

III. AN ANALYSIS OF INDIGENOUS PEOPLES PLANS

A. Overview

35. Stricter enforcement of the IP policy and policy drift has led to an increase in IP planning after 1998 (Table 1). The growing number of IPPs can be attributed to the establishment of new IPP tools after 2001 and the growth in the use of these tools in subsequent years. ADB posted 30 IPDFs on the website for projects approved between 1998 and 2005 (the IPDFs before 2002 reflected in Table 1 were actually IPDPs, reclassified as IPDFs on the website), and 81 SpAs (SpAs were also not labeled as such before 2002 but constituted actions of various kinds reclassified as SpAs on the website by RSDD). When relevant, SpAs are included in RPs, gender plans, community development plans, or SDAPs, or elaborated in a specific provision in the RRP or loan agreement. The number of IPDPs prepared per year grew from two to three before 1998 to three to four afterwards. The number of IPDPs approved from 1998 to 2005 has remained relatively stable over the years, except in 2005, the year after the issuance of ADB's OM F3 of May 2004, when nine were approved (Table 1).³³ Of the 31 IPDPs on the website that were approved before the end of 2005, 29 were connected with loans, one with a regional TA, and the other one with a project preparatory TA that was to lead to a loan approved in 2006. Given that ADB approved 605 projects over that period, this means that 22% of the projects had IPPs: IPDPs were formulated for 5% of the projects with RRPs, IPDFs for another 5%, and SpAs for another 13%. The proportion of projects with IPPs has grown fast; it increased from 7% in 1998 to between 30%–45% in the period 2003–2006.³⁴

Table 1: Number of Indigenous Peoples Plans, by Year (1998–2005), and Compared with Projects^a with Resettlement Planning

Year Approved	IPDP	IPDF	SpA	Total with IPPs	Total Projects ^a	% Projects ^a with IPPs	% Projects ^a with Resettlement Plans/Frameworks
1998	3	1	1	5	67	7	16
1999	2	0	5	7	62	11	18
2000	4	0	7	11	96	11	18
2001	4	1	10	14	77	18	25
2002	3	4	11	18	78	23	56
2003	2	5	17	22	69	32	37
2004	4	6	13	22	73	30	35
2005	9	13	17	37	83	45	41
Total	31	30	81	136	605	22	246

ADB = Asian Development Bank, IP = indigenous peoples, IPDF = indigenous peoples development framework, IPDP = indigenous peoples development plan, IPP = indigenous peoples plan, SpA = indigenous peoples specific action (number retrofitted on ADB IP safeguard website).

Note: ADB approved 2 IPDPs, 10 IPDFs, and 7 SpAs in 2006. Total projects^a approved: 59; 32% of IPPs. ADB also approved 19 Asian Development Fund grant-funded projects in 2005 and 16 in 2006; these could also have included IPPs.

^a Includes programs, credit lines, and technical assistance loans.

Sources: ADB website on IPPs; 2006: ADB's Regional and Sustainable Development Department.

³³ In 2006, only two IPDPs were approved, so whether there is a lasting upward trend is not yet clear.

³⁴ This proportion is somewhat comparable with that of the World Bank in its regions. An World Bank evaluation conducted in 2002 concluded that, of 92 projects reviewed in the South Asia, East Asia, and Pacific regions, 35 (38%) affected IP. However, only 16 IPDPs (17% of projects) had been prepared for the World Bank portfolio.

36. **Distribution across Countries.** IPPs have been most frequently prepared for projects in PRC, Lao People’s Democratic Republic (PDR), Viet Nam, India, Indonesia, and Nepal (Table 2). Conspicuous by their absence are most countries in the Pacific (except Papua New Guinea) and Central Asia. Given the large population in Pakistan commonly labeled as tribal, it is, at first sight, surprising that the RRP’s for projects in this country have focused on SpAs and have not yet included any IPDP or IPDF.³⁵

Table 2: Number of Indigenous Peoples Plans, by Country (1998–2005)

Country	IPDP	IPDF	SpA	Total with IP Planning	Total Projects ^a	% with IP Planning
People’s Republic of China	8	1	14	23	64	36
Lao People’s Democratic Republic	4	3	11	18	21	86
Viet Nam	7	3	10	18	40	45
India	3	9	7	17	53	32
Indonesia	3	7	5	14	40	35
Nepal	1	0	8	9	22	41
Cambodia	2	0	6	8	26	31
Sri Lanka	0	3	5	7	41	17
Bangladesh	1	2	3	6	35	17
Philippines	1	1	2	4	35	11
Pakistan	0	0	4	4	54	7
Uzbekistan	0	1	2	3	16	19
Afghanistan	0	0	2	2	12	17
Regional	1	0	0	1	22	5
Kyrgyz Republic	0	0	1	1	16	6
Mongolia	0	0	1	1	17	6
18 Other Countries	0	0	0	0	91	0
Total	31	30	81	136	605	22

IPDF = indigenous peoples development framework, IPDP = indigenous peoples development plan, SpA = indigenous peoples specific action.

^a Includes programs, credit lines, and technical assistance loans.

^b Other countries: Azerbaijan, Bhutan, Cook Islands, Federated States of Micronesia, Fiji Islands, Kazakhstan, Kiribati, Maldives, Marshall Islands, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tajikistan, Thailand, Tonga, Tuvalu, and Vanuatu.

Source: Asian Development Bank website on indigenous peoples plans.

37. ADB’s poverty reduction strategy and its current commitment to finance more infrastructure projects in Asia imply that an increasing proportion of ADB supported projects may be located in areas with IP. Increasing due diligence on ADB’s part with respect to IP issues in projects is another important reason for the increasing number of IPPs. In the PRC, the “Great Western Development Campaign” is taking development toward the western and southwestern provinces and regions, which have the highest proportion of ethnic minority and poverty areas. In Viet Nam, a government priority has been to focus on the central highlands

³⁵ This issue has caused significant discussion within ADB. In the context of the preparation of a project in Pakistan’s Federally Administered Tribal Areas (FATA), ADB undertook a study following MRM to assess whether the situation in FATA, on the border with Afghanistan, should trigger a response under ADB’s IP policy. The study findings and conclusions posited that projects in FATA “tribal” would not need to follow the IP policy and that the various Pathan tribes did not constitute a minority in the constitutional sense in the national legislation and did not consider themselves a minority. Since the policy would not need to be invoked in FATA, neither would it need to be for the Baloch in Baluchistan, nor for the Sindhis in Sindh. The project eventually included a covenant to ensure that smaller tribes in the project area would benefit as much as the main tribes.

and to some extent the northern highlands, where the IP are concentrated. In India, the focus on the construction of rural roads and highways will also bring ADB into more contact with areas dominated by scheduled tribes. ADB's private sector portfolio, which has been expanding rapidly, may include the financing of investments in hydropower, forest, gas, and mineral development, often located in IP-dominated areas. Middle-income DMCs generally do not borrow from OCR to finance projects in IP areas with traditionally more unambiguously positive impacts for IP, such as in health, agriculture, and education.

38. Indigenous Peoples Development Frameworks. IPDFs have been prepared since 2002, on the basis of a classification system. This distinguishes between categories A, B, and TBD, the latter a category that recognizes that in certain projects, for example, sector and credit line projects, the areas to be affected by the project cannot be foreseen before its approval. Notable is the number of IPDFs prepared for projects in India (nine) and Indonesia (seven) over the period. This correlates with the sector nature of the loans approved in these countries. It also indicates that projects in India and Indonesia will generally have more planning work on IP actions after loan approval, increasing the workload of project implementation units, and perhaps accounting for the critical attitude of agency staff of sector projects interviewed by the study team regarding IP safeguards that are seen to be imposed by ADB. The safeguard policy update needs to carefully look into the most opportune timing of IP planning, before or after project approval, taking into account the generally limited time available for planning work in a loan-funded project once it is under implementation.

39. Distribution by Sector. Most of the IPDPs and IPDFs reviewed were for projects in ADB's transport and communications sector and agriculture and natural resources sector, notably for road and agriculture projects (Table 3). The Medium Term Strategy II identified transport as one of the core sectors in which ADB operations are expected to grow. If ADB support goes increasingly to roads in IP-dominated areas, the application of the current policy will require the preparation of more IPDPs. In the case of road sector projects, ADB's policy will lead to IPDFs, which in the present safeguard compliance context could trigger a multitude of tailored IPDPs, possibly one for each road. Appendix 3 contains a description of the types of IPDPs by sector. The risks, mitigation measures, and enhancement measures identified by IPDPs are described in Appendix 4. From these appendixes, the following conclusions can be derived:

- (i) Twelve of the 31 IPDPs identify no risks, only benefits, and do not include clear mitigation measures. They sometimes include a number of enhancement measures, such as providing schoolbooks in the IP language or giving training in skills to develop tourism.
- (ii) There is considerable variation in the identification of risks, benefits, mitigation measures, and enhancement measures between IPDPs. Some identify adverse impacts of roads on traditional culture; others do not, for unclear reasons. While it is not desirable to have a boilerplate format or approach, more guidance on typical risks and mitigation measures by sector is needed.

Table 3: Number of Indigenous Peoples Plans, by Sector
(1998–2005)

Sector	IPDP	IPDF	SpA	Total Projects with IPPs	Total Projects	% with IPPs
Transport and Communications	14	7	10	28	105	27
Agriculture and Natural Resources	5	7	20	30	81	37
Energy	2	4	8	13	56	23
Multisector	3	5	13	21	87	24
Education	2	3	15	19	48	40
Water Supply, Sanitation, and Waste Management	1	3	4	9	45	20
Health, Nutrition, and Social Protection	4	1	4	9	27	33
Law, Economic Management, and Public Policy	0	0	3	3	42	7
Finance	0	0	3	3	86	3
Industry and Trade	0	0	1	1	28	4
Total	31	30	81	136	605	22

IP = indigenous peoples, IPDF = indigenous peoples development framework, IPDP = indigenous peoples development plan, IPP = indigenous peoples plan, SpA = indigenous peoples specific action.

Notes: A total of 142 IPPs for 136 projects were approved from 1998 to 2005. The table is sorted according to the number of IPPs. Total projects include programs, credit lines, and technical assistance loans.

Source: Asian Development Bank databases.

B. IPDPs Analyzed

40. IPDPs required in the 2004 OM are not always labeled as such in practice. Most are called EMDPs, in line with legislation in the countries to which they refer. Others are integrated social plans or gender and ethnic minority plans, or poverty and minority plans, combining various activities (Appendix 5). The length of the plans and the degree of their specificity vary greatly. While the variation in titling observed is appropriate and indicates the attempts at consolidation and integration made on the basis of the specific situation in each country, the very different lengths and attention to details in the documents would seem to call for a more systematic structuring by sector, as with the identification of risks and mitigation measures.

41. **Number of Affected IP across DMCs.** It is difficult to aggregate the number of IP benefiting from, or adversely affected by ADB-supported projects. This is due to the variable nature of the direct and indirect impacts across projects of widely different natures. This report cannot, therefore, present the number of IP affected by year. An attempt to isolate the numbers of IP as provided in 31 IPDPs is made in Appendix 6 with pertinent data regarding the total estimated beneficiaries of the associated projects, the proportion of IP in this number, and the nature of the IP concerned. This gives a sense of the variation in the numbers of IP affected in each project. The numbers oscillate between 1,150 affected households for the Lao Nam Theun II Hydroelectric Project³⁶ to over six million people for the Chattishgarh State Road Development Project in India.³⁷ A relatively high number of IPDPs, 10, did not identify an exact number of affected households (but three of these were sector projects and so could not be expected to estimate this figure), and two did not quantify the IP beneficiaries of the project. What is clear is that, according to the RRP and IPDPs, IP beneficiaries outnumber, by the tens of millions, the IP households registered as being adversely affected. Projects with large numbers of IP are mainly found in the countries already mentioned as having more IPPs in both the absolute and the relative sense. The PRC stands out. The large populations living in the areas where many

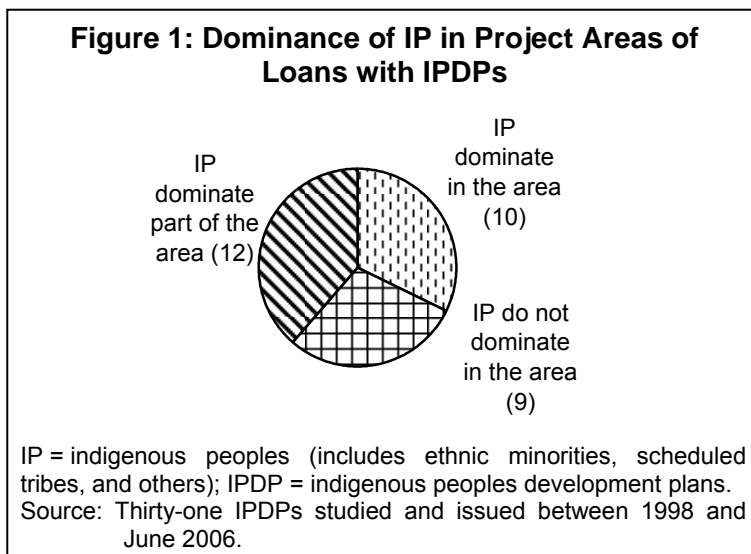
³⁶ Loan 2162-LAO: *Greater Mekong Subregion Nam Theun II Hydroelectric Project*, for \$20.0 million, approved 4 April 2005.

³⁷ Loan 2050-IND: *State Road Development Project*, for \$180.0 million, approved 24 November 2003.

ADB-supported projects are generally planned, in combination with the infrastructure and particularly road and railway focus of the projects in the PRC, explain in part this large bias.

42. Dominance of IP in Project Areas.

The level of predominance of IP within project impact zones was investigated to see if there were many IPDPs for areas where the design of the project should already have been fully concerned with IP development. Of the 31 IPDPs reviewed, 10 covered project areas in which IP were dominant (i.e., where IP constitute 50% or more of the total population), 9 were for projects in areas where IP composed less than 50% of the overall population, and the other 12 were for projects that covered both

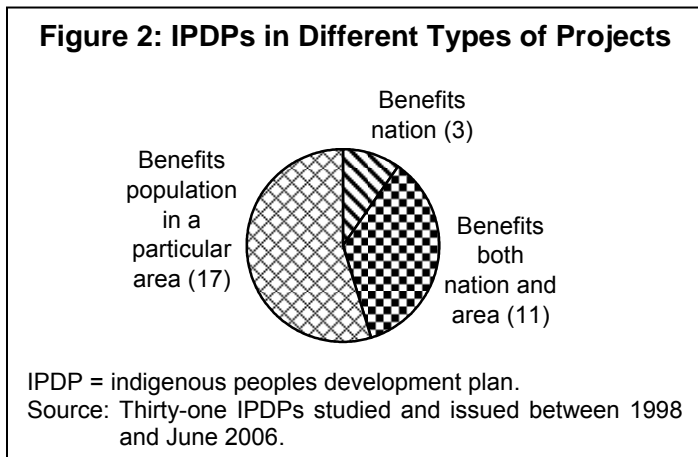


areas where IP dominated and those where they did not (Figure 1). This report questions the need to prepare IPDPs for projects in IP-dominated areas, because IP issues should already have been a central concern in the project design. IPDP preparation would be justified in such circumstances only exceptionally, such as for projects that do not benefit the local population in the area.

43. Projects in areas dominated by IP were mainly located in the PRC, India, Indonesia, Lao PDR, and Viet Nam. IPDPs in other countries were usually for projects that did not solely cover IP or IP areas. In these cases it could be argued that there was more justification for including special measures to ensure that IP would benefit.

44. **Nature of Projects and IPDPs.** An equally pertinent classification of IPDPs is that based on the nature of the project at hand. Arguably, infrastructure projects could be classified as follows: (i) projects benefiting the nation or economy but not necessarily and primarily the project area and the population living there (i.e., country-focused projects); (ii) projects benefiting both the nation and the beneficiaries in the project area or the immediate vicinity (i.e., country- and area-focused projects); and (iii) projects whose main aim is benefiting the population living in a particular area of the country (i.e., area development-focused). The first category would consist mainly of (i) large reservoir dams for hydropower to feed the national grid or for water supply outside the immediate vicinity of the reservoir itself; (ii) mining or oil or gas pipeline projects based on the extraction of natural resources in an area and their transfer out of it; and (iii) highways or expressways that connect main cities of a country or link up hitherto unconnected parts of a national grid, but with only secondary positive impacts on the population within the area crossed by the expressway. The second category would include those projects that not only build expressways but also have major works on rural roads and connector roads to open up the area to the outside. The third category of projects would include main area development projects, sector projects, and in general more regionally confined projects in such sectors as agriculture, education, health, urban development, and water supply and sanitation.

45. For *country-focused projects*, adverse impacts on IP living in particular areas could easily be imagined, because of the asymmetrical distribution of project benefits and costs. Preparation of an IPDP would generally make sense in such cases. Especially in DMCs that do not have strong programs for IP, the IPDP would focus on mitigating harm and on ensuring that IP got a fair share of the benefits generated. For *combined country- and area-focused projects*, the need for IPDPs could be needed if serious adverse impacts in certain subareas had to be mitigated. However, the enhancement measures would normally be part and parcel of the project itself, and would at the most be highlighted in an IP statement, rather than be part of a separate plan with a separate budget. These projects would essentially be oriented towards addressing poverty reduction in the area and IP development. The third category, *area-focused projects*, would likely only need an IP due diligence statement, or a social safeguard due diligence statement. This type of categorization is illustrated in Figure 2.³⁸



46. Figure 2 shows that over half of the IPDPs were prepared for projects whose main aim was to benefit the population within a particular area; only three, or less than one tenth of the IPDPs were for projects with the main aim of benefiting the country's economy but not primarily the area's population. Such projects in IP areas were the private sector Tangguh LNG Project, the Nam Theun II Hydroelectric Project, and the Guizhou–Shuibai Railway Project. The Guizhou-Shuibai Railway was designed to facilitate through railway traffic and to support mineral extraction to benefit the national economy.³⁹

47. The type of project correlated strongly with the size of the IPDPs as reflected in their average number of pages (as posted on the ADB website): (i) 171 for country-focused projects, (ii) 24 for combined country and area focused projects, and (iii) 10 for area-focused projects.⁴⁰

48. Most of the combined country- and area-focused projects with IPDPs were in the PRC: the Central Sichuan Roads Development Project,⁴¹ the Hunan Roads Development III Project,⁴² the Dali-Lijiang Railway Project,⁴³ the Guangxi Roads Development II Project,⁴⁴ the Hunan

³⁸ This would be in line with the World Bank's 2005 Bank Procedures that state (BP 4.10, para. 10): "When IP are the sole or overwhelming majority of direct project beneficiaries, the annex to the Project Appraisal Document includes a summary of how the Project complies with the Policy."

³⁹ The project also had some employment benefits for the local population, even though special enhancement measures for these were not included in the project design.

⁴⁰ If the Tangguh and Nam Theun II IPDPs were excluded, the correlation would be much less significant between year of approval and length of IPDP—with page averages of 6 in 1998, 17 in 1999, 6 in 2000, 18 in 2001, 12 in 2002 and 2003, 22 in 2004, and 19 in 2005.

⁴¹ Loan 2181-PRC: *Central Sichuan Roads Development Project*, for \$600.0 million, approved 22 September 2005.

⁴² Loan 2219-PRC: *Hunan Roads Development III Project*, for \$208.0 million, approved 15 December 2005.

⁴³ Loan 2116-PRC: *Dali-Lijiang Railway Project*, for \$180.0 million, approved 2 December 2004.

⁴⁴ Loan 2094-PRC: *Guangxi Roads Development II Project*, for \$200.0 million, approved 21 October 2004.

Roads Development II Project,⁴⁵ the Chongqing-Guizhou Roads Development Project,⁴⁶ and the Southern Yunnan Road Development Project.⁴⁷ Other projects in this category were the Chhattisgarh State Road Development Project in India,⁴⁸ the Road Network Development Project in Nepal,⁴⁹ the Lao Northern Economic Corridor Project,⁵⁰ and the Provincial Roads Improvement Sector Project in Viet Nam.⁵¹ These were major highway projects with significant rural or local roads rehabilitation components added on to them, and sometimes other components as well, such as education support and even water supply projects. For the PRC projects, an average EMDP would generally have 25 to 52 pages. For the projects in other countries, the IPDPs were generally less than 10 pages long.

49. Most area-focused projects with IPDPs were in Viet Nam (six). The other projects in this group were in Bangladesh (one), Cambodia (two), Greater Mekong Subregion (one), India (two), Indonesia (two), Lao PDR (two), and Philippines (one). All of these area-focused projects were designed to improve the social well-being and economic and income status of the population living in the area. The projects were designed to deliver health-care services, education, water supply and sanitation, community empowerment, agriculture and irrigation development, and improvement of livelihoods in a wider sense. Perhaps as a consequence of the fact that these projects were designed to improve the lives of IP and covered significant parts of the area's population, the IPDPs were generally short (less than five pages each) and had the nature of an IP statement. Most were not really plans in the normal sense of the word. Only the Central Region Livelihood Improvement and Forest Livelihood Improvement projects in the Central Highlands and the Chittagong Hill Tracts Rural Development project had more conventional and elaborate IPDPs. The preparation of IPDPs in such circumstances is questionable as many appear to add little to the project design or quality of the decision making. The preparation appears to be simply an administrative requirement. In fact, some staff did not view the relegation of the mitigation and enhancement measures in these IPDPs to an appendix of the RRP as conducive to their implementation. Their integration in the main project design, as discussed in the main text of the RRP, was seen as more effective.

C. Issues in IPDPs

50. The SES analyzed some issues brought out in IPDPs. The main issues were: (i) land loss, resettlement, and environmental change; (ii) other risk issues; (iii) budget allocations; and (iv) the nature of consultations with IP.

1. Land Loss, Resettlement, and Environmental Management in IPDPs

51. ADB's IR policy mandates the preparation of an RP for all projects resulting in loss of access to land or population displacement, with special attention for vulnerable groups, and the preparation of an environmental management plan for projects affecting the environment,

⁴⁵ Loan 2089-PRC: *Hunan Roads Development II Project*, for \$312.5 million, approved 9 September 2004.

⁴⁶ Loan 1784-PRC: *Chongqing-Guizhou Roads Development Project*, for \$200.0 million, approved 21 November 2000.

⁴⁷ Loan 1691-PRC: *Southern Yunnan Road Development Project*, for \$250.0 million, approved 24 June 1999.

⁴⁸ Loan 2050-IND: *Chhattisgarh State Roads Development Sector*, \$180.0 million, approved 15 December 2003.

⁴⁹ Loan 1876-NEP: *Road Network Development Project*, for \$46.0 million, approved 13 December 2002.

⁵⁰ Loan 1989-LAO[SF]: *Greater Mekong Subregion: Northern Economic Corridor Project*, for \$30.0 million, approved 20 December 2002.

⁵¹ Loan 1888-VIE: *Provincial Roads Improvement Sector Project*, for \$70.0 million, approved 18 December 2002.

including the environment of IP. Hence, from the efficiency standpoint, it could be argued that an IPDP should not deal with land loss, resettlement, or environmental management and leave such matters to the land acquisition and resettlement plans and environmental management plans. However, despite the existence of RPs, 16 of the 31 IPDPs reviewed still identified and discussed resettlement or land acquisition actions, and one more reviewed issues that would normally be handled in environmental management plans (Appendix 8).

52. **Country-Focused Projects.** The main impact of all three country-focused projects on IP—arising from land loss and resettlement—was discussed in the IPDPs, as were the resulting secondary impacts such as change in livelihood and loss of land and community assets (sacred sites, religious temples, cemeteries, and others). Some details are provided in Box 3.

Box 3: Resettlement of Indigenous Peoples in Three Country-Focused Projects

The Lao Nam Theun II Hydroelectric Project involved the flooding of an area in the Nakai Plateau. The construction and operation of the Nakai reservoir required the relocation of 1,149 households from 16 of 17 villages in the area, all of whom were IP. The Indonesian Tangguh Liquefied Natural Gas (LNG) Project necessitated land acquisition and the physical relocation of the Tannah Merah community with 127 households. The Sowai, Wayuri, and Simuna clans of the Sumuri tribe relinquished 3,466 hectares of clan lands; these lands were acquired through negotiated agreements. The construction of the 121-kilometer-long rail line of the Guizhou-Shuibai Railway Project in the People's Republic of China (PRC) required the relocation of at least 210 ethnic minority households.

To make sure that there would be continuity of cultural practices and less social stress, efforts were made to select resettlement sites within existing traditional and spiritual territories. All projects used a participatory approach in selecting the resettlement sites. The Nam Theun II Project consulted the tribes on the design of houses to be built in the resettlement site.

The loss of agricultural lands and forest areas also affected traditional practices and livelihoods. In Nam Theun II, the loss of some areas where herbs roots were gathered had an impact on the indigenous health practices of the tribes of Nakai. Traditional health specialists (priests and spirit doctors) were recruited as local health workers to adopt indigenous knowledge in modern health. Physical relocation required appropriate rituals and ceremonies and these were respected by the project. Appropriate rituals were performed for the relocation of gravesites. Alterations were made to ensure that sacred sites would not be affected. In the Tangguh LNG project, the sacred Kumapa rocks were considered when the Combo Dock facility was relocated, while the design of the plant and facilities was altered to ensure that the site would not be affected. For sacred sites and burial sites that could not be avoided, intensive consultations were held to agree on a schedule of transfer.

Many projects in the PRC and Viet Nam provided monetary compensation to ethnic minority households that lost houses, agricultural lands, and access to forest and marine resources. The Nam Theun II Project provided land of the same size and comparable yield to replace the lost lands. The Guizhou–Shuibai project covered the transportation costs of the relocation and provided subsistence allowance for 2 months to affected ethnic minority families. Two of the three country-focused projects also gave preference to hiring minorities in construction activities.

Enhancement measures provided included access to social services: (i) basic education, educational awareness programs, vocational training, and scholarship programs; (ii) good-quality health services; (iii) capacity-building programs; and (iv) poverty reduction programs, including microfinance and microenterprise development and livelihood support programs.

Sources: Indigenous peoples development plans.

53. Table 4 summarizes the risks, mitigation, and enhancement measures found in the IPDPs for the country-oriented projects. In all three projects the typical risks were addressed and led to mitigation and compensatory enhancement measures.

Table 4: Summary of Risks and Measures in IPDPs for Three Country-Focused Projects

Item	No. of Projects
Risks Identified	
Resettlement and land acquisition	3
Encroachment on cultural heritage sites	3
Impact on natural resources and change and loss of livelihood	3
Mitigation Measures	
Monetary compensation or replacement of loss of structure, land, and assets	3
Selection of resettlement sites according to IP traditions	3
Recovery and relocation of sites and artifacts with historical/cultural significance	2
Enhancement Measures	
Poverty reduction program	3
Access to education, vocational training, and scholarships	2
Access to good-quality health services	2
Access to water and sanitation	2
Community development	2

IPDP = indigenous peoples development plan.

Sources: IPDPs for three country-focused projects.

54. **Country and Area-Focused Projects.** Nine of the 11 combined country- and area-focused projects also identified land acquisition, resettlement, and encroachment on cultural heritage and historical sites as the main impacts on IP. The latter effects were, however, most often identified in the summary environmental impact assessments, not in the IPDPs.⁵² Box 4 gives some details of the kind of issues reflected in the IPDPs. Generally, environmental management plans and RPs could have handled the main IPDP mitigation measures identified.

55. Table 5 below summarizes the risks and mitigation and enhancement measures common to the 11 combined country and area-focused projects. Two IPDPs identified no risks whatsoever.

⁵² (i) Central Sichuan Roads Development Project (footnote 41), (ii) Hunan Roads Development III Project (footnote 42), (iii) Guangxi Roads Development II Project (footnote 44), (iv) Hunan Roads Development II Project (footnote 45), (v) Northern Economic Corridor Project (footnote 50), (vi) Road Network Development Project (footnote 49), and (vii) Chongqing-Guizhou Roads Development Project (footnote 46).

Box 4: Resettlement of Indigenous Peoples in 11 Combined Country- and Area-Focused Projects

All nine indigenous peoples development plans (IPDPs) with land acquisition and resettlement issues were for transport-oriented activities that needed to obtain right-of-way to construct the main thoroughfares and upgrade rural roads for easier access for ethnic minority communities. The plans set out to provide both monetary and nonmonetary compensation. The mitigation measures included (i) replacement of lands or houses or provision of the monetary equivalent of the lost asset and other affected assets of the minority groups such as telecommunications, electric structures, and even tombs and trees; (ii) consideration of local customs in the selection of resettlement sites and the construction of new houses; (iii) use of special funds to help vulnerable people; and (iv) provision of livelihood training, adult education, and construction employment opportunities for income restoration.

As identified in the summary environmental impact assessment, the IPDPs for nine of the 11 country- and area-focused projects identified encroachment on cultural sites and heritage as an issue to be addressed. Most of the alignment of road construction sites passed through areas with cultural relic sites such as places of worship, graveyards, and tombs. As a mitigation measure, archeological surveys were conducted together with authorities on archeological relics. For the temples affected by the relocation, consultations were held with local people and the temples were moved only with the approval of the community. For the Road Network Development Project in Nepal, sacred trees identified along the road right-of-way were avoided during road formation.

Ten of the 11 combined country- and area-focused projects envisaged poverty programs as enhancement measures. However, most did not set aside separate budgets for these.

Sources: Indigenous peoples development plans.

Table 5: Summary of Risks and Measures in IPDPs of 11 Combined Country- and Area-Focused Projects

Item	No. of Projects
Risks Identified	
None identified	2
Construction-related disturbances such as construction noise and other hazards	7
HIV and drug trafficking risks	7
Resettlement and land acquisition	9
Encroachment on cultural heritage sites	9
Impact on natural resources and change and loss of livelihood	6
Influx of migrants, potentially leading to dilution of local culture and customs	4
Mitigation Measures	
None identified	2
Protection of community from construction disturbances	7
Control of communicable diseases through awareness and prevention in a culturally appropriate manner	7
Monetary compensation or replacement of loss of structure, land, and assets	8
Livelihood options and income recovery for resettled families	5
Recovery and relocation of sites and artifacts with historical and cultural significance	9
Enhancement Measures	
None identified	1
Poverty reduction program	9
Microcredit	7
Forestation	6
Agricultural development	9
Education development and training programs	8

IPDP = indigenous peoples development plan.

Note: Reflects those issues mentioned four times or more by different IPDPs.

Sources: Eleven IPDPs studied.

56. **Area-Focused Projects.** The IPDPs for eight of the 17 area-focused projects reviewed claimed that the projects had no significant adverse impacts on IP and identified no mitigation measures.⁵³

57. Four IPDPs, however, noted that the ethnic minority beneficiaries would be affected by land acquisition and resettlement—something that was already addressed in the RP.⁵⁴ Another four IPDPs mentioned that the improved roads might gain access for non-IP to remote areas such that the culture and traditional way of life of minorities might be threatened and diluted (similar projects did not mention this risk). Three IPDPs said that culture and traditions would hinder project implementation and participation. Issues identified in this regard included (i) cultural restrictions on public interaction of women and men that could hinder women's participation, (ii) provision of projects such as microfinance that might not recognize inherent tribal cultures and group lending practices and could therefore destabilize the traditional way of life, and (iii) traditions in entertaining guests that could be a heavy burden on poor villages.

58. Ten IPDPs did not identify enhancement measures because beneficial programs had already been implemented. Others mentioned some enhancement measures, but as part of the overall design of the project and not as special issues for the IPDPs. This was especially true for the projects with resettlement activities that provided some poverty intervention, education development and training, access to good-quality health services, and promotion of culture and traditions, especially the use of indigenous language in participatory discussions and instructional materials for education.

59. Five⁵⁵ of the 17 area-focused IPDPs neither identified risks nor presented mitigation or enhancement measures. Table 6 summarizes the risks, mitigation, and enhancement measures common to area-focused projects.

⁵³ This was most likely because of the nature of the projects: (i) health improvement (four projects); (ii) agriculture improvement, irrigation, and water supply and sanitation (four); (iii) rural roads development and improvement (three); (iv) education development (two); (v) livelihood improvement (two); (vi) community empowerment (one); and (vii) area development and conservation (one).

⁵⁴ Three projects would require land acquisition and resettlement of IP: (i) Loan 2223-VIE: *Central Region Water Resources Project*, for \$74.3 million, approved 19 December 2005; (ii) Loan 2018-IND (footnote 12); and (iii) Loan 1795-LAO: *Rural Access Roads Project*, for \$25.0 million, approved 7 December 2000. A fourth project (Loan 1605-INO: *Central Sulawesi Integrated Area Development and Conservation Project*, for \$32.0 million, approved 27 January 1998) required the resettlement of the Besoa people, who were forest squatters in Katu village.

⁵⁵ (i) TA 6194-REG: *Regional Communicable Disease Control Project*, for \$600,000, approved 20 October 2004; (ii) Loan 1940-CAM: *Health Sector Support Project*, for \$20.0 million, approved 21 November 2002; (iii) Loan 1864-CAM: *Education Sector Development Program*, for \$20.0 million, approved 4 December 2001; (iv) Loan 2269-VIE: *Forests for Livelihood Improvement in the Central Highlands Project*, for \$45.0 million, approved 26 October 2006; and (v) Loan 1765/1766-INO: *Community Empowerment for Rural Development Project*, for \$115.0 million, approved 19 October 2000.

Table 6: Summary of Risks and Measures in IPDPs for 17 Area-Focused Projects

Item	No. of Projects
Risks Identified	
None mentioned	8
Resettlement and land acquisition	4
Influx of migrants, potentially leading to dilution of local culture and customs	4
Cultural traditions hindering project implementation and participation	3
HIV and drug trafficking risks	1
Mitigation Measures	
None mentioned	8
Consultation process with the locals in the local language	5
Monetary compensation or replacement of loss of structure, land, and assets	3
Control of transmittable disease through awareness and prevention in a culturally appropriate manner	1
Monitoring of activities that may affect local culture and traditions	1
Hiring of locals	1
Enhancement Measures	
No enhancement measures identified	10
Poverty reduction program	
Microcredit	2
Livelihood improvement	2
Education development and training	4
Access to good-quality health services	4
Promotion of traditional customs, cultural preservation, and indigenous language	4

IPDP = indigenous peoples development plan.

Sources: Seventeen IPDPs studied.

60. **Summary.** Ten of the 31 IPDPs, about one-third, identified no risks and only enhancement measures. Risks in other IPDPs were mostly related to loss of land, structure, and assets and to resettlement or livelihoods, particularly in the case of infrastructure projects. For road projects, a risk often identified was the spread of HIV infection due to the influx of construction workers for the roads or transport workers after the roads were completed. Mitigation measures planned for these risks were compensation for loss of structures and land, HIV awareness campaigns, provision of relocation allowance, inclusion of clauses in contracts requiring contractors to inform workers of HIV risks, and, more generally, assurances from EAs that IP would be consulted during implementation. Except for the last-mentioned risk, all these risks applied to non-IP as well and were built into the overall project design. Enhancement measures usually focused on poverty reduction. The IPDPs identified livelihood programs, provision of small infrastructure support (health, education, water, etc.), education support, microcredit, skills development, reforestation, capacity building, and tourism development. The enhancement measures were mostly packaged within existing government programs, especially in the PRC, and were not designed as project components, and therefore did not represent value added for the IPDPs. The IPDPs usually identified the provision of temporary labor for construction as a direct benefit to IP. Several IPDPs stressed the need for clauses in contracts to ensure preferential treatment for IP when seeking such employment. Such recommendations could have been covenants in the loan agreements. Overall, the IPDPs for area-focused projects had limited benefits and value added. From an effectiveness and efficiency point of view, it is not clear that the IPDPs needed to be prepared; SpAs requiring some monitoring arrangement during implementation would have sufficed. Table 7 presents the number of IPDPs with identified risks, mitigation measures, and enhancement measures, for different types of projects. Only 40% of the projects that did not include resettlement planning had IPDPs that

identified risks in need of mitigation measures. If resettlement risks and environmental risks were excluded, few IPDPs defined serious risks that could be mitigated in individual projects.

Table 7: IPDPs with Defined Risks, Mitigation Measures, and Enhancement Measures, by Type of Project

Item	Combined				
	Country-Focused Projects (%)	Country- and Area-Focused Projects (%)	Area-Focused Projects (%)	Projects with Resettlement (%)	Projects without Resettlement (%)
With Identified Risks	100	90	53	100	40
With Mitigation Measures	100	90	53	100	40
With Enhancement Measures	100	100	41	94	40
With Resettlement	100	80	24		

Sources: Thirty-one indigenous peoples development plans issued from 1998 to 2005.

2. Budget Allocation for IPDPs

61. As a measure of the confusion wrought by the demand for IPDPs even in projects that brought only benefits to IP, it is telling that only 16 of the 31 IPDPs identified budgets necessary to implement the recommended actions. For the rest, the unclear mitigation and enhancement measures made it difficult to assign budgets to IPDPs—despite instructions to identify budgets in both the 1998 IP Policy and the 2004 OM. Two IPDPs identified amounts exclusively for its monitoring activities: the Central Sichuan Roads Development Project allocated \$50,000, and the Hunan Roads Development III Project \$80,000. The EAs were to fund the activities themselves.

62. Two IPDPs—those for the Guangxi Roads Development and Dali–Lijiang Railway projects in the PRC—identified an amount for cultural protection measures. The Guangxi Roads Development Project allocated \$241,636 for the support of Ganzhahuang Folk Song Fair, a program funded by the Tainyang government. To support the Dali–Lijiang loan, the West Yunnan Railway Company requested ADB to provide a small-scale TA⁵⁶ to enhance the project benefits for the poor, mostly ethnic minorities, and to help develop feasibility studies for the preservation of local culture. The TA, approved in December 2004, had three components: (i) capacity-building and skills enhancement programs for the poor, vulnerable groups, and ethnic minorities, a focus of which was the identification of tourism and training needs; (ii) two feasibility studies—one on the protection of successor folk culture and rescue and classification of ancient works and the other on the identification, classification, translation, and restoration or preservation of ancient books, and oral records and inscriptions; and (iii) assessment measures taken or planned for the preservation of local cultures.

63. Only four IPDPs, including three combined country- and area-focused projects, identified exclusive budgets for the implementation of enhancement activities for IP. The IPDP for the Central Sichuan Roads Development Project in the PRC, with programs for microcredit, new farm land development, and tourism development, was budgeted at \$4.9 million. This amount was to come from (i) tax rebates on the project expenditures, (ii) the county government, and (iii) a poverty fund of the county poverty reduction office and branches of the Agricultural Bank of China. The IPDP for the Hunan Roads Development II Project, also in the PRC, specified a

⁵⁶ TA 4455-PRC: *Support to Ethnic Minorities Development Plan*, for \$150,000, approved 2 December 2004.

budget of \$13.5 million for farmland reclamation and afforestation activities funded from taxes paid to the Land and Resources Bureau and the Forestry Bureau. The Provincial Roads Improvement Sector Project in Viet Nam committed \$1.5 million in government funds for the IPDPs in the sector project. Another project in Viet Nam, the Central Region Water Resources Project, allocated the equivalent of \$38,764 in government funds for the implementation of the IPDP. The budget range is very large and there seems to be no common practice for budgeting funds from different sources.

64. Budgets were not specified for the other 11 IPDPs, but some mitigation and enhancement measures may have been part of the resettlement budget, the EIA budget, or the overall project budget. Regular government programs and their budgets were often deemed sufficient to mitigate the risks caused by the projects, although some projects did indicate that they would make sure those mitigation measures were indeed implemented. Some government budgets for ethnic minority programs, such as those in the PRC and Viet Nam, were referred to as enhancement measures that could deal adequately with IP development issues. Thus, ADB staff responsible for preparing the IPDPs, rightly or wrongly, saw no need to add specific mitigation and enhancement activities.

65. For country-focused or large-scale infrastructure projects, such as Nam Theun II and Tangguh LNG, enhancement measures were budgeted for in the resettlement plan or the umbrella integrated social program and financed under the loan. The Tangguh LNG Project allocated \$77 million for the implementation of its Integrated Social Program (which included the implementation of the IPDP and the RP). The Nam Theun II Hydroelectric Project budgeted \$45.4 million in its RP for resettlement and for IP enhancement measures (relocation of the villages affected, reconstruction of new villages, relocation of historically important artifacts and religious buildings, mitigation measures to cushion the impact of loss of traditional medical practices, etc.).

3. Consultations with IP

66. The confusion within ADB regarding the nature of the IPDPs extends to the consultation processes to be held. The SES investigated the statements made in all IPDPs on the website regarding the consultation process conducted in preparation for the projects (Appendix 9).⁵⁷ Of the 31 IPDPs, 22 mentioned that a socioeconomic survey had been conducted. Most of these surveys were done during the project preparatory TA but were intended for the entire project and not solely for IP, although they covered IP issues. Rarely was there a breakdown of the findings along IP and non-IP lines. The preparation of the IPDP for the Dali–Lijiang project, however, was an exception. Five extension surveys were conducted with 419 participants.

67. Four IPDPs based their assessment of census and socioeconomic issues on the latest national data.⁵⁸ Seventeen mentioned that special consultations had been held with IP and non-IP affected people. Three did not mention any socioeconomic survey or any other consultation. The IPDPs did not specify how many members of ethnic minority groups took part

⁵⁷ Feasibility studies and/or project preparatory TAs may have conducted surveys which were not (adequately) summarized or even referred to in IPDPs; these were not checked by OED.

⁵⁸ Those for the Regional Communicable Disease Control Project in the Greater Mekong Subregion (footnote 55 [i]), Preventive Health System Support Project (Loan 2180-VIE, for \$27.9 million, approved 25 August 2005) and Health Care in the Central Highlands Project (Loan 2076-VIE, for \$20.0 million, approved 9 January 2004) in Viet Nam, and Education Sector Development Program in Cambodia (footnote 55 [iii]).

in the project preparatory TA surveys and consultations. Other IPDPs made general statements, particularly on consultation during implementation and during monitoring and evaluation. Statements like this were typical: “A participatory approach from planning to implementation phase will be conducted and participants from national to village level will be involved.”

68. Only 14 of the IPDPs reviewed identified and gave the number of the participants in the surveys or consultations. But the information given was generally not enough to prove the existence of broad IP community support. In some cases, the IP or non-IP status of the participants was not identified. Ten IPDPs mentioned the time and duration of the surveys and consultations held with the affected people. Overall, the descriptions of consultation processes in IPDPs do not meet the international standards currently expected and do not seem to substantiate the OM’s requirement for close consultation with IP. The lack of solid information on the consultation process and survey results in the IPDPs is disappointing, especially in cases where projects were expected to carry risks. It calls into question the seriousness of the consultation process and weakens the quality of the baseline data available for assessing the future impact of the project.

69. Two of the country-focused projects documented a detailed consultation process. Fortunately these were the projects with the most unambiguous risks to IP. The Nam Theun II Project and the Tanguh LNG Project gathered extensive baseline data regarding IP, and used a participatory approach involving in-depth interviews with individuals and families, discussions with local leaders, discussions with ritual practitioners to assess the implications of relocation, and focus group discussions (Appendix 10).

70. The main conclusions are: (i) Consultations with stakeholders and participation were reported on in all IPDP documents, but mostly in general statements. Some project preparatory TA reports prepared by consultants gave more details on the consultation process than the IPDPs did. These reports were not, however, public documents in the past. (ii) The two IPDPs that discussed the consultation process in detail focused mostly on resettlement, income generation, and socioeconomic issues. (iii) With the exception of two cases, generally the reporting of the consultation process falls far short of the documentation that ADB would need to support and ascertain that there was broad based support among IP for more contentious projects.⁵⁹

D. Analysis of Indigenous Peoples Development Frameworks

71. The SES examined all 35 loans with IPDFs that were approved in the period from 1998 to mid 2006. Unlike an IPDP, an IPDF usually provides only a brief description of IP affected by the project and summarizes the policies and procedures to be followed after project approval. IPDFs are normally appended to RRP and briefly discuss (i) the type and nature of consultation to be held with IP, (ii) internal and external monitoring of impacts and measures for IP, (iii) cultural effects, (iv) resettlement and land acquisition impacts on IP, and (v) nature of the budget to be prepared. The results of the analysis of the IPDFs are presented below.

⁵⁹ For more guidance, see ADB. 2006. *Strengthening Participation for Development Results. A Staff Guide to Consultation and Participation*. Manila.

72. **Availability of IPDFs.** Eleven IPDFs were included in the corresponding RRP as a core appendix and 23 IPDFs as a supplementary appendix available on request.⁶⁰ Only one project⁶¹ was found to have a full-length IPDF apart from the summary version available on the web.

73. **Lending Modality.** Two thirds of the IPDFs were connected with sector loan projects; most of the others pertained to direct project loans and grants. One IPDF was for a program loan and one for a private sector loan. This pattern was expected. IPDFs set out the guidelines for the preparation of subsequent IPDPs during project implementation. Sector loans do not specify the exact type or location of all subprojects financed. If the project area covers IP, then the subprojects may require IPDPs.

74. **Significance of Project Impacts on IP.** The significance of the IP impact is to be categorized on an IP categorization form, and a summary included in the SPRSS. Of the 29 projects reviewed for which this document was available to the SES, 10 had assessed the impacts on IP as “significant.” Fifteen (52%) anticipated limited impacts on IP (meaning that there was a need for an SpA rather than an IPDF which is for anticipated significant impacts). Three projects did not provide an assessment of the significance of the impacts in the SPRSS. One project had “no impacts,” whether positive or negative, on IP. In such a case, no IPDF should have been prepared, according to the OM.⁶² Of the 10 projects with significant impacts, seven had prepared one or more IPPs subsequently, and the other three were relatively new.

75. **Subsequent IPDP/SpA.** The question can be raised whether IPDFs are effective instruments for determining the need for IPDPs for individual subprojects later on. Thirty-one IPDFs discussed the need to prepare a subsequent IPDP under certain conditions, as would be expected. Five IPDFs, however, did not state the need for a subsequent IPDP during project implementation. At the time of this SES, 11 of the 35 IPDFs were either in the initial stage or required no stand-alone IPDP for any of the subprojects appraised thus far. Six projects had prepared IPDPs subsequent to the IPDFs,⁶³ and nine had already concluded that no stand-alone IPDP would be prepared after the IPDF. Nine projects had prepared sample IPDPs for core subprojects during project preparation along with the IPDFs;⁶⁴ of these, only two had prepared more IPDPs by the time of this SES. Given these findings, it is too early to assess how effective IPDFs are in guiding the preparation of IPDPs for subprojects in sector projects. They were not entirely ineffective, given the number of IPDPs that were prepared subsequently. However, while IPDPs had subsequently been prepared for six projects, IPDPs were considered unnecessary for nine other projects. It could not be established whether less pressure from the safeguard compliance mechanism during project implementation had kept any of these nine from preparing subsequent IPDPs for subprojects. Some ADB staff have argued in comments to a draft of this report that, in many sector projects, project teams tend to prepare the IPDF to comply with safeguards before the MRM. These preliminary plans exhaust planning resources such that none is left for revising the draft IPDF or for preparing IPDPs for subprojects.

⁶⁰ RRP related to two of the IPDFs that were posted were still being prepared and had not been considered by the Board at the time of this study.

⁶¹ Loan 2195-VIE: *Central Region Transport Networks Improvement Sector Project*, for \$94.5 million, approved 11 November 2005.

⁶² During project preparation for the Power Grid Transmission Project in India (Loan 2152-IND, for \$400.0 million, approved 21 December 2004), no indigenous groups or populations were found in any of the five project sites: Arasur, Karur, Tirunaveli in Tamil Nadu, Warangal in Andhra Pradesh, and Pondicherry. A project with no impact on IP should be classified as category “C.”

⁶³ These IPPs were prepared for five sector loans and one private sector project.

⁶⁴ These IPPs were prepared for eight sector loans and one grant.

76. **Assurances.** Almost all RRP with IPDFs included assurances for IP. Similarly, all but one of the 33 loan agreements reviewed had one or more covenants for IP. As with IPDPs and RPs, however, there were large differences in the specificity of the covenants across loan agreements. Ten had general statements referring to IPDF. Twenty-two reflected more specific measures to mitigate or enhance project impacts, such as the need for (i) compliance with both applicable laws and the IP policy; (ii) the preparation of an IPDP or specific actions; (iii) the participation of IP in planning and implementation teams; (iv) ADB's concurrence with the IPDP or SpA; (v) the recruitment of a social development specialist or community officer; (vi) independent IP monitoring; (vii) the submission of progress reports; (viii) the availability of sufficient funds; (ix) the inclusion of IP in extension, training, and demonstrations; and (x) the inclusion of IP in satisfactory compensation, resettlement, and special assistance arrangements. A more consistent approach is needed for the drafting of IP covenants.

E. Analysis of Indigenous Peoples Specific Actions

77. Forty-three of the 81 SpAs were for project loans. Twelve SpAs were for program loans, 11 for sector loans, six for credit line projects, and five for grants (and technical assistance).⁶⁵

78. **Significance of the Impacts.** For eight of the 57 projects reviewed, "significant impacts" were noted in the SPRSS but all of these were expected to benefit IP. As the SpA is supposed to focus on limited impacts, IPDPs should, in fact, have been prepared for these eight, even when no adverse impacts, and only positive impacts, were expected, as provided for in the 2004 OM. Thirty-five projects (61%) anticipated limited impacts on IP; 14 of these projects specifically stated this, while noting that the impacts would be only beneficial. No answer was provided in the SPRSS for three projects, while for three others the impacts were deemed "uncertain." Three projects (5%) were assessed to have no impact at all, and should therefore not have been on the list of SpAs.⁶⁶ Although the SPRSS as such is not a safeguard document, and may have been marked wrongly, it is a public document, unlike the IP categorization form signed by the CCO.⁶⁷ The SPRSS should be made consistent with the categorization form and used as for safeguard information disclosure.

79. For the eight projects that identified only beneficial impacts on IP, it was claimed that the IP in the project areas had been mainstreamed and had no distinct cultural characterization, and that no need IPP was therefore needed for any of the project components. One of the eight projects with an SpA was actually categorized as "C" for IP safeguards.⁶⁸

80. A total of 21 SpAs on the website referred only to the SPRSSs that indicated that the projects had limited impacts on IP, without mentioning what was to be done to mitigate these impacts. Ten SpAs showed conditions typical of an IPDF and required the preparation and implementation of an IPP.⁶⁹ Thirteen merely stated that activities for IP would be integrated in project design or that strategies for IP participation would be developed. In nine SpAs, there

⁶⁵ In four cases, data were not available.

⁶⁶ Details of three projects were unavailable for review, as they were either not on the SpA list on the ADB IP website (two projects) or not in the web page link (one).

⁶⁷ The categorization form is the IP checklist filled out by the project officer and endorsed by the chief compliance officer. It is the sole basis for deciding whether or not an IPP should be prepared for a project.

⁶⁸ Loan 1998-MON(SF): *Second Health Sector Development Project*, for \$14.0 million, approved 5 June 2003.

⁶⁹ Fourteen projects (25%) would provide planning documents for IP in the form of (i) an IPDF (10 projects); (ii) an IPDP (one); (iii) a vulnerable groups development plan (one); and (iv) gender, caste, and ethnicity strategies (two).

was a discussion of mitigating measures for affected IP, related to land acquisition and RFs. In three of these nine, the adverse impacts were addressed in RPs, and the enhancement measures in SDAPs.

81. As with the IPDPs, there seems to be no standard for determining the beneficial or adverse impacts of projects in various sectors. Some SpAs on the website do not indicate any impacts that should be mitigated, and their main use may be to show that ADB is aware that a project is in an IP area and should look out for possible impacts on IP during implementation.

82. **Conclusions.** The findings in this section lead to the following conclusions: (i) Some SpAs should not have been prepared at all. (ii) Some SpAs should have been IPDPs. (iii) There is a degree of confusion among ADB staff about the assessment of impacts between various IPDPs and SpAs. What is an impact to be mitigated in one project is not identified as such in another similar project.

IV. PERFORMANCE ASSESSMENTS

A. Performance Assessment Conducted by the World Bank

83. The World Bank issued a comprehensive evaluation of its 1991 IP policy (i.e., its Operational Directive [OD] 4.20) in 2002 and 2003. This was one of the factors that led to a revision of the policy in 2005. The evaluation consisted of a “phase I” desk review,⁷⁰ and a “phase II” field-based evaluation of results.⁷¹ The desk review studied all 234 World Bank projects in 34 countries appraised after January 1992 and closed by May 2001. It concluded that the policy was highly relevant, particularly to the regions of Latin America, South Asia and East Asia, and the Pacific. The policy had strengthened the knowledge base for World Bank assistance that affected IP, shaped World Bank assistance to several countries by integrating measures to protect IP, and encouraged IP participation in the implementation of World Bank operations. However, the OD was found to have been unevenly applied. Of the 89 projects that the World Bank evaluation viewed as potentially affecting IP (38% of all projects), the OD had been applied in only 62%. Out of the 62%, only a little over half were assessed to have applied the policy in a satisfactory manner.⁷² The identification of IP under the policy was judged to be problematic, and equity in treatment between regions not ensured. The OED evaluation also examined the 170 most recently approved projects in the 34 countries, to see if any improvements were likely. Although the application of OD 4.20 to projects that affected IP remained the same in the view of OED (it was applied in 62% of the projects where the policy could have been applied), the evaluation found progress in the quality of application. Seventy-seven percent of the projects where OD was applied were judged to apply the policy in a satisfactory manner, and 95% of the ongoing projects that were likely to have “adverse” effects on IP included IPDPs or elements thereof, as compared with only 42% of the closed projects.

⁷⁰ Operations Evaluation Department, World Bank. 2002. *Implementation of Operational Directive 4.20 on Indigenous Peoples: An Independent Desk Review (2002)*. Washington, D.C.

⁷¹ Operations Evaluation Department, World Bank. 2003. *Implementation of Operational Directive 4.20 on Indigenous Peoples: an Evaluation of Results*. Washington, D.C. (10 April).

⁷² Figures were specified for the regions of East Asia and Pacific, and South Asia, where the focus on IP was mainly in India. In East Asia and the Pacific, out of 60 projects reviewed, 20 affected IP in the view of OED but only 11 identified IP and took steps to protect their interests. The corresponding figures for South Asia were 32 projects reviewed, 15 projects with affected IP, and 10 projects that identified IP and provided for their protection.