorial and communal land rights.

IFAD has published a [“How to do note: Seeking, free, prior and informed consent in IFAD investment projects”](#) guiding the design and implementation of projects with the full and effective participation of indigenous peoples and following a people-centred approach. The Fund has also established several instruments to ensure that indigenous peoples are part of the decision-making process.

These include: (i) the Indigenous Peoples’ Forum at IFAD, an institutionalized process of dialogue with indigenous peoples at the country, regional and corporate levels; (iii) consultations in the preparation of COSOPs; (ii) the strong participatory approach and community-driven development in IFAD-funded projects; and (iv) the Indigenous Peoples Assistance Facility (IPAF), a dedicated fund that finances small grassroots projects designed and implemented by indigenous peoples and is governed by a Board formed in majority by indigenous leaders.

THE INDIGENOUS PEOPLES’ FORUM AT IFAD: FREE, PRIOR AND INFORMED CONSENT PRINCIPLES IN ACTION

The Indigenous Peoples’ Forum at IFAD is a platform for meaningful dialogue where indigenous peoples’ representatives convey their concerns, requests and recommendations to improve the partnership with IFAD and the effectiveness of the Fund’s engagement with indigenous peoples. These spaces for horizontal dialogue, where indigenous peoples’ representatives meet IFAD staff, Member States and donors, are processes inherent in the right to FPIC. Indigenous peoples express their priorities, contribute to IFAD’s operations, and play an accountability role.

The global meeting of the Indigenous Peoples’ Forum at IFAD convenes every second February in connection with the Governing Council, IFAD’s main decision-making body. A series of regional consultations lead up to each global meeting, ensuring that the Forum reflects the diversity of perspectives and recommendations gathered from indigenous peoples from developing countries where IFAD operates. The Forum is led by a steering committee formed by Indigenous leaders and youth representing the regions where IFAD works.

IFAD-FUNDED PROJECT: SECOND CORDILLERA HIGHLAND AGRICULTURAL RESOURCE MANAGEMENT PROJECT (CHARMP 2)

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In the Philippines, the Second Cordillera Highland Agricultural Resource Management Project and its scaling-up phase applied a participatory and demand-driven approach in line with the UNDRIP. The National Commission on Indigenous Peoples of the Philippines had an active role in implementing the project and oversaw the revised Guidelines on Free, Prior and Informed Consent and related processes (2012).

The aim of the project has been to reduce poverty and improve the livelihoods of indigenous peoples living in farming communities in the mountainous project area. The project supported the delineation of ancestral domains and the facilitation of boundary conflict resolution, along with the issuance of formal land titles (Certificate of Ancestral Domain and Ancestral Land titles), with the final aim of strengthening land-use planning and improving security of tenure. The project also introduced a number of new approaches to the Cordillera Administrative Region, such as the ancestral domain sustainable development and protection plan, the covenant approach to reforestation and agroforestry farmer field schools, and the participatory monitoring approach. It is documenting indigenous peoples' forest management systems with a view to improving forest management regulations in accordance with indigenous peoples' values and traditions.

The activities implemented through the FPIC process helped reduce the poverty of almost 72,500 indigenous families, while improving their food security and nutrition, strengthening the resilience of their farming systems to climate change, and empowering indigenous women.

More specifically:

- Bonded to their land and natural resources through the sacred Green Covenant scheme which builds on their traditions, indigenous peoples reforested almost 8,500 hectares of land and established about 5,500 hectares of agroforestry plots.
- Community-based co-learning improved through 176 agroforestry farmer field schools, which more than 28,000 people.
- Access to markets increased through agroecological production, produce transformation and community-based labelling as "environmentally safe", as well as rehabilitated farm-to-market roads.
- A system for the Payment of Ecosystem Services in Mt. Kalatungan was initiated in 2014 in response to the flooding caused by Typhoon Sendong in 2011. The multi-stakeholder initiative was set up to reforest critical sub-watersheds of the Cagayan de Oro river basin. More than 1,600 hectares were allotted for reforestation.

- The Miarayon, Lapok, Lirongan, Tinaytayan Talaandig Tribal Association (MILALITTRA) from Talakag Bukidnon provides ecosystem services such as water, clean air, food supply, urban safety and beautiful landscapes by growing and maintaining native tree species in the forests of Mt. Kalatungan.

- Participatory policy dialogue mechanisms contributed to the institutionalization of multi-stakeholder governance approaches and recognition of the value of indigenous peoples' knowledge and practices.

- The commercialization of indigenous peoples' products was promoted through appropriate value chain development and market linkages, supported by indigenous knowledge systems and practices.

THE INDIGENOUS PEOPLES ASSISTANCE FACILITY (IPAF): LEARNING FROM INDIGENOUS PEOPLES' ORGANIZATIONS

The Indigenous Peoples Assistance Facility (IPAF) is an innovative funding instrument that indigenous communities can use to find solutions to the challenges they face. The objective of the Facility is to strengthen indigenous peoples' communities and their organizations. It finances small projects that foster self-driven development. This Facility is a key instrument for IFAD to learn from indigenous peoples, hear their priorities and take their examples to put in place operations that are in line with indigenous peoples' aspirations. The IPAF comprises three main components: (i) Empowering indigenous peoples' grassroots organizations; (ii) Strengthening indigenous peoples' networks and linking them with the global indigenous movement; and (iii) knowledge-sharing to support indigenous peoples' solutions.

FPIC is central to the selection process of IPAF-funded projects. IFAD launches a call for proposals, and indigenous peoples' organizations submit their project proposals along with a signed FPIC agreement. These proposals are then screened by indigenous experts who shortlist the best ones; the final selection is made by the IPAF Board, composed of indigenous leaders from different sociocultural regions.

Once projects are selected and begin implementation, they are co-managed and coordinated by regional indigenous peoples' organizations as the implementing partners. In the five cycles of implementation to date, 159 projects have been financed in more than 45 countries, directly benefitting 110,000 people from indigenous peoples' communities and mobilizing USD 12.5 million.



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WE SPEAK FROM EXPERIENCE – SEEKING FPIC HAS GREAT ADVANTAGES:

1. Agency is key! FPIC is a tool to increase the agency of indigenous peoples, leaving behind the “beneficiary” type of engagement and instead enhancing community ownership of the investments, its results and sustainability. It strengthens partnership between local communities, government institutions and financing organizations. Indigenous peoples have their own unique organizations, traditions and ways of life. However, development projects can sometimes fail to take this into account. FPIC enables dialogue and mutual recognition between development agencies and indigenous peoples.

2. FPIC as a process for mutual learning and social inclusion. Enabling dialogue to seek FPIC creates spaces where indigenous peoples can express their worldviews and define the type of development interventions they want to see in their communities. It helps recognize indigenous peoples’ knowledge and find solutions to the challenges they face.

3. FPIC to improve development effectiveness, relevance and quality of investments. FPIC minimizes operational and fiduciary risks for the government, companies or donors implementing projects in areas home to indigenous peoples. In recognizing land, resources, rights and livelihood of the local communities, FPIC minimizes or prevents conflicts while supporting indigenous peoples’ right to self-driven development.

4. FPIC’s relevance in climate financing, Indigenous peoples are agents of environmental conservation and climate action. According to the IPCC 2019, agricultural practices that include indigenous and local knowledge can contribute to overcoming the combined challenges of climate change, food security, biodiversity conservation, and combating desertification and land degradation.



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May 2022

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