

**INDIGENOUS PEOPLES POLICY 1998:
RELEVANT PARAGRAPHS ON THE DEFINITION OF INDIGENOUS PEOPLES**

7. Developing a single, specific definition or identification for indigenous peoples would be difficult. Within the Asian and Pacific Region, individual indigenous peoples communities reflect tremendous diversity in their cultures, histories and current circumstances. Country by country, the relationships between indigenous peoples and dominant or mainstream groups of society vary.

8. From the perspective of developing a working definition of indigenous peoples for use in Bank operations, several aspects must be considered. A starting point would be to define indigenous peoples on the basis of characteristics they display. Two significant characteristics would be (i) descent from population groups present in a given area, most often before modern states or territories were created and before modern borders were defined, and (ii) maintenance of cultural and social identities, and social, economic, cultural, and political institutions separate from mainstream or dominant societies and cultures. In some cases, over recent centuries, tribal groups or cultural minorities have migrated into areas to which they are not indigenous, but have established a presence and continue to maintain a definite and separate social and cultural identity and related social institutions. In such cases, the second identifying characteristic would carry greater weight.

9. Additional characteristics often ascribed to indigenous peoples include (i) self identification and identification by others as being part of a distinct indigenous cultural group, and the display of desire to preserve that cultural identity, (ii) a linguistic identity different from that of the dominant society, (iii) social, cultural, economic, and political traditions and institutions distinct from the dominant culture, (iv) economic systems oriented more toward traditional systems of production than mainstream systems, and (v) unique ties and attachments to traditional habitats and ancestral territories and natural resources in these habitats and territories.

10. Indigenous peoples also are described with reference to their ways of life. In many cases, indigenous peoples live in separated communities or cultural or ethnic groupings. Such communities and groupings often are located in areas geographically distant from urban centers and often function at the periphery of the political, social, cultural, and economic systems of the dominant or mainstream society. At the same time, however, it is not unusual to find indigenous peoples communities on the fringes of urban areas, comprising indigenous peoples who have migrated but remain distinct from the mainstream. Indigenous peoples communities in a given country can reflect varying degrees of acculturation and integration into the dominant or mainstream society.

11. In specific development interventions supported by the Bank, the national legislation of the country in which the development intervention is taking place provides a basis for defining indigenous peoples. This includes constitutional, statutory, and customary law, as well as international law, including any international conventions to which the country is a party. It would be necessary that other country-specific considerations be taken into account.

12. As a working definition to be employed in the Bank's operations as they affect indigenous peoples, indigenous peoples should be regarded as those with a social or cultural identity distinct from the dominant or mainstream society, which makes them vulnerable to being disadvantaged in the processes of development. Determination of a distinct identity for indigenous peoples would be based in the requirements of applicable national law and the

applicability of characteristics described in paras. 8-11 above. The application of any definition of indigenous peoples should work to differentiate between indigenous peoples and other cultural and ethnic minorities for which indigenous status is not an issue; the broader protection of vulnerable groups is an issue addressed in other policies and practices of the Bank.

13. Case-specific identification of indigenous peoples affected by Bank operations and approaches to addressing specific indigenous peoples' concerns would be addressed in the process of initial social assessment and the preparation of an indigenous peoples plan (see paras. 34–40 and the Appendix).

INDIGENOUS PEOPLES POLICIES IN OTHER ORGANIZATIONS

1. **World Bank.** The World Bank's Indigenous Peoples (IP) Policy of 1991 was articulated in Operational Directive (OD) 4.20. To replace it in the Operational Manual, the World Bank published OP 4.10 and BP 4.10 in July 2005. Much of the basic IP policy developed in 1991 remains in place, but an external desk review concluded by the World Bank's then Operations Evaluation Department (OED) in June 2002 called for more careful identification of IP and the need for more intensive consultation with IP affected by projects. This new emphasis was strengthened in the new OD, but stopped short of requiring full consent.

2. A principal difference between the World Bank and the Asian Development Bank (ADB) is the World Bank's considerably larger reservoir of social (and environmental) safeguard specialists, who are available to help with project administration, both at headquarters and at regional and national levels. They are to be seen as a separate team, unlike ADB where they are integrated with the operations departments. However, the World Bank is reorganizing, and it is not quite clear how this process will affect the enforcement of safeguard compliance. At any rate, because of the larger number of staff available at World Bank headquarters and in the field offices, there is usually more opportunity for teamwork and less reliance on written documents in situations that are unfamiliar to safeguard compliance staff. But, in spite of all this, World Bank safeguard policies, like ADB's, are sometimes also perceived to be difficult to meet, such that clients tend to avoid financing from the World Bank.¹

3. The World Bank's use of the IP policy in Asia has, to some extent, paralleled ADB's practice of preparing plans that for the most part follow country systems in recognizing IP as ethnic minorities, scheduled tribes, or highland peoples. As with the ADB, there are no clear examples of compensation made for cultural displacement, other than specific local actions that are limited in scope and generally focused on mitigation measures, such as enhancing education, tourism, health, and cultural development opportunities. Compensation has centered on involuntary resettlement (IR) of IP.

4. **International Finance Corporation (IFC).** In early 2005, IFC decided to institute new safeguards policies that stress vulnerability and sustainability issues over the preservation of IP cultures and the priority of CS influence on policy implementation. This received considerable criticism from nongovernment organizations (NGOs) and other indigenous rights groups. One of these, the Bank Information Center, published the following statement on its website:

IFC's new standards do not specify when consultation with local populations affected by its operations will take place, do not adequately protect the rights of IP to their lands and natural resources-including their right to free prior informed consent, undermine existing World Bank policy with respect to resettlement, and do not require independent assessment and verification of project impacts, relying heavily instead on companies' self-reporting.²

5. In February 2006, however, the IFC established a new safeguards policy that was based on a thoroughgoing review of its policy, claiming to institute new safeguard standards that "are stronger, better and more comprehensive than those of any other international finance institution working with the private sector. They clearly define the roles and responsibilities of

¹ World Bank. 2002. *Safeguard Policies: Framework for Improving Development Effectiveness*. Discussion Note. Environmentally and Socially Sustainable Development and Operations Policy and Country Services. Washington, D.C.

² Available: http://www.bicusa.org/bicusa/issues/international_finance_corporation/2650.php (visited 22 June 2006).

IFC and its client companies.”³ The new policy released on April 2006 specifically excludes projects that impinge on “lands owned, or claimed under adjudication by Indigenous Peoples, without full documented consent of such peoples.”⁴ Performance Standards 7 and 8 require the “free, prior, and informed consultation and informed participation” of IP, “good faith” negotiation, and documentation of their informed participation.⁵

6. **Inter-American Development Bank (IADB).** For many years the IADB had an IP strategy but no IP safeguards policy. Its recently issued Operational Policy on Indigenous Peoples distinguishes between strategic considerations regarding “promoting development with identity” and “safeguards in Bank operations” in determining projects eligible for IADB financing. The safeguards are concerned with adverse impacts. Once IADB decides to proceed with the processing of a project with potential adverse impacts, it will verify compliance by the project proponent with the following requirements: (i) preparation of sociocultural evaluations and the project environmental and social review process; (ii) implementation of socioculturally appropriate and duly documented consultation and good-faith negotiation processes with the affected IP; and (iii) incorporation into the project of enforceable measures for mitigation, restoration, and compensation, and detailed plans for indigenous protection, compensation, and development, or other timely instruments.

7. The IADB Policy articulates a country or regional approach. It pays particular attention to each country’s state policy regarding IP. In addition to IADB’s own technical evaluation of the particular definition of an affected IP, IADB describes different state policies at the national level on its interactive website.⁶ In its 22 February 2006 OP on IP, IADB specifically calls attention to the role of colonialism and the time of contact with the dominant cultures, such that the term “indigenous peoples” refers to descendants of populations

- (i) inhabiting Latin America and the Caribbean at the time of conquest or colonization;
- (ii) retaining some or all of their own social, economic, political, linguistic, and cultural institutions and practices; and
- (iii) recognizing themselves as belonging to indigenous or precolonial cultures or peoples.⁷

8. **African Development Bank (AfDB).** AfDB, by comparison, has so far resisted the use of the label “IP” for subpopulations of nations in Africa, instead preferring to refer to ethnic and regional populations (nor does it use the term “tribe” in its documents). While its October 2003 social safeguards review, Integrated Environmental and Social Impact Assessment Guidelines, does use the term “indigenous peoples” in a section on preserving quality of life and outlining enhancement and mitigation measures, no special policy or consideration is given to IP.⁸

³ Available: <http://www.ifc.org/ifcext/enviro.nsf/Content/EnvSocStandards> (visited 14 July 2006).

⁴ Available: [http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_ESRP2006/\\$FILE/ESRP2006.pdf](http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_ESRP2006/$FILE/ESRP2006.pdf), page 14 (visited 18 July 2006).

⁵ Available: [http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_ESRP2006/\\$FILE/ESRP2006.pdf](http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/pol_ESRP2006/$FILE/ESRP2006.pdf), page 27 (visited 14 July 2006).

⁶ This interactive website of national policies toward IP in Latin American can be found at: www.iadb.org.

⁷ Inter-American Bank. 2006. *Operational Policy on Indigenous Peoples*. Sec. 1.1, 22 February, page 1. Available: <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=686395> (visited 1 July 2006).

⁸ Available: http://www.afdb.org/pls/portal/docs/PAGE/ADB_ADMIN_PG/DOCUMENTS/ENVIRONMENTALANDSOCIALASSESSMENTS/IESIA.PDF, page 151 (visited 10 November 2006).

DESCRIPTION OF INDIGENOUS PEOPLES DEVELOPMENT PLANS, BY SECTOR

1. **Social Sectors.** There were two education indigenous peoples development plans (IPDPs) in the sample, and these identified no risks at all. Consequently, no risk mitigation measures were identified either. The IPDP for the Upper Secondary Education Development Project¹ identified no enhancement measures, but saw the project benefits as improved access of indigenous peoples (IP) to secondary education, enhanced quality and efficiency of secondary education, and training of teachers. The Education Sector Development Program in Cambodia² specified the following project benefits in its IPDP: reduced cost of schooling, which would improve the participation of ethnic minorities in basic education, increased access through provision of facilities, an increase in the number of teachers in ethnic communities through the redeployment of teachers, an established new curriculum framework addressing ethnic minority concerns and the local language instruction issue, multigrade teaching in small villages completing the full primary circle, and increased spending power as a result of the provision of an operational budget.

2. The IPDPs for three health projects were of a similar nature. They mainly provided an overall statement on the relevance of the project to IP. The Preventive Health System Support Project in Viet Nam³ identified no risks or risk mitigation measures, and proposed the following enhancement measures: identification of training needs for health staff in areas with a high concentration of ethnic minorities, and the identification of ways in which district and commune health staff could help to strengthen the surveillance system, such as the tracking of diseases by ethnicity. The IPDP listed as project benefits the improvement of the health of ethnic minorities through the strengthening of the capacity of preventive health staff, increased accessibility and acceptability of preventive health services in ethnic minority communities, and the training of commune and district preventive health staff in the 17 priority provinces. The Health Sector Project in Cambodia⁴ also did not identify risks, mitigation measures, or enhancement measures. In Viet Nam, the IPDP for the Health Care in the Central Highlands Project⁵ identified HIV as the only risk, and proposed an awareness program. Enhancement measures specifically for ethnic minorities were not identified, but the project benefits were defined as increased access to culturally compatible and improved health services, through the upgrading of facilities, the provision of culturally compatible health information materials, and full incorporation of ethnic minority needs through extensive consultation into the new materials developed.

3. In the water supply sector, one IPDP was issued from 1998 to 2005, for the Water Supply and Sanitation Sector Project in Lao People's Democratic Republic.⁶ The IPDP did not define risks specific to ethnic minorities, mitigation measures, or enhancement measures, but listed the following project benefits: (i) improved health of the people in small towns and peri-urban areas following the provision of potable water, (ii) elimination of water-borne diseases, and (iii) improved quality of life especially among women who traditionally carry and fetch water, as a result of better access to safe and sanitary water.

4. **Agriculture and Natural Resources Sector.** Three irrigation development-oriented projects over the period included an IPDP. The Central Region Water Resources Project in Viet

¹ Loan 1979-VIE, for \$55.0 million, approved 17 December 2002.

² Loan 1864/1865-CAM, for \$38.0 million, approved 4 December 2001.

³ Loan 2180-VIE, for \$27.9 million, approved 25 August 2005.

⁴ Loan 1940-CAM, for \$20.0 million, approved 21 November 2002.

⁵ Loan 2076-VIE, for \$20.0 million, approved 9 January 2004.

⁶ Loan 1710-LAO(SF), for \$20.0 million, approved 16 November 1999.

Nam⁷ mentioned resettlement as the only risk under this project, affecting ethnic minorities, but this was also dealt with by the resettlement plan (RP): the IPDP stated that ethnic minorities would get extra transition subsistence payment for relocation. The IPDP identified the following enhancement measures: programs in literacy and numeric skills, and social marketing training. Training courses were also to be provided in health and nutrition, livestock raising, and credit use and management. The Southern Philippines Irrigation Sector Project⁸ did not identify a need for resettlement of IP but identified as IP risks (i) the low literacy of Maranao Women; and (ii) the fact that the main dam and some canals in the project were situated inside an ancestral domain. Given IP legislation in the Philippines, free prior informed consent had to be obtained for the dam component of the project, and this was achieved. Also, the IPDP announced the preparation of information in local dialects, and the participation of women in the planning process.

5. The IPDP for the Chhattisgarh Irrigation Development Project in India⁹ identified as the only risk the possible effects on social and cultural conditions during construction due to the anticipated influx of outside workers, leading to negative impacts on family kinship roles and responsibilities within the communities. Mitigation measures for this risk were, however, not indicated. The IPDP announced that contractors would be encouraged to hire local people as unskilled labors and that the contractors would be sensitized to local customs and traditions and issues.

6. The IPDP placed on the Asian Development Bank's (ADB) website for the Forest for Livelihood Improvement in the Central Highlands project in Viet Nam, which was to be approved in 2006, did not identify specific risks or risk mitigation measures in its IPDP; however, it included a technical assistance (TA) grant to assist the IP communities in building up capacity to manage a community development fund and to provide the selected communities with advice in using farming systems, as well as in carrying out planning and monitoring. The IPDP prepared for the Community Empowerment for Rural Development Project in Indonesia¹⁰ and the IPDP for the Chittagong Hill Tracts Rural Development Project in Bangladesh¹¹ did not identify any negative impact on IP either, and only listed the positive project benefits to the local population, including IP. Lastly, the Central Sulawesi Integrated Area Development and Conservation in Indonesia¹² had an IPDP that discussed only the impacts of the resettlement of forest squatters in Katu village (201 people). This could have been left to the RP. Extensive mitigation and enhancement measures were put in place. The IPDP meanwhile listed the following benefits of the project to IP: All IP communities would be able to confirm their claim to farm lands, increase their agricultural productivity, be encouraged to seek alternative income-generation opportunities, enhance their capability to participate in decision making, and get increased public recognition of their cultural heritage. There would be training activities to improve the skills and knowledge base of IP; environmental education to increase awareness of issues related to land use; park protection and sustainable management of natural resources; access to technical services to improve farming practices, livestock management, and skills in implementing income-generating activities; and access to investment credit. The IPDP also provided for a social cohesion grant to support cultural activities and assist IP in improving knowledge and getting more public recognition of their cultural heritage. IP were to be

⁷ Loan 2223-VIE, for \$74.3 million, approved 19 December 2005.

⁸ Loan 1668-PHI, for \$60.0 million, approved 18 December 1998.

⁹ Loan 2159-IND, for \$46.10 million, approved 29 March 2005.

¹⁰ Loans 1765/1766-INO, for \$115.0 million, approved 19 October 2000.

¹¹ Loan 1771-BAN, for \$30.0 million, approved 26 October 2000.

¹² Loan 1605-INO, for \$32.0 million, approved 27 January 1998.

represented on the management boards of credit cooperatives and on the social cohesion grant committee.

7. **Transport Sector.** Eleven of the 31 IPDPs were written for road projects. A review of the risks for IP showed, first of all, that, despite the existence of RPs, land acquisition and resettlement was still discussed as a main risk in eight of the 11 IPDPs. The risk mentioned next most often (four times) was the spread of HIV/AIDS, a risk that was generally dealt with through awareness programs. Construction-related disturbances were mentioned in three IPDPs, and damage to cultural relics, in two. The increased proneness of IP to road accidents was highlighted in two IPDPs. Few IPDPs reported a risk of outside influences entering into the area, and of those that did report this, few knew how to mitigate it. Overall, the risks due to road construction in IP areas did not seem to be systematically discussed in the IPDPs, and construction disturbances (inconvenience due to temporary loss of accessibility, noise, dust, etc.) were discussed in some IPDPs but not in others. Several IPDPs discussed resettlement risks only, and the associated risk mitigation measures. With respect to enhancement measures, however, the IPDPs often proposed many activities, even when these were usually to be financed and implemented by local governments and without an ADB share. Several IPDPs proposed microcredit, livelihood training programs, literacy programs, farm reclamation, food security activities, and ethnic minority village road construction. One IPDP proposed activities in the area of security of tenure. For three of the 11 IPDPs, ADB had attracted funds for such activities from other foreign aid agencies, mainly Japanese funds such as the Japan Fund for Poverty Reduction (JFPR), which ADB administers. Seven of the 11 mentioned that local IP would benefit from employment during the construction of the road; three of the seven specified that IP would be given preference.

8. Two IPDPs concerned railway construction projects: (i) the Guizhou–Shuibai railway, and (ii) the Dali–Lijiang railway projects.¹³ The first had an IPDP that focused on resettlement issues as main risk to IP (when there was already an RP), and announced that IP would be given preference in the contracting of construction labor. The IPDP also described a poverty reduction program that the local governments routinely implemented, focusing on infrastructure development, credit, and agricultural improvements. For the Dali–Lijiang railway project in the southwest of PRC, in Yunnan Province, a much more elaborate IPDP was prepared, mainly in view of the fact that a small group of Tibetan IP might be involved and there were reputational risks. The IPDP was written with the help of a special ADB TA grant. The following risks were identified: (i) construction-related disturbances such as noises and other hazards, (ii) HIV risks, (iii) resettlement of ethnic minorities, (iv) the possibility of unexplored historical and archeological sites in the proposed alignment, (v) the weakening of the cultural realm of ethnic minorities due to culture shock, (vi) exposure of young people to behavior conflicting with traditional society and weakening of traditional family structures, (vii) destruction or deterioration of cultural relics and sites through increased tourism, and (viii) competition for employment with outsiders. Mitigation measures mentioned subsequently were: (i) protection of ethnic minority villages from construction disturbances, (ii) HIV/AIDS awareness and prevention, (iii) programs to raise awareness of cultural habits and heritage protection, (iv) income recovery for resettlement-affected people, (v) preferential treatment for vulnerable groups affected by resettlement (also in RP), (vi) an awareness program on the impact of public safety and railway operations, (vii) studies by cultural relic authorities and local cultural bureaus before construction, (viii) training of tour guides to make tourists aware of cultural sensitivities, (ix) strict enforcement of laws for conflicting behavior, (x) employment of local people in tourism,

¹³ Loan 1626-PRC, for \$140.0 million, approved 18 August 1998; Loan 2116-PRC, for \$180.0 million, approved 2 December 2004.

(xi) tourism skills training and training of local entrepreneurs to encourage them to return to producing authentic crafts, and (xii) strengthening of traditional values and systems through education and preservation of cultural heritage (with the help of an ADB grant). Enhancement measures formulated were the following: (i) afforestation, (ii) the monitoring of government poverty reduction interventions and the pro-poor rural roads program, (iii) cultural preservation measures, and (iv) pilot implementation of community-based tourism.

9. **Energy Sector.** Dam projects are discussed in Appendix 9 of the special evaluation study on involuntary resettlement. ADB's involvement in dam reservoirs from 1970 to mid-2005 composed around 4.4% of the portfolio, and the proportion decreased over time. Only seven projects were approved from 2000 to 2005. In 2006, however, there was a resurgence in the number of reservoir dam financing proposals under consideration: ADB considered financing eight new dams over the period 2006–2007. (By the time of completion of this study, the number has gone down.)

10. **Mining Sector.** Of special interest are the projects dealing directly with the extraction of natural resources like gas, minerals, and oil. ADB had only three such projects over the period: the Gas Transmission and Development Project in Bangladesh,¹⁴ the Tangguh Liquefied Natural Gas (LNG) Project in Indonesia,¹⁵ and the Coal Mine Methane (CMM) Development Project in the People's Republic of China.¹⁶ Before the IP Policy, ADB financed five public sector projects and extended two investment facilities to a mining company in the Philippines.

11. In the Coal Mine Methane Development Project, the objective was to establish a CMM development project that covered all aspects of effective and efficient CMM and Coal Bed Methane production, capture, and utilization by applying the latest technologies. Part A was the production of CMM and CBM for a 120 MW power plant, including the establishment of a 120 MW CMM-fired power plant, and the expansion of power transmission lines and the upgrading of some power distribution systems. As regards social issues and poverty reduction, the project would undertake specific poverty reduction initiatives such as the expansion of the Sihe Mine Hospital in Jiafeng county in 2004, with an additional CNY1 million investment, to serve over 70,000 local community people, including about 7,000 poor people; a 15% reduction in medical costs per person-visit for those poor living under the minimum living guarantee; and the construction of a local road from 2005 to 2006 to serve 5,000 people, including 500 poor people in the poverty county where the CMM-fired power plant was located. CBM production from surface wells would require 9.36 hectares of land lease for 20 years and affect seven households comprising 18 persons. The compensation rate for land lease for the CBM production from surface wells component was CNY140,055 per hectare for farmers and CNY4,170 per mu for collectives. The impact on IP was rated not significant, and a plan was not required, only a specific action. There were about 900 minority persons in the area, including Hui, Mongolian, Tibetan, Miao, Yi, Buyi, Korean, Manchurian, and Tujia, who were thought to stand to benefit from the improved CMM supply. About two Hui minority households in the project area would be affected by the land acquisition and resettlement. Particular attention and special provisions would be paid to them to ensure the protection of their interests and rights and sociocultural customs. These provisions were included in the resettlement plans.

¹⁴ Loans 2188/2189-BAN, for \$230.0 million, approved 27 October 2005.

¹⁵ Loan 2214-INO and EI 7224-INO, for \$350.0 million, approved 14 December 2005.

¹⁶ Loan 2146-PRC, for \$117.4 million, approved 20 December 2004.

¹⁸ ADB. 2005. *Summary Environmental Impact Assessment Proposed Tangguh LNG Project (Indonesia)*. Manila.

12. ADB's loan for the Indonesian Tangguh LNG Project¹⁸ was approved on 14 December 2005, and the core of the project consisted of the offshore operation of three gas fields in the bay of Bird's Head on the west side of Irian Jaya province, which required piping to an LNG plant to be built on an area of almost 3,300 hectares of land, including a seaport, an airstrip, and an ecological buffer zone. BP and a number of partners financed most of the project. ADB financed \$350 million, and was involved in the design of an integrated 5-year social program focusing on IP. The program was designed to comply with the conditions of ADB's IP Policy and to be a model for similar projects. In size alone, this project was clearly one where ADB pulled out all the stops. The IPDP had 207 pages.¹⁹

13. Risks identified in the IPDP included the following: (i) adverse impacts on natural resources such as water quality and flora and fauna, reduction of shoreline vegetation, and reduction of onshore fauna; (ii) adverse impacts on cultural sites and disruption of and changes in access to sacred sites; (iii) loss of 3,466 hectares of lands by the Sowai, Wayuri, and Simuna clans of the Sumuri tribe; (iv) relocation of the Tanah Merah community; (v) development-induced marginalization of IP; and (vi) influx of migrants, potentially leading to dilution of local culture and customs. Some main mitigation measures proposed in response were (i) support for traditional customs (*adat*) and traditional rights to resource utilization; (ii) non-disturbance of sacred sites; (iii) realignment and relocation of plant site; (iv) recognition of villagers' preferences regarding the location and schedule of relocation of cemeteries, and support for the construction of new spirit houses; (v) provision of an appropriate level of compensation including *adat* payments (cash and in-kind benefits); (vi) provision of registered titles to land and construction of new houses; (vii) socioeconomic activities associated with the resettlement program; (viii) strengthening of civil society organizations and *adat* institutions; (ix) recruitment of a local workforce for construction activities (a nonlocal workforce would work in more distant locations); and (x) maintenance of a closed camp and cashless site, thereby reducing interaction with local communities. The enhancement measures were evident in the comprehensive integrated social program, which comprised a total of 14 programs targeting Papua, Bird's Head, District Teluk Bintuni, and 14 directly affected and resettlement-affected villages. At the level of Papua, a revenue management program was proposed, targeting improved stakeholder awareness or revenue management vis-à-vis the Papuan Special Autonomy Law and Bird's Head governance and capacity building. At the level of Bird's Head, five programs were proposed: (i) civil society strengthening; (ii) strengthening of *adat* institutions; (iii) Bird's Head business empowerment, to improve the capacity of Papuan business to compete for business opportunities associated with the construction and operation of the LNG plant; (iv) management of workforce recruitment and industrial affairs, among other things, to ensure the participation of local, Papuan, and Indonesian people in the workforce; and (v) mitigation of in-migration and adverse impacts. At the district level, there were also five enhancement programs: (i) a governance program, looking at the regency government, village government, and integrated community-based security; (ii) a health program; (iii) an education program; (iv) a vocational training program; (v) a women's empowerment program; and (vi) a microfinance and micro enterprise program. Lastly, at the level of the 14 villages, community action plans and land acquisition and resettlement plans were proposed.

14. The 2005 Nam Theun II Hydroelectric Project in Lao PDR,²⁰ lastly, was to produce power sold mainly to Thailand, by creating a dam and flooding 45,000 hectares of land of the tribes of Nakai Plateau (Brou, Tai Bo, Upland Tai, Vietic, and Sek). Upstream and downstream effects were identified beyond the resettlement of 1,069 ethnic households out of the reservoir

¹⁹ Available: <http://www.adb.org/Documents/IndigenousPeoples/INO/38919-INO.asp>

²⁰ Loan 2162-LAO, for \$20.0 million, approved 4 April 2005.

area; 1,100 ethnic households would be affected by land acquisition. The project cost was estimated at \$1,250 million, of which the ADB loan, approved on 4 April 2005, funded \$20 million. The project took 10 years to prepare, and the documentation contained separate IPDPs for ethnic groups on the Nakai Plateau and in the downstream areas. The two IPDPs combined contained 294 pages (225+69), many of which were descriptive of the tribes and their culture, and contained the baseline data collected. The implementation cost of the IPDP was estimated at over \$45 million.

15. Some of the risks identified for ethnic minorities in the surrounding areas were (i) resettlement of tribes in the Nakai Plateau (although there was also an RP); (ii) changes in livelihood—less reliance on forest produce and more on agriculture; and (iii) loss of areas where herbs, roots, and other items used in indigenous health practices were gathered. Risk mitigation measures were the following: (i) a stipulation that the relocation site would be chosen by the tribal clan, and specific rituals would be held; (ii) the design of the houses, including village layouts, in accordance with the needs of the ethnic minorities; (iii) the recovery and relocation of archeological or historical artifacts flooded by the reservoir; (iv) support for the relocation of village monasteries and stupas, buildings or religious structures such as spirit houses, and local rituals; (v) the performance of appropriate rituals for gravesites flooded by the reservoir; (vi) the provision of livelihood options for resettled families; (vii) the study of traditional health practices and ingredients by the Traditional Medicine Research Center; (viii) the establishment of links with studies of ethnobotany, and the identification of rare or commercially interesting species for a herbarium in the Plateau; (ix) the employment of traditional health specialists (priests, spirit doctors, healers, and midwives) as local health workers so as to gradually integrate indigenous knowledge with modern health care; and (x) careful monitoring of the harvesting of species used in indigenous medicine and health practices. Enhancement measures approved were programs in education, agricultural extension, and training in forestry, fisheries, livestock management, wetland rice farming, upland irrigation techniques, vegetable and fruit cultivation, nutrition and health, and community development. The project benefits accruing to IP were identified as employment of locals during construction, new and upgraded roads, supply of electricity to the villages, and supply of water, both for domestic use and for irrigation.

**THIRTY-ONE INDIGENOUS PEOPLES DEVELOPMENT PLANS APPROVED OVER THE PERIOD 1998–2005;
SOME STATISTICS**

Year	Country	Project	Document Title	No. of Pages	Dominance of IP in Project Area^a	Category of Impact^b
2005	GMS	Regional Communicable Disease Control Project	Ethnic Minority Development Plan	4	3	III
	PRC	Central Sichuan Roads Development Project	Ethnic Minority Development Plan	24	2	II
		Hunan Roads Development III Project	Ethnic Minority Development Plan	43	1	II
	India	Chhattisgarh Irrigation Development Project	Indigenous Peoples Development Framework and Plan	11	2	III
	Indonesia	Tanggung Liquefied Natural Gas (LNG) Project	Indigenous Peoples Development Plan	207	1	I
	Lao PDR	Nam Theun 2 Hydroelectric Project	Nakai Plateau EMDP	225	3	I
			EMDP for Downstream Areas	69		
	Viet Nam	Central Region Water Resources Project	Ethnic Minority Development Plan	5	3	III
		Preventive Health System Support Project	Ethnic Minority Development Plan	24	2	III
2004	PRC	Dali–Lijiang Railway Project	Ethnic Minority Development Plan	52	1	II
		Guangxi Roads Development II	Minorities, Women, and Vulnerable Groups Plan	9	1	II
		Hunan Roads Development II Project	Ethnic Minority Development Plan	25	2	II
	Viet Nam	Health Care in the Central Highlands Project	Ethnic Minority Development Plan	3	2	III
2003	India	Rural Road Sector I Project	Preliminary Indigenous Peoples Development Plan	3	2	III
		Chhattisgarh State Road Development Project	Preliminary Indigenous Peoples Development Program	20	3	II
2002	Cambodia	Health Sector Support Project	Ethnic Minority Development Plan	4	3	III
	Lao PDR	Northern Economic Corridor Project	Social Action Plan	29	1	I
	Viet Nam	Upper Secondary Education Development	Gender and Ethnic Minorities Action Plan	3	3	III
2001	Cambodia	Education Sector Development Program	Indigenous Peoples Development Plan	4	2	III
	Nepal	Road Network Development Project	Poverty Intervention and Ethnic Minority Development Plan	3	3	II
	Viet Nam	Central Region Livelihood Improvement Project	Indigenous Peoples Development Plan	33	1	III
		Forest for Livelihood Improvement in the Central Highlands	Livelihood Improvement and Ethnic Minority Development Plan	39	1	III
		Provincial Roads Improvement Sector Project	Resettlement and Ethnic Minority Development Plan	9	3	II
2000	Bangladesh	Chittagong Hill Tracts Rural Development Project	Indigenous Peoples Development Plan	20	3	III
	PRC	Chongqing–Guizhou Roads Development	Minority Peoples Development Plan	17	3	II
	Indonesia	Community Empowerment for Rural Development Project	Indigenous Peoples Plan	2	3	III

Year	Country	Project	Document Title	No. of Pages	Dominance of IP in Project Area ^a	Category of Impact ^b
	Lao PDR	Rural Access Roads Project	Resettlement and Ethnic Minority Development Plan	5	2	III
1999	PRC	Southern Yunnan Road Development Project	Minority Peoples Development Plan	30	1	II
	Lao PDR	Water Supply and Sanitation Sector Project	Ethnic Minority Peoples Development Plan	3	1	III
1998	PRC	Guizhou–Shuibai Railway Project	Indigenous Peoples Development Plan	13	2	I
	Indonesia	Central Sulawesi Integrated Area Development and Conservation	Indigenous Peoples Development Plan	2	1	III
	Philippines	Southern Philippines Irrigation Sector Project	Indigenous Peoples Development Plan	5	3	III

GMS = Greater Mekong Subregion, IP = indigenous peoples, Lao PDR = Lao People's Democratic Republic, PRC = People's Republic of China.

^a 1 = IP in project area > 50% of total population, 2 = IP dominant in some areas of the project impact zone, 3 = IP in project area < 50% of total population.

^b I = country focused project, II = country and area focused project, III = area focused project.

Source: Asian Development Bank Safeguards website. Available: <http://www.adb.org/Safeguards/default.asp>

**PROJECTS WITH INDIGENOUS PEOPLES DEVELOPMENT PLANS APPROVED
FROM 1998 TO 2005, WITH NUMBERS OF BENEFICIARIES
AND INDIGENOUS PEOPLES**

Country	Year of Loan Approval	Project	No. of Beneficiaries indicated	No. of Affected Indigenous People indicated	Percentage of IP Beneficiaries indicated	Indigenous Peoples Involved
GMS	2005	Regional Communicable Disease Control Project	About 100,000,000 for the three countries (Cambodia, Lao PDR, and Viet Nam)	No exact figure	Cambodia = 10%; Lao PDR = 32%; Viet Nam = 14%	Cambodia = hill tribes of the provinces of Rattanakiri, Mondolkiri, Stung Treng, and Kratie Laos PDR = Hmong, Khmu, Phutai, Kor, and Katu Viet Nam = found in 45 provinces in the Northern Uplands and Central Highlands
BAN	2000	Chittagong Hill Tracts Rural Development Project	338,000	192,660	51%	Bawm, Chak, Chakma, Khyang, Khumi, Lushai (Mizo), Pankhua (Pankho), Tanchangya, and Tipra (Tripura)
CAM	2002	Health Sector Support Project	5,000,000	No exact figure	(2 of 21 provinces) Mondolkiri: 23%, Ratanakiri: 62% of the provincial population	Hill tribes of the provinces of Rattanakiri, Mondolkiri (otherwise known as Khmer Loeu)
CAM	2001	Education Sector Development Program	155,000	7,750	5%	Highland minorities of Ratanakiri, Nodulkiri, Kratie, Preah Vinhear, and Steung Treng; Chams; Chinese; Vietnamese; and Lao
PRC	2005	Central Sichuan Roads Development Project	939,000	156,700	17%	Yi, Tibetans, Quang, Hui, Mongolian, and Bai
PRC	2005	Hunan Roads Development III Project	929,000	734,000	79%	Miao, Tujia (others include Muslim Hui, Yao, Dong, Man)
PRC	2004	Dali-Lijiang Railway Project	1,100,000	803,000	73%	Bai, Naxi, Yi, Lisu, Zang, Pumi, Miao, and Mosou
PRC	2004	Guangxi Roads Development II	1,888,000	1,700,000	90%	Zuang, Yao, Hui
PRC	2004	Hunan Roads Development II Project	1,850,000	777,000	42%	Bai, Miao, Tujia, Yao, Hui, and Uygur
PRC	2000	Chongqing-Guizhou Roads Development	3,291,200	519,080 (in two of the townships)	16%	Gelau, Miao and Tujia, Buyi, Dong
PRC	1999	Southern Yunnan Road Development Project	724,322 in project area	491,581	68%	Bai, Bulang, Dai, Hui, Lahu, Pumi, Yao, and Yi minority people

Country	Year of Loan Approval	Project	No. of Beneficiaries	No. of Affected Indigenous People	Percentage of IP Beneficiaries	Nature of IP/EMs
PRC	1998	Guizhou–Shuibai Railway Project	624,600	237,348	38%	Yi, Miao, Buyi, Bai
IND	2005	Chhattisgarh Irrigation Development Project	600,000	No exact figure	35% of the state population	Scheduled tribes
IND	2003	Rural Road Sector I Project	621 affected households (in a few sample districts)	116 affected HH (in a few sample districts)	20% in Madhya Pradesh and 45% in Chhattisgarh	Scheduled tribes and scheduled castes
IND	2003	Chhattisgarh State Road Development Project	20,700,000 in the State	6,624,000 in the State	32%	Scheduled tribes (Adivasi) and scheduled castes and other tribes (Muriyas/Dandami or Gonds, Dorla Halba, Dhanwar, Bhinjar, Sawar, Bharia, Oraon, Majhwar, Bharia, Agaria, Nagasia, Khairwar, Korwa, Bhinjar, Saur Sawar, Halba, Bhunjia, Baiga, Pardhi)
INO	2005	Tangguh LNG Project	Not identified	No exact figure	Not identified	Sumuri, Irarutu, Kuri, Wamesa, Soub, Sebyar/Kamberam, and Moskona
INO	2000	Community Empowerment for Rural Development Project	550,000	No exact figure	Percentage not identified	Dayak Ngaiu Danum, Dayak Naiu, Dayak Dasun Malang, Dayak Taboyan, Dayak Ut Danum, Dayak Bukit, Dayak Kaharupan, Rampi, Wana, Rana, Tolare, Tahio, Pendala, Sajuan, Lanje, Kori, Bajo, and Tolaki
INO	1998	Central Sulawesi Integrated Area Development and Conservation	122,000	82,960	68%	Kaili, Pekurehua, Besoa, Bada, Pamona, Saluan, Belantak, Bangai
Lao PDR	2005	Nam Theun 2 Hydroelectric Project	Not identified	1,150 households affected by resettlement	Not identified	Vietic, Brou, Bo, Tai, and Sek
Lao PDR	2002	Northern Economic Corridor Project	88,843	81,735	Louang Namtha province: 97.7%; in Bokeo 86% are ethnic minorities	Lao, Leu, Kalom, Nyouan, Tai, Dam, Nhang (Yay), Khmou, Khmou Ou, Kwen, Ngouan, Sam Tao, Lamet, Bit, Panna, Lahu Shi (Kui), Kim Moun (Lanten), Hmong
Lao PDR	2000	Rural Access Roads Project	4,277 households within zone of influence	1,668 households	39%	Lao Theung, Lao Sung

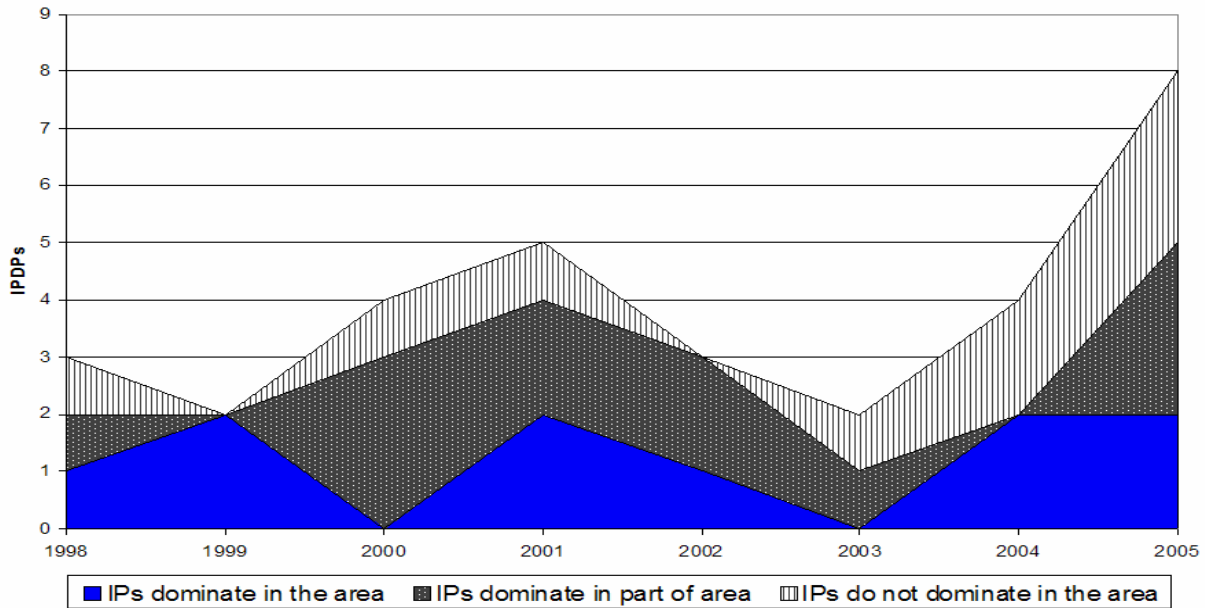
Country	Year	Project	No. of Beneficiaries	No. of Affected Indigenous People	Percentage of IP Beneficiaries	Nature of IP/EMs
Lao PDR	1999	Water Supply and Sanitation Sector Project	165,000	9,900	60%	Lao Soung, Lao Theung
NEP	2001	Road Network Development Project	745,932	No exact figure	Not identified	Baniya Kami, Bhote, Chhetri, Choudhari, Damai, Dusadh, Giri, Gurung Damai, Gurung, Kami, Kumal, Limbu, Magar, Magar Rai, Maji, Malala Satar, Malar, Marwadi, Musahar, Newar, Rajbansi, Sahani, Sami, Sarki, Satar, Sherpa, Tamang, Thakuri, and Yadev
PHI	1998	Southern Philippines Irrigation Sector Project	531,000	No exact figure	93% Maranaos in Muslim area (rest are less than 10%)	Lumads (Surigaonon, Maman-wa, Manobo, Butuanon) and Muslim Maranaos
VIE	2005	Central Region Water Resources Project	400,484	No exact figure	58% in one project area and 5% for the rest (five areas)	Muong, Hre
VIE	2005	Preventive Health System Support Project	58,730,400 in 46 provinces covered	826,000	14%	53 ethnic minority groups)
VIE	2004	Health Care in the Central Highlands Project	4,400,000	1,500,000	34%	Gia Lai, Kon Tum, Dak Lak, and Lam Dong
VIE	2002	Upper Secondary Education Development Project	460,000	142,500	31%	Not identified
VIE	2001	Central Region Livelihood Improvement Project	345,000	207,000	60%	Bana, Braum Bru–Van Kieu, Chut, K'Tu, Gia Rai, Gie Trieng, Hre, Ta Oi, R'Mam, and Sedang
VIE	2001	Forest for Livelihood Improvement in the Central Highlands**	80,000	No exact figure	Ranges from 50% to 100%	K'Ho, Ma, Cham H'roi, M'nong, Tay, Dao Man, Ja-Rai, Ba'Na, and Ede
VIE	2001	Provincial Roads Improvement Sector Project	19,000,000 in northern areas	No exact figure	49% to 95% of the population	K'Ho, Ma, Cham H'roi, M'nong, Tay, Dao Man, Ja-Rai, Ba'Na, and Ede

BAN = Bangladesh, CAM = Cambodia, EM = ethnic minorities, GMS = Greater Mekong Subregion, IND = India, INO = Indonesia, IP = indigenous peoples, Lao PDR = Lao People's Democratic Republic, PHI = Philippines, PRC = People's Republic of China, VIE = Viet Nam.

Sources: All IP development plans approved from 1998 to 2005 as posted on the Asian Development Bank's safeguards website.

INDIGENOUS PEOPLES DEVELOPMENT PLANS FROM 1998 TO 2006

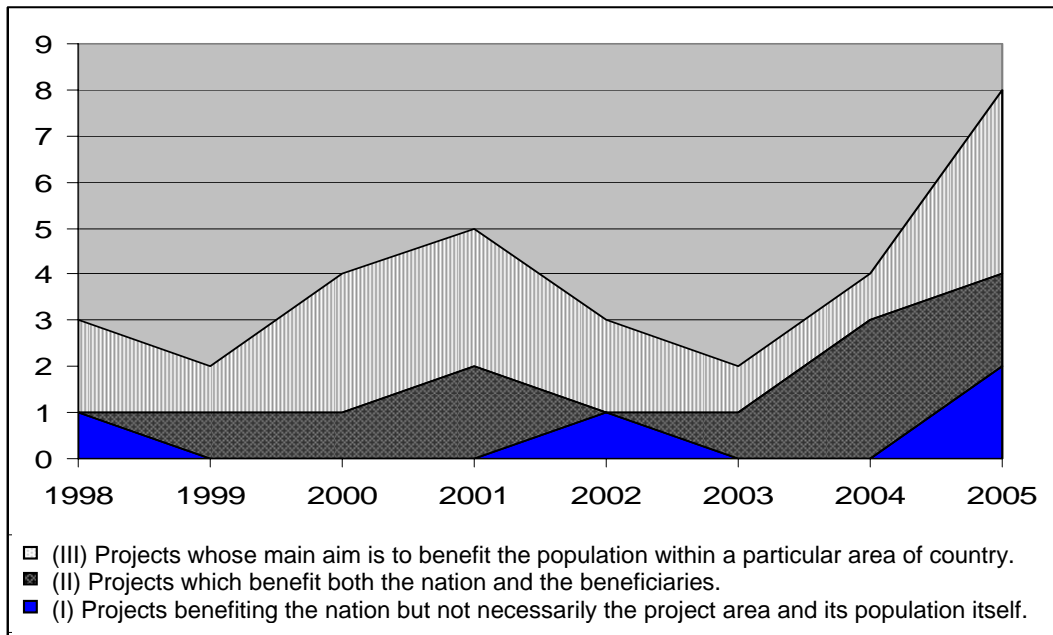
Figure A6.1: Predominance of IP in Projects Approved Between 1998 and June 2006



IP = indigenous peoples (includes ethnic minorities, scheduled tribes, etc.), IPDP = indigenous peoples development plan.

Sources: Thirty-one IPDPs studied, issued from 1998 to June 2006.

Figure A6.2: Category According to Project Nature by Year



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

NATURE OF RISKS IDENTIFIED IN ALL 22 INDIGENOUS PEOPLES DEVELOPMENT PLANS WITH RISKS

Year	DMC	Project	With Identified Risks?	Relating to Resettlement?	Relating to Environment?	Relating to Culture?	Other Than Culture?	Risk Identified Not Relating to Resettlement or Environment
2005	PRC	Central Sichuan Roads Development Project	Yes	Yes	Yes	No	Yes	(i) Construction-related disturbances such as noises, (ii) HIV and drug trafficking, and (iii) gender equality
2005	PRC	Hunan Roads Development III Project	Yes	Yes	Yes	No	Yes	(i) Construction-related disturbances such as noises, (ii) HIV and drug trafficking, and (iii) increase in accidents
2005	INO	Tangguh Liquefied Natural Gas Project	Yes	Yes	Yes	Yes		(i) Development-induced marginalization of indigenous people; and (ii) influx of migrants, potentially leading to dilution of local culture
2005	LAO	Nam Theun 2 Hydroelectric Project	Yes	Yes	Yes	Yes		Loss of areas where herbs and roots used in traditional health practices are gathered
2005	VIE	Central Region Water Resources Project	Yes	Yes	No	No		None identified
2004	PRC	Dali-Lijiang Railway Project	Yes	Yes	Yes	Yes	Yes	(i) Construction-related disturbances such as noises, (ii) HIV and drug trafficking, (iii) increase in accidents, (iv) weakening of cultural realm of ethnic minorities due to cultural shock, and (v) exposure of young people to behavior that conflicts with traditional society and weakens traditional family structures
2004	PRC	Guangxi Roads Development II	Yes	Yes	Yes	No	Yes	(i) Construction-related disturbances such as noises, and (ii) HIV risks
2004	PRC	Hunan Roads Development II Project	Yes	Yes	Yes	No	Yes	(i) Construction-related disturbances such as noises, (ii) HIV risks, and (iii) increase in accidents
2004	LAO	Northern Economic Corridor Project	Yes	Yes	Yes	Yes	Yes	(i) Increased access to commercial mechanical logging, leading to possible loss of habitat, food security, and cultural heritage of highland indigenous people; and (ii) HIV and human trafficking
2004	VIE	Health Care in the Central Highlands Project	Yes	No	No	No	Yes	HIV risks
2003	IND	Chhattisgarh Irrigation Development Project	Yes	No	No	Yes		Influx of outsiders, which may disrupt cultural conditions
2003	IND	Rural Road Sector I Project	Yes	Yes	No	No		None identified

Year	DMC	Project	With Identified Risks?	Relating to Resettlement?	Relating to Environment?	Relating to Culture?	Other Than Culture?	Risk Identified Not Relating to Resettlement or Environment
2001	NEP	Road Network Development Project	Yes	Yes	Yes	Yes		Influx of labor, posing cultural and social tension between IP and outsiders (risk identified in EIA)
2001	VIE	Central Region Livelihood Improvement Project	Yes	No	No	Yes		(i) Influx of migrants, posing threat to IP; (ii) programs (microfinance) that do not recognize inherent cultures, causing destabilization in traditional way of life; and (iii) possible failure to respect traditions
2001	VIE	Provincial Roads Improvement Sector Project	Yes	Yes	No	Yes	Yes	(i) Increased exposure of IP to exploitation, (ii) increased migration/influx into zone of influence, (iii) disruption during construction, and (iv) increased exposure to communicable diseases
2000	BAN	Chittagong Hill Tracts Rural Development Project	Yes	No	No	Yes		(i) Influx of migrants, posing threat to IP; and (ii) programs (microfinance) that do not recognize inherent cultures, causing destabilization in traditional way of life
2000	PRC	Chongqing–Guizhou Roads Development	Yes	No	Yes	No		None identified
2000	LAO	Rural Access Roads Project	Yes	Yes	No	No		None identified
1999	PRC	Southern Yunnan Road Development Project	Yes	Yes	Yes	No		None identified
1998	PRC	Guizhou–Shuibai Railway Project	Yes	Yes	Yes	No		None identified
1998	INO	Central Sulawesi Integrated Area Development and Conservation	Yes	Yes	No	No		None identified
1998	PHI	Southern Philippines Irrigation Sector Project	Yes	No	Yes	Yes		Cultural restrictions on public interactions of men and women, and low level of education and literacy of Maranao women hindering participation
			Yes = 22	Yes = 16 No = 6	Yes = 13 No = 9	Yes = 10 No = 12	Yes = 8	

BAN = Bangladesh, EIA = environmental impact assessment, IND = India, INO = Indonesia, IPDP = indigenous peoples development plan, LAO = Lao People's Democratic Republic, NEP = Nepal, PHI = Philippines, PRC = People's Republic of China, VIE = Viet Nam.

Source: Thirty-one IPDPs approved from 1998 to 2005.

**SUMMARY OF CONSULTATIONS HELD
FOR 31 INDIGENOUS PEOPLES DEVELOPMENT PLANS**

Project/ Year	Consultation and Public Participation Method	No. of Participants	Time Frame
2005			
GMS: Regional Communicable Disease Control Project	None mentioned; national data used in the EMDP document	Not mentioned	Not mentioned
PRC: Central Sichuan Roads Development Project	Conducted household social economic survey during PPTA (includes Han population, 24% of the persons surveyed are YI ethnic minority)	2,522 persons (or 600 HH)	July–Aug 2004
PRC: Hunan Roads Development III Project	PPTA field survey conducted; survey included Tujia/Han (40 HH), Miao (84 HH) ethnic groups	124 ethnic HH in 20 villages	Not mentioned
	Focus group discussions (90% were from minority groups)	126 women	Not mentioned
	Participatory assessment sessions, consultations, discussions, and interviews	Not mentioned	Not mentioned
IND: Chhattisgarh Irrigation Development Project	Household survey conducted during PPTA and consultations held with tribal groups (participatory rural appraisal through focus group discussions), 50% of which were scheduled tribes	58 households	Not mentioned
INO: Tangguh LNG Project	Pre-project village consultations held (20 town and village consultations, with all the participants from ethnic groups)	1,665 persons	July–Aug 2000
	Village consultations held and socioeconomic survey conducted	2,500 persons	May 2000–May 2002
LAO: Nam Theun 2 Hydroelectric Project	Village consultations held and socioeconomic survey conducted (in Nakai Plateau; all participants were from ethnic minorities)	1423 persons	Phase 1: 1996; Phase 2: May–Aug 2004; Phase 3: July 2004
	Village consultations held and socioeconomic survey conducted (for downstream areas; all participants were ethnic minorities from downstream areas)	587 persons	Jan 2005
VIE: Central Region Water Resources Project	Social survey conducted during PPTA (in the Tra Cua subproject the social survey samples taken for the resettlement plan were all from relocating Hre HH)	Not mentioned	Not mentioned
VIE: Preventive Health System Support Project	EMDP information based on Viet Nam National Health Survey (2001–2002) and 1999 national census	Not mentioned	Not mentioned
2004			
PRC: Dali-Lijiang Railway Project	Surveys, participatory assessment sessions, consultations, discussions, and interviews conducted with minority population during field assessment (mixed population; no EM distinction)	3,828 persons	September 2002–August 2004
	EMDP extension survey	419 persons	21 May–14 June 2004
PRC: Guangxi Roads Development II	Consultation held with ethnic minority during project TA	Not mentioned	Not mentioned

Project/ Year	Consultation and Public Participation Method	No. of Participants	Time Frame
	Stakeholder consultations held (not only for EMDP but for the entire project) including (i) feasibility study assessment (200 individuals), (ii) evaluation of the preliminary design (150), (iii) social and economic survey (2,000), and (iv) preparation of final reset	4,000 individuals consulted	Not mentioned
PRC: Hunan Roads Development II Project	Poverty and social assessment field survey conducted during PPTA (ethnic minority communes)	342 households	January 2000–August 2003
	Participatory assessment sessions, consultations, discussions, and interviews held	Not mentioned	Not mentioned
	Public consultations held (mixed population; no EM distinction but conducted within 38 minority villages)	3,370 people consulted	
VIE: Health Care in the Central Highlands Project 2003	EMDP information based on Viet Nam National Health Survey (2001–2002)	Not mentioned	Not mentioned
IND: Rural Road Sector I Project	Socioeconomic survey conducted in two states in a few sample districts (mixed population; no scheduled tribes distinction)	164 HH (98 HH in Madhya Pradesh and 66 HH in Chhattisgarh)	Nov 2002 in Madhya Pradesh and Dec 2002 in Chhattisgarh
	Consultative meetings and participatory consultations with stakeholders held (24 in Madhya Pradesh and 6 in Chhattisgarh)	345 participants in Madhya Pradesh and 65 participants in Chhattisgarh	Not mentioned
IND: Chhattisgarh State Road Development Project 2002	Community consultations, focus group discussions, and surveys related to indigenous people conducted	Not mentioned	Not mentioned
CAM: Health Sector Support Project	Not mentioned (EMDP was based on previous studies in Cambodia, including TA 5794-REG, addressing the Health and Education Needs of Ethnic Minorities in Greater Mekong Subregion, and TA 5953-REG: Capacity Building for Ethnic Minorities)	Not mentioned	Not mentioned
LAO PDR: Northern Economic Corridor Project	Household survey conducted and consultations with ethnic minorities along the road held	Not mentioned	During technical assistance
VIE: Upper Secondary Education Development 2001	No mention of survey and consultation during preparation stage	Not mentioned	Not mentioned
CAM: Education Sector Development Program	EMDP information based on national literacy survey	Not applicable	Not applicable
NEP: Road Network Development Project	Census and survey of affected villages conducted, informal meetings held (100% census of potentially affected HH; EMs not distinct)	Not mentioned	During 1998/1999 ISA and May–June 2001

Project/ Year	Consultation and Public Participation Method	No. of Participants	Time Frame
VIE: Central Region Livelihood Improvement Project	Survey of households, focus group meetings, and consultations with local officials (representatives of four communes) held	120 HH (or 368 individuals)	Not mentioned
VIE: Forest for Livelihood Improvement in the Central Highlands	Participatory appraisals and participatory research carried out in sample communities (at the commune community, village leadership and council, focal group, and household levels) and focus group discussions held (some villages had Kinh population present; no EM distinction)	Not mentioned	Not mentioned
VIE: Provincial Roads Improvement Sector Project	Participatory approach combined with workshops, individual meetings, key informant interviews, and field surveys of 21 roads (EMs not distinct)	Not mentioned	During project preparation
	Study tour and field survey (socioeconomic survey) conducted	126 HH (or 679 individuals) in Lai Chau province	Not mentioned
2000			
PRC: Chongqing- Guizhou Roads Development	Social survey, participatory rural appraisal (PRA), consultations, and interviews conducted (EMs not distinct)	432 persons	May 1996– February 2000
BAN: Chittagong Hill Tracts Rural Development Project	Socioeconomic survey of households and consultations conducted (all participants were from ethnic groups: Bangali, Bawm, Chak, Chakma, Khumi, Kheyang, Lushei, Marma, Mro, Pankhua/Pankko, Tanchangya, Tripura, and Rakhain)	600 households	12 Participatory rapid rural appraisal and three project formulation workshops
INO: Community Empowerment for Rural Development Project	Not mentioned	Not mentioned	Not mentioned
LAO PDR: Rural Access Roads Project	Detailed resettlement survey carried out along the alignments under the proposed project (included no EMs; EMs not distinct)	Not mentioned	April–May 2000
1999			
PRC: Southern Yunnan Road Development Project	Socioeconomic survey of households, field investigations, participatory rural appraisal, and rapid rural appraisal facilitated; interviews with village leaders and key informants and group discussions providing special attention to women and elderly; workshop organized to refine information from field investigation (included Yi people, Lahu people, and Dai people, all from minority groups)	10 villages	Not mentioned
LAO PDR: Water Supply and Sanitation Sector Project	Problem census survey carried out by NGOs to find needs and priorities of the communities; socioeconomic surveys conducted	Not mentioned	Not mentioned

Project/ Year	Consultation and Public Participation Method	No. of Participants	Time Frame
1998			
PRC: Guizhou-Shuibai Railway Project	Social survey of minority groups conducted (66 HH were from Han nationalities) Public consultations and township meetings held (public officials and affected persons were consulted)	125 households 93 individuals	Aug 1997 Aug 1993– Aug 1997
INO: Central Sulawesi Integrated Area Development and Conservation	Social survey conducted (featured participatory planning sat the community/household level; indigenous peoples participated in decisions on types of development assistance); forums and workshops conducted	Not mentioned	Not mentioned
PHI: Southern Philippines Irrigation Sector Project	Conducted social survey, Consultations with representatives of the Maranao community and participatory planning	Not mentioned	Not mentioned

EM = ethnic minority, EMDP = ethnic minority development plan, HH = households, IND = India, INO = Indonesia, LAO PDR = Lao People's Democratic Republic, LNG = Liquefied Natural Gas, NGO = nongovernment organization, PPTA = project preparatory technical assistance, PRC = People's Republic of China, TA = technical assistance, VIE = Viet Nam.

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

CONSULTATION PROCESSES FOR THE INDIGENOUS PEOPLES DEVELOPMENT PLANS FOR THE TANGGUH LIQUEFIED NATURAL GAS AND NAM THEUN II HYDROELECTRIC PROJECTS

1. **Tangguh Liquefied Natural Gas (LNG) Project in Indonesia.**¹ The private sector Tangguh LNG project necessitated land acquisition and the physical relocation of the Tennah Merah community, with 127 households (or 694 persons). The Sowai, Wayuri, and Simuna clans of the Sumuri tribe also relinquished 3,466 hectares of clan lands.

2. The social and environmental impact analysis for the Tangguh LNG Project entailed (i) public disclosure through national and provincial media (radio and newspapers); and (ii) public consultations at the national, provincial, regency, district, and village levels. At the village level, 15 meetings, at which 51 villages were represented, were held; each meeting usually took 3–5 hours. Separate consultations were held for women if a limited number were represented during the regular consultations. Almost 2,500 people participated in the consultation process and over 2,000 written suggestions, concerns, and recommendations were sent in by the stakeholders at the national, provincial, district, town, and village levels. Each consultation with ethnic minorities was clearly documented and discussed in the indigenous peoples development plan. Key concerns raised by the ethnic communities were associated with (i) opportunities to participate in the project through supply of goods and services and provision of trade markets for their produce; (ii) the development of the people through education, training, and the provision of health services and water and sanitation facilities; (iii) the need to respect local culture and customs especially with the influx of migrant construction workers; and (iv) prevention or avoidance of negative project-induced impacts (such as in-migration of construction workers, alcohol, sexually transmitted diseases). The concerns identified by the community were used as basis for the terms of reference for the social and environmental impact analysis (SEIA) and the integrated environmental and social impact analysis (AMDAL²). These two documents were then used as inputs in developing the integrated social development plan for the project.

3. Different consultations were held from the time the project was first announced publicly on 2 May 2000 and the time the final SEIA was presented in April 2002 in Jayapura and May 2002 in Jakarta. The SEIA's project design and potential impacts should be seen as a reflection of the views of the communities. For the subsequent AMDAL, several consultation methods were used as well. These methods included the following:

- (i) public announcements through the printed and electronic media at the national and local levels;
- (ii) consultations with interested groups in Jakarta and in Papua;
- (iii) preparation of information materials targeted at different stakeholder groups;
- (iv) presentation to various stakeholder groups, including local communities, local government, community leaders, nongovernment organizations (NGOs), local universities, and media;
- (v) workshops addressing the concerns of affected people, at which information was provided on the nature of the project, environmental and social impacts, and proposed management measures and monitoring plans;

¹ Loan 2214-INO and EI 7224-INO, for \$350.0 million, approved 14 December 2005.

² The Indonesian acronym for "integrated environmental and social impact assessment." AMDAL has three components: the assessment (ANDAL), the mitigation plans (RKL), and the monitoring and compliance plan (RPL).

- (vi) consultations with local NGOs participating in site tours, and national and international NGOs;
- (vii) capacity building of selected representatives (through training by local university and government specialists) as part of the AMDAL public consultation process, to ensure that the participants were aware of and properly understood the project and the AMDAL process;
- (viii) a study tour of the Bontang LNG facilities in East Kalimantan by community representatives; and
- (ix) appropriate response to concerns raised through the public consultation process related to environmental and social programs.

4. Consultations were continued during project implementation. The stakeholders were government, nongovernment organizations, civil society organizations, and communities. Annual meetings were held with NGOs and community, and regular meetings with the government. Targeted beneficiaries were also consulted as part of the program design and project implementation. Quarterly meetings were held in Kabupaten Teluk Bintini; in the rest of the communities, such as Fakfak, Sorong, and Manokwari, meetings were held every 6 months. Another form of consultation was conducted with the stakeholders during the monitoring and evaluation phase. Stakeholders were allowed to give feedback on the project. Independent assessment of the project through stakeholder consultations was also done.

5. Other avenues for community participation in project implementation included (i) capacity-building programs, which aimed to increase local participation in specific sectors such as social and economic development; and (ii) grievance tracking and resolution, although programs of the project were developed through participatory planning. Awareness of grievance and complaint procedures was promoted through the use of commercial and community radios, posters, cartoon booklets, and direct communications with the field team.

6. **Nam Theun II Hydropower Project in Lao People's Democratic Republic.**³ The project involved the development, construction, and operation of a 1,070 megawatt trans-basin diversion power plant on Nam Theun River. The construction and operation of the Nakai reservoir required the relocation of 1,149 households (or 6,340 persons) from 16 of 17 villages in the area of Nakai Plateau. There were three phases of public consultations at local, regional, national, and international levels during project planning and implementation. The participation of women and other vulnerable groups was assured. A total of 1,423 participants were consulted during the planning of the project through household surveys, focus group discussions, and other special meetings. Village leaders, village elites, and ritual leaders were consulted on relocation sites, traditional housing designs, loss of cemetery land, and the cost of appeasing the spirits that should be met by the project; rituals held for moving villages and houses; and auspicious days for starting the relocation.

7. The project's public consultation, participation, and disclosure process had three phases:
- (i) Phase 1: Starting in 1996, public consultations were held to allow stakeholders and project-affected people (PAPs) to participate in project design, both in the technical design of mitigation measures and in the design of the resettlement and compensation package.
 - (ii) Phase 2: The consultations conducted from May to August 2004 provided further refinement of the project strategy and design.

³ Loan 2162-LAO, for \$20.0 million, approved 4 April 2005.

- (iii) Phase 3: The July 2004 version of the social development plan was disclosed on the project's website.

8. Language barriers were the major concern of the project, and consultations were held to ensure the effective translation of technical words into the ethnic language. Methodologies and tools used during public consultations were: visual presentations, general village meetings, small group meetings, PRA techniques, socioeconomic surveys, seminars and workshops, Nam Theun 2 project information centers, mass media, and site visits.

9. Discussions during consultations focused mostly on the impacts of relocation, since 16 of the 17 villages in Nakai Plateau were affected by relocation. The main concern of the IP villages was food security. Other concerns were: (i) proper compensation, (ii) loss of structures, (iii) loss of irrigation potential, (iv) loss of cemetery land, (v) impacts on existing irrigation systems, (vi) removal of rapids, (vii) improvements in infrastructure, (viii) training for project work, (ix) income-generating schemes, and (x) health situation.

WORLD BANK EVALUATION FINDINGS REGARDING IMPACTS OF INDIGENOUS PEOPLES PROJECTS: LESSONS LEARNED

1. **Social Protection.**¹ In social fund and/or rural infrastructure provision projects, indigenous peoples (IP) were mainly beneficiaries overall, and the likelihood of such subprojects adversely affecting IP was low. Projects, however, need to build appropriate and IP-sensitive capacity; otherwise, the effects of subprojects may be less positive on IP than on non-IP communities. In demand-based projects, communities with greater capacity to apply and contribute their share of the costs received more funding. Poverty targeting had not been effective in reaching IP in countries with a low percentage of IP populations.
2. **Agriculture Projects.** All projects investigated generated satisfactory results for IP; however, in some cases the creation of project village organizations with special rights over forestland created social tensions and conflict in resource-constrained areas. With respect to a rubber project in India, it was concluded: “Although the project set a path for IP assimilation into mainstream Indian economy, it involved significant beneficiary participation in design and implementation, and therefore the results were responsive to IP needs and priorities.”
3. **Education and Health Projects.** The evaluation pointed out that the long-term benefits of education and health are not exclusive to the labor markets, but also reduce the dependence of IP on forests through three indirect channels. Education increases the ability of foragers to leave the countryside; it improves the use of agricultural land tenure through the adoption of new technologies and better application of old ones, and it reduces family size. However, projects in the education sector pose considerable difficulties for the evaluator. Some view education in the first language of the IP as placing them at a disadvantage with regard to further educational opportunities. Field assessments drew no conclusive picture of what IP communities prefer. Language was considered in only one of the four education projects assessed. The evaluation also pointed out that education and health projects can have positive effects on IP even without an IP development plan (IPDP).
4. **Energy, Mining, and Transportation Projects.** Of the 17 projects evaluated in these sectors, only two—one in energy and mining, and one in transportation—generated satisfactory results; another four in transportation generated marginally unsatisfactory results. The evaluation showed that several mineral extraction projects had no emphasis on revitalizing sustainable local economies of IP. Road projects, especially upgrades, were perceived to be very important for the development of the local economy, improved living standards, and increased social and spatial mobility. Yet the evaluation argued that without an IPDP (and none of the nine projects studied had one), roads would benefit external stakeholders rather than IP—this, although Management had noted that eight of the nine projects were rated satisfactory or highly satisfactory with respect to development outcomes.
5. **Environment Projects.** Only two of the six projects reviewed in this sector were rated satisfactory in terms of efficacy of projects for IP. One satisfactory project showed that the World Bank can support the achievement of results with significant patience and efforts. A project in Colombia on natural resource management took 77 months from identification to effectiveness, which may be viewed as inefficient by standard criteria, but it involved informed participation of IP, led to community titling for indigenous and Afro-Colombian people, established new reserves, and marked the boundaries of existing reserves.

¹ Operations Evaluation Department, World Bank. 2003. *Implementation of Operational Directive 4.20 on Indigenous Peoples: an Evaluation of Results*. Washington, D.C. (10 April).

6. **Institutional Impacts.** In terms of institutional impacts, the World Bank evaluation noted that participation in the majority of projects took place through modern state structures, such as village-level health or education committees; field assessments indicated that these project structures created new power relations, weakening traditional IP communities. However, the committees represented an economic power that the traditional indigenous authorities could not match. For example, field assessments in Peru indicated that traditional work systems were being weakened because IP beneficiaries preferred to work for wages. Field assessments indicated a need for a dispute settlement mechanism at the project level to address conflict. Only 10% of projects had IP related monitoring systems and very few established any baseline data. A difficult area that remained was the maintenance by most IP communities of worldviews that were different from those held by other dominant cultures. Concepts of gender equality based on individual human rights did not fit in with that worldview.

7. **Sustainability.** The sustainability of results for IP was generally lower than that for the projects overall. The field assessments indicate that in many cases IP did not have an adequate understanding of their potential roles and mandates in participatory development. In addition, capacity-building activities were not adapted to the needs of IP communities. Another critical aspect of sustainability was the borrower's commitment to the continuation of activities when project financing was withdrawn. In most cases, protecting the interests of IP was a tangential issue and not a primary objective. Therefore, borrower institutions responsible for the development of IP often did not participate in the design or implementation of the project. Greater involvement of IP institutions would have enhanced sustainability in several cases.

INTER-AMERICAN DEVELOPMENT BANK EVALUATION FINDINGS REGARDING PROJECTS WITH INDIGENOUS PEOPLES AS BENEFICIARIES¹

1. **Targeting.** Poverty targeting proved difficult for indigenous peoples (IP) because there was generally little agreement on how to define and enumerate IP. Communal organizational capacity, although high, differed from what was needed to prioritize and implement a menu of projects received from an outside organization. The result was that some of the most isolated communities were not served.

2. **Budget Support.** The most common problem of the projects reviewed was that they had been designed with long-term goals without ensuring that sufficient budgetary support existed to sustain them through the long-term efforts that were required to harvest their full impact. All of the evaluated projects needed considerably more time than a single project cycle to achieve their intended results. However, all experienced funding difficulties either during the first project cycle, or when they had to be expanded or sustained either by a second project or by the country itself. This was particularly unfortunate, because the projects reviewed delivered positive results.

3. **Other Findings.** The study also identified some issues relevant to IP as members of a separate group, rather than as members of the poor, generally. The study confirmed the findings of the World Bank's evaluation of 2003 that services offered by governments to indigenous communities are often different in quality, funding, or impact from similar services offered to nonindigenous communities. Great care in monitoring and evaluation was suggested to understand why differences in impact occurred and what could be done to produce more equitable results. Another weakness in many of the projects reviewed was that they did not respond to the need for paid work, which was the need expressed most often. A third weakness was that, although communities were consulted during project design and played a role in project implementation, they had not been encouraged to establish ties with political entities, such as municipalities and states, that would be needed in the future to sustain projects. Another problem was that projects had failed to train communities in long-term actions. A fifth weakness identified was that many social projects targeted to indigenous women were based on the wrong premise that the women had considerable time to do volunteer work. Project designers needed to be more sensitive to the actual schedules of indigenous women and to their need for paid work and for training to assume leadership roles.

¹ Office of Evaluation and Oversight, IADB. 2002. *Summary of Evaluation Findings of 10 Projects that Include Indigenous People as Beneficiaries*. Washington, D.C.

ASSESSMENTS BY PROJECT COMPLETION REPORTS

**Table A12: Summary Impacts on Indigenous Peoples,
from Project Completion Reports of Projects Approved from 1994 onwards**

Year	Loan No.	Country	Project Title	Impact	Impact On	IP Plan	PCR Rating
1994	1306	THA	Regional Roads (Sector)	None ^a	—	None	S
1994	1328	PRC	Qitaihe Thermal Energy and Environmental Improvement	None ^a	—	None	S
1994	1332	PHI	Rural Infrastructure Development	None ^a	—	None	S
1995	1404	VIE	Fisheries Infrastructure Improvement	None ^a	—	None	PS
1996	1462	SRI	North Central Province Rural Development	None ^a	—	None	PS
1996	1470	PRC	Chongqing Expressway	None ^a	—	None	S
1996	1478	BAN	Jamuna Bridge Access Roads	None ^a	—	None	S
1996	1484	PRC	Jiangxi Expressway	None ^a	—	None	S
1996	1491	PRC	Anhui Environment Improvement Project	None ^a	—	None	S
1997	1544	PRC	Zhejiang-Shanxi Water Conservancy	None ^a	—	None	S
1997	1590	PHI	Power Transmission Reinforcement Project	None ^a	—	None	PS
1997	1599	PHI	Subic Bay Area Municipalities Infrastructure Improvement	None ^a	—	None	US
1999	1697	CAM	Primary Roads Restoration	None ^a	—	None	S
1994	1304	PRC	Yunnan-Simao Forestation and Sustainable Wood Utilization	Positive	Livelihood	None	PS
1995	1348	LAO	Primary Health Care	Positive	Health	None	S
1995	1351	INO	Sulawesi Rainfed Agriculture Development	Positive	Livelihood	None	S
1995	1379	PHI	Umiray-Angat Transbasin	Positive	Livelihood	None	S
1995	1400	PRC	Henan Power Project	Positive	Livelihood	None	HS
1996	1420	KAZ	Educational Rehabilitation and Management Improvement	Positive	Education	None	S
1996	1421	PHI	Cordillera Highland Agricultural Resource Management	Positive	Land Tenure	Indigenous Cultural Communities Development Strategy	S
1996	1445	CAM	Agriculture Sector Program	Positive	Land Tenure	None	S
1996	1446	CAM	Basic Education Textbook	Positive	Education	None	HS
1996	1460	VIE	Population and Family Health	Positive	Health	Project Strategies for Ethnic Minorities	Sat
1996	1494	THA	Skills Development	Positive	Livelihood	None	HS
1997	1521	BAN	Second Primary Education Sector	Positive	Education	Tribal Development Strategy	S
1997	1524	BAN	Participatory Livestock Development	Positive	Livelihood	None	S
1997	1554	BAN	Education Sector Development Program	Positive	Education	None	S
1997	1573	INO	Second Junior Secondary Education	Positive	Education	Project's Strategy for Culturally Distinct Communities	HS
1997	1585	VIE	Central and Southern Viet Nam Power Distribution	Positive	Social Infrastructure	None	S
1997	1594	UZB	Basic Education Textbook Development	Positive	Education	None	HS

Year	Loan No.	Country	Project Title	Impact	Impact On	IP Plan	PCR Rating
1999	1685	PRC	Northeast Flood Damage Rehabilitation Project: Inner Mongolia Autonomous Region	Positive	Social Infrastructure	IP Specific Action	HS
1994	1318	PRC	Hunan Lingjintan Hydropower Project	Negative	Resettlement	None	S
1995	1372	PRC	Hainan Agriculture and Natural Resources Development	Negative	Livelihood	None	US
1995	1402	SRI	Plantation Reform	Negative	Resettlement	None	HS
1995	1415	IND	Karnataka Urban Infrastructure Development (Government of India)	Negative	Resettlement	None	S
1996	1475	INO	Segara Anakan Conservation and Development	Negative	Resettlement	None	US
1996	1487	VIE	Second Road Improvement (Phase I)	Negative	Resettlement	Ethnic Minorities Action Plan	HS
1998	1626	PRC	Guizhou-Shuibai Railway	Negative	Resettlement	Ethnic Minorities Development Plan	HS
1998	1644	PRC	Yunnan Dachaoshan Power Transmission	Negative	Resettlement	Minority Ethnic People's Development Framework	S
1999	1691	PRC	Southern Yunnan Road Development	Negative	Resettlement	Ethnic Minorities Development Plan	S

BAN = Bangladesh, CAM = Cambodia, HS = highly successful, IND = India, INO = Indonesia, IP = indigenous peoples, KAZ = Kazakhstan, LAO PDR = Lao People's Democratic Republic, PCR = project completion report, PHI = Philippines, PRC = People's Republic of China, PS = partly successful, S = successful, Sat = satisfactory, SRI = Sri Lanka, THA = Thailand, US = unsuccessful, UZB = Uzbekistan, VIE = Viet Nam.

^a PCRs mentioned that there were no impacts or issues encountered on ethnic minorities/IP.

Source: Project completion reports.

Box A12.1: Project Completion Report Assessment of Three Indigenous Peoples Development Plans

PRC: Guizhou–Shuibai Railway Project (approved in 1998). The PCR rated the implementation of the IPDP successful, even though many ethnic minority households were affected by land acquisition and resettlement for the railway. During resettlement, all land compensation and resettlement subsidies were paid to the ethnic minorities in cash, at their request. All affected ethnic households received total compensation for relocating, and their new houses were larger than their previous ones. Employment of ethnic minorities was prioritized during civil works construction. Ethnic minorities had participated in training programs and microcredit programs. The PCR's conclusion was that the mitigation measures and income-restoration programs raised the agriculture output and per capita income among ethnic minorities affected by the project by as much as 76% between 1997 and 2003. Moreover, the PCR also mentioned that the incomes of these ethnic minorities increased at a much higher rate (31%) than the incomes of all people affected by the project. The special survey of project impacts undertaken for this SES is reported in Appendix 17 and confirmed the findings of the PCR.

PRC: South Yunnan Expressway Project (approved in 1999). This was expected to affect ethnic minorities composing 70% of people in the project area. It included a minority peoples development plan based on the requirements of ADB's policy on indigenous peoples. According to the PCR, economic development strategies for ethnic minorities were well integrated into the counties' economic development plans and focused mainly on poverty reduction and on the construction of roads and other infrastructure. The minority peoples development plan included mitigating measures, which were observed throughout the construction of the project. Local ethnic minority cultures and customs were respected through the avoidance of any damage to sacred places (the PCR also mentioned that in cases where damage would have been unavoidable, the project relocated the sacred places). Local governments supported the economic activities of ethnic minorities through microcredit schemes and special funds, as well as through the training of local farmers. Affected ethnic households were also prioritized in the hiring of workers during the construction of civil works for the project.

Worth noting in the report is the effort to avoid the disruption of ethnic minorities' customs and social relationships, through the relocation of affected households within the same community. Delays in land compensation payments were experienced because of shortages in local government funding. But officials were able to work closely with affected villages to resolve such problems and minimize economic losses. The social integrity of ethnic minorities was safeguarded primarily by means of institutions and relationships that already existed in the project area and that were widespread throughout the province. Because of this, no special measures were required, although ADB policy helped highlight the concern that local people's rights, community property, customs, and sacred places should be fully respected during project construction.

Viet Nam: Population and Family Health Project (approved in 1996). This project was aimed at easing population growth in Viet Nam by promoting various family planning services in selected highland provinces, in some of which ethnic minorities were a majority of the population. In accordance with the national family planning strategy for ethnic minorities, the one- or two-child policy was softened, while efforts were made to improve access to family planning services. The PCR observed that family planning services for ethnic minorities improved considerably during the project, and that provinces with proportionally more ethnic minorities showed a much higher number of acceptors in 2002 compared with the number at the start of the project in 1997. This increase was attributed partly to the resettlement of people from the lowlands into project areas. But in any case, the results implied that services were increasingly available for many ethnic minorities in Viet Nam.

IPDP = indigenous peoples development plan, PCR = project completion report, PRC = People's Republic of China, SES = special evaluation study.

Sources: ADB. 2005. *Project Completion Report on the Guizhou-Shuibai Railway Project in the People's Republic of China*. Manila; ADB. 2006. *Project Completion Report on the Southern Yunnan Road Development Project in the People's Republic of China*. Manila; ADB. 2004. *Project Completion Report on the Population and Family Health Project in Viet Nam*. Manila.

Box A12.2: Critical Assessments of Impacts on IP in Project Completion Reports

Hainan Agriculture and Natural Resources Development Project in PRC (approved in 1995). As a result of the socioeconomic survey conducted during the feasibility study, areas with Li minority communities—among the poorest—were targeted. In particular, investments under the Jiangfengling component encouraged Li families to participate in project-supported investments in (i) the Li handicrafts industry, (ii) commercial fruit and forest tree crop production, and (iii) agro-processing plants to be established. The PCR reported that the project failed to promote the economic development of the areas surrounding Jiangfengling National Forest Park and provide alternative employment for the local people. As a result, exploitation of the forest continued, and poverty levels and income differentials remained high among the Li ethnic minorities. The PCR rated the project unsuccessful.

Plantation Reform Project in Sri Lanka (approved in 1995). The PCR reported that a component of the project was directed at improving the living conditions of plantation workers. Improved housing was provided within plantation estates and, while workers enjoyed this benefit, plantation managers worried about the growing number of nonworkers residing within the estates. However, for reasons of ethnicity, workers might be reluctant to invest in housing in communities outside estates—pointing to the project design's lack of consideration for cultural ties within project-affected communities. The PCR rated the project highly successful nevertheless.

Segara Anakan Conservation and Development Project in Indonesia (approved in 1996). The PCR showed that good intentions can go wrong in a sensitive area like IP, especially when IP issues are not identified and mitigated at the preparation stage. The project proved unable to address the objections of communities indirectly affected by the proposed Citanduy river diversion, which was later canceled. Unfortunately, instead of leading to consensus, mediation exposed and worsened differences between an opposition group and lagoon inhabitants, who were from different provinces and belonged to different ethnic and cultural groups. The PCR rated the project unsuccessful.

Karnataka Urban Infrastructure Development Project in India (approved in 1995). The consultant's assessment in the PCR was that various options had been given to the project-affected persons who had lost homestead land (land for land, alternative housing sites provided with basic infrastructure, compensation). However, the resettlement plan did not identify the vulnerable groups within the APs and treated all the same, regardless of ethnicity or gender. The consultant's report called for "attention to the needs of the poorest affected persons including those without legal title to assets, female headed households and other vulnerable groups, such as indigenous peoples and appropriate assistance to help them improve their status." The PCR rated the project successful nevertheless.

Hunan Lingjintan Hydropower Project in PRC (approved in 1994).

Second Road Improvement (Phase I) in Viet Nam (approved in 1996).

Guizhou-Shuibai Railway Project in PRC (approved in 1998).

Yunnan Dachaoshan Power Transmission Project in PRC (approved in 1998).

Southern Yunnan Road Development Project in PRC (approved in 1999).

While all of the projects were rated successful or even highly successful (the Vietnamese project, and the Guizhou-Shuibai Railway), and the latter four had ethnic minority development plans, all registered some negative effects arising from the involuntary resettlement process. This was in spite of the fact that in most cases, the adverse impacts had been mitigated.

AP = affected persons, IP = indigenous peoples, PCR = project completion report, PRC = People's Republic of China.

Sources: ADB. 2004. *Project Completion Report on the Hainan Agriculture and Natural Resources Development Project in the People's Republic of China*. Manila; ADB. 2004. *Project Completion Report on the Plantation Reform Project in Sri Lanka*. Manila; ADB. 2006. *Project Completion Report on the Segara Anakan Conservation and Development Project in Indonesia*. Manila; ADB. 2001. *Project Completion Report on the Karnataka Urban Infrastructure Development Project in India*. Manila; ADB. 2003. *Project Completion Report on the Hunan Lingjintan Hydropower Project in the People's Republic of China*. Manila; ADB. 2003. *Project Completion Report on the Second Road Improvement Project in the Socialist Republic of Viet Nam*. Manila; ADB. 2005. *Project Completion Report on the Guizhou-Shuibai Railway Project in the People's Republic of China*. Manila; ADB. 2005. *Project Completion Report on the Yunnan Dachaoshan Power Transmission Project in the People's Republic of China*. Manila; ADB. 2006. *Project Completion Report on the Southern Yunnan Road Development Project in the People's Republic of China*. Manila.

**LIST OF PROJECTS CAMPAIGNED ON GROUNDS OF SAFEGUARD ISSUES
BY NGO FORUM ON ADB IN 2005 AND 2006**

Campaigned in 2006	Also in 2005
Bangladesh: Sundurban Biodiversity Conservation Project	
Bangladesh: Forestry Sector Program	
Cambodia: National Highway 1 Project	
Cambodia: Tonle Sap Environmental Management Project	
India: Madhya Pradesh Power Sector Program	x
India: Kerala Power Sector Program	
India: Karnataka Urban Infrastructure Development Project	
Indonesia: Community Empowerment for Rural Development South Kalimantan Project	
Indonesia: Tangguh Liquefied Natural Gas Facility, Papua, Indonesia	
Mekong: Greater Mekong Subregion Program	
Nepal: Melamchi Water Supply Project	x
Nepal: Kali Gandaki Dam Project	
Pakistan: Chasma Right Bank Irrigation Project	x
Pakistan: Sindh Coastal and Inland Community Development Project	
Pakistan: Korangi Wastewater Treatment Plant Project	
Philippines: Maynilad Water	
Philippines: Power Sector Restructuring Program	
Philippines: Grains Sector Development Project	
Sri Lanka: Southern Transport Development Project	
Sri Lanka: Water Resources Management Project	
Sri Lanka: Protected Areas Management and Wildlife Conservation Project	
Thailand: Samut Prakan Wastewater Management Project	
Thailand: Agriculture Sector Program	
Projects on the Website, Campaigned in 2005	
Great Mekong Subregion Highway 1 (Cambodia)	
Oil Palm Plantations (Papua New Guinea)	
Mekong Hydropower Grid	
Tonle Sap Developments (Cambodia)	
Theun Hinboun (Lao People's Democratic Republic)	
Nam Theun II ADB Involvement (Lao People's Democratic Republic)	
Early Warning System	
Power Sector Restructuring in Madhya Pradesh (India)	
Water Sector Reforms	
Social Forestry (Bangladesh)	
Dams in Burma	
GMS Flagship Projects	
World Bank–Asian Development Bank–Japan Bank for International Cooperation Infrastructure Study	
Highway Extension in Yunnan (People's Republic of China)	
Central Asia Regional Cooperation Initiative	

ADB = Asian Development Bank, NGO = nongovernment organization.

Source: Available: http://www.forum-adb.org/campaigns/adb_proj.html

QUANTITATIVE RESULTS OF EXECUTING AGENCY QUESTIONNAIRE

Table A14.1: Executing Agency Survey Respondents Profile, by Country

Country	No. of Respondents
Afghanistan	0
Bangladesh	3
Cambodia	1
People's Republic of China	5
India	1
Indonesia	1
Kyrgyz Republic	0
Lao People's Democratic Republic	3
Nepal	0
Pakistan	1
Philippines	3
Sri Lanka	0
Tajikistan	1
Viet Nam	5
Total	24

Source: Questionnaire survey February–May 2006.

Table A14.2: Number of Safeguard Documents in the Project

Item	IPDF	IPDP	Others
Mean	3	3	2
N	18	13	5
Median	1	1	1

IPDF = indigenous peoples development framework, IPDP = indigenous peoples development plan, N = Number of valid cases

Source: Questionnaire survey February–May 2006.

Table A14.3: Number of Staff and Consultant Positions Filled, and NGOs Involved

Item	Agency	Consultant	NGO
Mean	6	2	4
N	11	10	3
Median	2	2	1

N = Number of valid cases, NGO = nongovernment organization.

Source: Questionnaire survey February–May 2006.

Table A14.4: Stage of Implementation of Main or Oldest Plan

Item	No. of Respondents	%
Not yet started	5	21
0–6 months	6	25
7–12 months	2	8
1–2 years	1	4
More than 2 years	7	29
No answer	3	13
Total	24	100

Source: Questionnaire survey February–May 2006.

Table A14.5: Did Any of Your Staff Participate in Training Workshops or Programs Provided by ADB?

Item	No. of Respondents	%
Not aware of ADB training workshops/programs	4	17
Never had any ADB training	6	25
No staff participated in ADB training	4	17
Only one staff/representative participated in ADB training	1	4
Some staff participated in ADB training	5	21
All relevant staff participated in ADB training	3	13
No answer	1	4
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.6: How Clear, Usable, and Complete Are the Guidelines Available for Implementing Each of the ADB Safeguard Requirements?

Item	No. of Respondents	%
Not aware of any guidelines	1	4
Did not read any guidelines	1	4
Safeguard requirements are unclear/confusing	3	13
Safeguard requirements did not resolve all our issues	4	17
Safeguard requirements are somewhat usable	10	42
Safeguard requirements are usable, resolved issues	4	17
No answer	1	4
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.7: Do You Find You Get Sufficient Help from ADB Project Officers and Country Offices with respect to the Safeguard Requirements?

Item	No. of Respondents	%
From ADB Project Officers:		
Not enough missions	2	8
Sufficient missions	5	21
Too many missions	1	4
Not applicable	10	42
No answer	6	25
From Country Office:		
No help from country office	4	17
Sufficient help from country office	9	38
Not applicable	5	21
No answer	6	25
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.8: How Easily Can You Apply ADB's Safeguard Requirements?

Item	No. of Respondents	%
Our laws and bylaws require more than ADB requires	0	0
ADB safeguard requirements and country laws are the same	2	8
Easy; we meet additional ADB requirements	2	8
Not easy, but we meet additional ADB requirements	14	58
Not easy; we have to follow country/agency system	5	21
Do not know/Not yet clear	0	0
No answer	1	4
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.9: Are You Reporting to ADB on Safeguard Issues according to the Covenants in the Loan Agreement?

Item	No. of Respondents	%
Never any reporting	5	21
Not regularly; inadequate	0	0
Not regularly, but adequate	5	21
Regularly, but inadequate	2	8
Regularly; adequately	5	21
Not applicable	1	4
No answer	6	25
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.10: Among the Factors Listed Below, Which Four ADB-Related Factors Would Contribute Most to Better Safeguard Policy Outcomes?

Item	No. of Respondents	%
More funds are allocated for preparation	7	29
More time is taken for preparation	6	25
ADB funds land acquisition costs	13	54
More consultants are assigned	9	38
ADB gives more training to EA staff	16	67
More time/staff is allocated for project administration/project cycle	3	13
ADB streamlines its safeguard policies	9	38
ADB divisions streamline their interpretation	6	25
ADB streamlines its procurement processes	2	8
ADB streamlines other processes	2	8
ADB follows country/agency system	10	42
Other factor(s)	2	8
No answer	0	0
Total Valid Responses	24	100

ADB = Asian Development Bank, EA = executing agency.

Source: Questionnaire survey February–May 2006.

Table A14.11: Among the Factors Listed Below, Which Four Country or Agency Factors Would Contribute Most to Better Safeguard Policy Outcomes?

Item	No. of Respondents	%
Better government policies/regulations	8	33
Better enforcement of government policies/regulations	14	58
More time taken for preparation	4	17
Creation of more capacity in EA	21	88
More EA counterpart funds made available	16	67
More political will and less political interference	13	54
Combating of corruption or other irregularities	5	21
More authority with project office	6	25
Other factor(s)	0	0
No answer	0	0
Total	24	100

EA = executing agency.

Source: Questionnaire survey February–May 2006.

Table A14.12: Have You Noticed Safeguard-Related Delays and Extra Consultant Costs Caused by (i) ADB Resident Mission, or (ii) ADB Headquarters?

Item	No. of Respondents	%
ADB Resident Mission:		
Short delays	1	4
Long delays	3	13
Extra consultant cost	1	4
ADB Headquarters:		
Short delays	2	8
Long delays	2	8
Extra consultant cost	0	0
No answer	7	29
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.13: Have You Noticed Safeguard-Related Delays and Extra Consultant Costs Caused by (i) Your Own Agency, or (ii) Other Agencies?

Item	No. of Respondents	%
Own Agency:		
Short delays	1	4
Long delays	1	4
Extra consultant cost	0	0
Other Agencies:		
Short delays	2	8
Long delays	3	13
Extra consultant cost	1	4
No answer	7	29
Total	24	100

Source: Questionnaire survey February–May 2006.

Table A14.14: How Have ADB's Safeguard Procedures (Assessments and Plans) Improved Your Project or Its Components or Subprojects?

Item	No. of Respondents	%
No real improvement in project	2	8
Improved only some components/subprojects	6	25
Improved all components/subprojects	6	25
Do not know	2	8
Not applicable	2	8
No answer	6	25
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.15: For Those Projects where the Safeguard Procedures Improved the Project, Can You Specify the Type of Improvement Made?

Item	No. of Respondents	%
Improved project design	3	13
More due diligence/transparency	9	38
More experience in EA	9	38
Environment or APs suffer less than otherwise	8	33
Demonstration effect beyond project	4	17
Other improvements	2	8
No answer	6	25
Total	24	100

AP = affected person, EA = executing agency.

Source: Questionnaire survey February–May 2006.

Table A14.16: If Delays in Implementation of Your Project(s) Had to Do with IP Safeguard Issues, What Were the Main Factors?

Item	No. of Respondents	%
Never any delays/no experience	8	33
Problems with (hiring of) consultants underestimated	0	0
Consultation processes difficult to manage	2	8
EA country system different (more time needed)	4	17
New EA management differs in views	1	4
Issues misdiagnosed during preparation	1	4
ADB processes/internal disagreements	1	4
No answer	8	33
Total	24	100

ADB = Asian Development Bank, EA = executing agency, IP = indigenous peoples.

Source: Questionnaire survey February–May 2006.

Table A14.17: What Incremental Costs Were Incurred as a result of Applying the ADB Safeguards beyond Requirements of Your Country or Agency System?

Item	No. of Respondents	%
Have not added to country's project cost	13	54
Have added 1%–3% to country's project cost	2	8
Have added 4%–10% to country's project cost	1	4
Have added more than 10% to country's project cost	1	4
Do not know how much was added to country's project cost	1	4
Usually add to project delays	1	4
Unusual amount of ADB time and mission cost	0	0
Unusual amount of consultant cost in PPTA	0	0
Do not know ADB's project cost	1	4
Unharmonized funding agency safeguards (confusing)	0	0
Inconsistent application of country systems	1	4
No answer	5	21
Total	24	100

ADB = Asian Development Bank, PPTA = project preparatory technical assistance.

Source: Questionnaire survey February–May 2006.

Table A14.18: How Effective Have ADB's Safeguard Procedures Been in Mitigating Unfavorable Impacts in the Project?

Item	No. of Respondents	%
Not effective	2	8
Effective to a limited extent	1	4
Somewhat effective	1	4
Very effective	10	42
Do not know if effective	4	17
No answer	6	25
Total	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.19: Have the Safeguard Policies Been a Major Factor Causing ADB to Decline to Fund Parts of Your Project?

Item	No. of Respondents	%
No	12	50
Sometimes	0	0
Yes	2	8
Do not know	3	13
No answer	7	29
Total Valid Responses	24	100

ADB = Asian Development Bank.

Source: Questionnaire survey February–May 2006.

Table A14.20: Have the ADB Safeguard Issues Been a Major Factor Causing Your EA to Decline to Pursue a Part of the Loan Available?

Item	No. of Respondents	%
No	9	38
Sometimes	3	13
Yes	3	13
Do not know	2	8
Not applicable	0	0
No answer	7	29
Total Valid Responses	24	100

ADB = Asian Development Bank, EA = executing agency.

Source: Questionnaire survey February–May 2006.

**ASIAN DEVELOPMENT BANK TECHNICAL ASSISTANCE PROVIDED
FOR INDIGENOUS PEOPLES**

**Table A15.1: Total Number and Amount of Technical Assistance for Indigenous Peoples
(1995–2005)**

Item	AD	PP	RE	Total	Total Amount (\$)
A. By Year					
1995	1	0	1	2	600,000
1996	0	0	0	0	0
1997	0	0	0	0	0
1998	0	0	1	1	800,000
1999	2	0	0	2	1,800,000
2000	1	0	1	2	1,377,000
2001	0	0	0	0	0
2002	0	0	0	0	0
2003	1	1	2	4	3,350,000
2004	10	5	3	18	10,025,000
2005	3	7	5	15	11,459,300
Subtotal (A)	18	13	13	44	29,411,300
B. By Sector					
Agriculture and Natural Resources	6	3	3	12	8,774,300
Education	3	5	0	8	4,775,000
Energy	1	2	0	3	2,150,000
Health, Nutrition, and Social Protection	4	0	5	9	4,985,000
Industry and Trade	0	0	1	1	900,000
Law, Economic Management, and Public Policy	1	0	2	3	3,027,000
Multisector	1	0	2	3	2,500,000
Transport and Communications	2	3	0	5	2,300,000
Subtotal (B)	18	13	13	44	29,411,300
C. By Country					
Afghanistan	1	0	0	1	850,000
Azerbaijan	0	1	0	1	700,000
Bangladesh	2	1	0	3	2,450,000
Cambodia	0	2	0	2	1,600,000
People's Republic of China	4	0	0	4	2,527,000
India	1	1	0	2	950,000
Indonesia	0	1	0	1	150,000
Lao People's Democratic Republic	4	2	0	6	3,774,300
Nepal	2	1	0	3	1,485,000
Philippines	1	0	0	1	375,000
Papua New Guinea	0	1	0	1	1,000,000
Regional	0	0	13	13	9,200,000
Sri Lanka	0	1	0	1	700,000
Viet Nam	3	2	0	5	3,650,000
Subtotal (C)	18	13	13	44	29,411,300
Total ADTAs	18	0	0	18	11,361,300
Total PPTAs	0	13	0	13	8,850,000
Total RETAs	0	0	13	13	9,200,000
Total	18	13	13	44	29,411,300

AD = advisory, ADB = Asian Development Bank, PP = project preparatory, RE = regional, TA = technical assistance.
 Note: Two supplementary TAs (TA 6194-REG: *Greater Mekong Subregion Regional Communicable Diseases Control (Supplementary)*, for \$250,000, approved 15 June 2005, and TA 4434-LAO: *Poverty Reduction Through Land Tenure Consolidation, Participatory Natural Resources Management and Local Communities Skills Building (Supplementary)*, for \$124,300, approved 2 March 2005) were counted as part of the main TA, but the amount was included in the year the supplementary TA was approved.

Sources: ADB TA database and Regional and Sustainable Development Department indigenous peoples website.

Table A15.2: Total Number and Amount of Indigenous Peoples Technical Assistance (1995–2005)

Item	Total		With Capacity Building		With Significant IP Involvement		With Minor IP Involvement	
	No.	Amount (\$)	No.	Amount (\$)	No.	Amount (\$)	No.	Amount (\$)
A. By Year								
1995	2	600,000	2	600,000	2	600,000	0	0
1996	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0
1998	1	800,000	0	0	1	800,000	0	0
1999	2	1,800,000	1	800,000	0	0	2	1,800,000
2000	2	1,377,000	2	1,377,000	1	400,000	1	977,000
2001	0	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0	0
2003	4	3,350,000	2	2,100,000	2	1,400,000	2	1,950,000
2004	18	10,025,000	10	5,975,000	7	4,150,000	11	5,875,000
2005	15	11,459,300	8	5,585,000	4	2,500,000	11	8,585,000
Subtotal (A)	44	29,411,300	25	16,437,000	17	9,850,000	27	19,187,000
B. By Sector								
Agriculture and Natural Resources	12	8,774,300	6	4,350,000	5	3,300,000	7	5,350,000
Education	8	4,775,000	7	3,975,000	4	2,500,000	4	2,275,000
Energy	3	2,150,000	1	1,000,000	0	0	3	2,150,000
Health, Nutrition, and Social Protection	9	4,985,000	5	2,735,000	4	1,500,000	5	3,235,000
Industry and Trade	1	900,000	0	0	1	900,000	0	0
Law, Economic Management, and Public Policy	3	3,027,000	0	0	0	0	3	3,027,000
Multisector	3	2,500,000	3	3,027,000	2	1,500,000	1	1,000,000
Transport and Communications	5	2,300,000	3	1,350,000	1	150,000	4	2,150,000
Subtotal (B)	44	29,411,300	25	16,437,000	17	9,850,000	27	19,187,000
C. By Country								
Afghanistan	1	850,000	1	850,000	0	0	1	850,000
Azerbaijan	1	700,000	1	700,000	0	0	1	700,000
Bangladesh	3	2,450,000	1	500,000	0	0	3	2,450,000
Cambodia	2	1,600,000	1	600,000	1	600,000	1	1,000,000
People's Republic of China	4	2,527,000	4	2,527,000	3	1,550,000	1	977,000
India	2	950,000	1	800,000	0	0	2	950,000
Indonesia	1	150,000	0	0	0	0	1	150,000
Lao People's Democratic Republic	6	3,774,300	3	2,000,000	4	2,300,000	2	1,350,000
Nepal	3	1,485,000	3	1,485,000	0	0	3	1,485,000
Philippines	1	375,000	1	375,000	0	0	1	375,000
Papua New Guinea	1	1,000,000	0	0	0	0	1	1,000,000

Item	Total		With Capacity Building		With Significant IP Involvement		With Minor IP Involvement	
	No.	Amount (\$)	No.	Amount (\$)	No.	Amount (\$)	No.	Amount (\$)
Regional	13	9,200,000	6	4,300,000	8	4,600,000	5	4,350,000
Sri Lanka	1	700,000	1	700,000	0	0	1	700,000
Viet Nam	5	3,650,000	2	1,600,000	1	800,000	4	2,850,000
Subtotal (C)	44	29,411,300	25	16,437,000	17	9,850,000	27	19,187,000
Total ADTAs	18	11,361,300	14	8,937,000	6	3,250,000	12	7,987,000
Total PPTAs	13	8,850,000	5	3,200,000	3	2,000,000	10	6,850,000
Total RETAs	13	9,200,000	6	4,300,000	8	4,600,000	5	4,350,000
Total	44	29,411,300	25	16,437,000	17	9,850,000	27	19,187,000

AD = advisory, IP = indigenous peoples, PP = project preparatory, RE = regional, TA = technical assistance.

Notes:

1. Two supplementary TAs (TA 6194-REG: *Regional Communicable Disease Control Project (Supplementary)*, for \$250,000, approved 15 June 2005; and TA 4434-LAO: *Poverty Reduction Through Land Tenure Consolidation, Participatory Natural Resources Management and Local Communities Skills Building (Supplementary)*, for \$124,300, approved 2 March 2005) were counted as part of the main TA, but the amount was included in the year the supplementary TA was approved.

2. Level of IP involvement: (i) significant (IP main beneficiary/affected population), or (ii) minor (IP only one of the beneficiaries/affected persons).

3. Considered capacity-building activities: training, seminars, and workshops; provision of manuals, guidebooks, maps, policy framework for improved capacity, etc.

Sources: Asian Development Bank TA database and Regional and Sustainable Development Department indigenous peoples website.

**Table A15.3: Asian Development Bank Technical Assistance
for Indigenous Peoples**

Year	TA No.	DMC	TA Name	ADB Amount (\$)	Other Sources (\$)	Total (\$)
ADTAs						
1995	2455	PRC	Strengthening the Department of Ethnic Minority Education	0	500,000 - Norway	500,000
1999	3365	IND	Capacity Building for Social Development	800,000	None	800,000
1999	3328	BAN	Chittagong Hill Tracts Region Development Plan	0	1,000,000 - JSF	1,000,000
2000	3441	PRC	Capacity Building for Social Assessments	781,400	195,600 - PRC Government	977,000
2003	4205	VIE	Early Childhood Development for the Poor	0	450,000 - PRF	450,000
2004	4339	LAO	Study of Gender Inequality in Women's Access to Land, Forests, and Water	0	250,000 - PRF	250,000
2004	4353	NEP	Promoting Pro-Poor and Gender-Responsive Service Delivery	0	200,000 - PRF	200,000
2004	4392	LAO	Marketing Support for Organic Produce of Ethnic Minorities	0	600,000 - PRF	600,000
2004	4401	PRC	Rural Income and Sustainable Development	0	900,000 - PRF	900,000
2004	4406	LAO	Capacity Building for Smallholder Livestock Systems	0	550,000 - PRF	550,000
2004	4434	LAO	Poverty Reduction through Land Tenure Consolidation, Participatory Natural Resources Management, and Local Communities Skills Building	0	850,000 and 124,300 Supplementary (2005) - PRF	974,300
2004	4446	BAN	Support to the Roads and Highways Department for Safeguard Policy Compliance	500,000	None	500,000
2004	4455	PRC	Support to Ethnic Minorities Development Plan	150,000	None	150,000
2004	4483	AFG	Capacity Building for Land Policy and Administration Reform	250,000	600,000 - UK	850,000
2004	4524	PHI	Development of Basic Education in the Autonomous Region in Muslim Mindanao	0	375,000 - Australia	375,000
2005	4603	VIE	Strategic Secondary Education Planning and Cooperation	0	300,000 - Denmark	600,000
2005	4690	VIE	Strengthening Institutional Capacity of Local Stakeholders for Implementation of Son La Livelihood and Resettlement Plan	0	1,000,000 - PRF	1,000,000
2005	4759	NEP	Reaching the Most Disadvantaged Groups in Mainstream Rural Development	0	685,000 - PRF	685,000
PPTAs						
2003	4284	CAM	Second Education Sector Development Program	0	600,000 - JSF	600,000
2004	4369	VIE	Upper Secondary and Professional Teacher Development	550,000	250,000 - Denmark	800,000
2004	4380	IND	Uttaranchal Power Sector Development	150,000	None	150,000
2004	4429	INO	Social Development for the Interisland Transport Development	150,000	None	150,000
2004	4440	VIE	Rural Infrastructure for Sustainable Livelihood Improvement in Central Region	0	800,000 - JSF	800,000
2004	4499	LAO	Basic Education Development	0	600,000 - JSF	600,000
2005	4684	AZE	Preparing the Southern Road Corridor Improvement Project (Alyat–Astara Road) (Financed from the Japan Special Fund)	0	700,000 - JSF	700,000
2005	4710	PNG	Preparing the PNG Gas Project	1,000,000	None	1,000,000
2005	4733	SRI	Preparing the Education Sector Development Program	700,000	None	700,000

Year	TA No.	DMC	TA Name	ADB Amount (\$)	Other Sources (\$)	Total (\$)
2005	4740	BAN	Preparing the Second Command Area Development Project	0	600,000 - JSF and 350,000 - PRF	950,000
2005	4742	LAO	Preparing the Northern Greater Mekong Subregion Transport Network Improvement Project	0	800,000 - JSF	800,000
2005	4754	NEP	Preparing the Education Sector Development Program I	450,000	150,000 - others	600,000
2005	4756	CAM	Preparing the Tonle Sap Lowland Stabilization Project	200,000	800,000 - JSF	1,000,000
RETAs						
1995	5637	REG	Regional Forum on Indigenous Peoples Policies for Development Assistance in Asia	0	25,000 - WB; 25,000 - Netherlands; 50,000 - others	100,000
1998	5794	REG	Study of Health and Education Needs of Ethnic Minorities in the Greater Mekong Subregion	0	300,000 - JSF; 500,000 - UK	800,000
2000	5953	REG	Capacity Building for Indigenous Peoples/Ethnic Minority Issues and Poverty Reduction	400,000	None	400,000
2003	6115	REG	Poverty Reduction in Upland Communities in the Mekong Region through Improved Community and Industrial Forestry	0	800,000 - PRF	800,000
2003	6143	REG	Promoting Gender Equality and Women's Empowerment: GAD Activity for Enhancing the Role of Women in Inland Fisheries in Cambodia	0	1,500,000 - GDCF	1,500,000
2004	6214	REG	Strengthening Capacity and Regional Cooperation in Advanced Agricultural Science and Technology in the Greater Mekong Subregion	1,000,000	None	1,000,000
2004	6190	REG	Preventing the Trafficking of Women and Children and Promoting Safe Migration in the Greater Mekong Subregion	0	700,000 - PRF	700,000
2004	6194	REG	Greater Mekong Subregion Regional Communicable Diseases Control	0	600,000 - JSF and 250,000 Supplementary (2005) - Belgium	850,000
2005	6242	REG	Developing New Policy Paradigms for Sustainable Livelihoods Protection and Natural Resource Management among Ethnic Minorities of the GMS: A Study of Policies and Their Impacts, Strategies for Change	0	150,000 - NPRS	150,000
2005	6243	REG	Strengthening Malaria Control for Ethnic Minorities	0	750,000 - PRF	750,000
2005	6247	REG	HIV/AIDS Vulnerability and Risk Reduction among Ethnic Minority Groups through Communication Strategies	0	700,000 - PRF	700,000
2005	6279	REG	Greater Mekong Subregion: Preparing the Sustainable Tourism Development Project	900,000	None	900,000
2005	6248	REG	Legal Empowerment for Women and Disadvantaged Groups	0	550,000 - PRF	550,000
Total Amount						29,411,300

AFG = Afghanistan; AZE = Azerbaijan; BAN = Bangladesh; CAM = Cambodia; IND = India; INO = Indonesia; GDCF = Gender and Development Cooperation Fund (from Canada, Denmark, and Norway); JSF = Japan Special Fund; LAO = Lao People's Democratic Republic; NPRS = National Poverty Reduction Strategies Fund (Netherlands); PHI = Philippines; PNG = Papua New Guinea; PRC = People's Republic of China; PRF = Poverty Reduction Cooperation Fund (United Kingdom and Northern Ireland); REG = regional; SRI = Sri Lanka; TA = technical assistance; VIE = Viet Nam.

Sources: Regional and Sustainable Development Department Environment and Social Safeguard Division's list of IP assistance (website) and Asian Development Bank TA database.

JAPAN FUND FOR POVERTY REDUCTION GRANTS WITH INDIGENOUS PEOPLES INVOLVEMENT
(as of 16 October 2006)

Year	DMC	Project Title	Amount (\$ million)
From RSDD-JFPR Grants with IP Involvement Listed on the ADB Website			
2000	PHI	Supporting the Sustainable Livelihood for the Poor in Southern Philippines Project	2.80
2002	CAM	Improving the Livelihood of Poor Farmers in Southern Cambodia	1.80
2002	CAM	Targeted Assistance for Education of Poor Girls and Indigenous Children	3.00
2002	IND	Supporting Sustaining Income and Basic Human Needs of the Poor in a Disaster Prone Areas of Gujarat	3.40
2003	LAO	Reducing Poverty among Ethnic Minority Women in the Nam Ngum Basin	0.53
2003	VIE	Promoting Silk Income for the Rural Poor in Central Highlands	0.62
2004	CAM	Health Care Financing for the Poor	1.85
2004	INO	Sustainable Livelihood Development for the Poor Coastal and Small Island Communities	1.50
2004	VIE	Poverty Reduction in Red River Basin Irrigation System	0.82
2005	CAM	Improving Primary School Access in Disadvantaged Communes	1.87
2005	LAO	Sustainable Agro-Forestry Systems for Livelihood Enhancement of Rural Poor	1.50
2005	VIE	Community-Based Agricultural Extension and Training in Mountainous Districts	0.90
Total			
Other JFPR Grants with IP Involvement			
2001	GMS	Community Action for Preventing HIV/AIDS ^a	8.00
2001	LAO	Supporting the Community-Managed Livelihood Improvement Project	1.00
2001	UZB	Supporting Innovative Poverty Reduction in Karakalpakstan	2.54
2002	AFG	Community-Based Gender Sensitive Basic Education for the Poor	4.00
2002	INO	Supporting the Community Based Education for the Poor	3.20
2003	GMS	Improving Poor Farmers' Livelihoods through Post Harvest Technology ^b	0.75
2003	LAO	Solid Waste Management and Income Generation for Vientiane's Poor Project	1.00
2004	CAM	Mainstreaming Labor-Based Maintenance to the National Roads Network	2.20
2004	VIE	Expanding Benefits for the Poor through Urban Environmental Improvements	1.00
2005	CAM	Women's Development Centers	1.80
2005	INO	Seismically Upgraded Housing in Nanggroe Aceh Darussalam and North Sumatera (SUHA)	2.00
2006	AFG	North-South Corridor	20.00
2006	LAO	Rural Finance Sector Development Program	
2006	VIE	Livelihood Improvement of Vulnerable Ethnic Minority Communities Affected by the Song Bung 4 Hydropower Project in Quang Nam Province, Viet Nam	2.60
Total Amount Approved			70.68

ADB = Asian Development Bank, AFG = Afghanistan, CAM = Cambodia, GMS = Greater Mekong Subregion, IND = India, INO = Indonesia, IP = indigenous peoples, JFPR = Japan Fund for Poverty Reduction, LAO = Lao People's Democratic Republic, PHI = Philippines, UZB = Uzbekistan, VIE = Viet Nam.

^a Cambodia-Lao PDR-Viet Nam.

^b Cambodia-Viet Nam.

Note: Around 26 of 89 JFPR grants dealt with ethnic minorities; these were explicitly stated in the proposal report. But ethnic minorities not specifically pointed out as such during beneficiary assessment, etc., could have been among the target "disadvantaged" or "poor" groups.

Sources: ADB IP website on assistance and ADB JFPR website on assistance.

CASE STUDY SUMMARIES

A. Findings on Transaction Costs in Sector Projects

1. Four case studies related to sector projects: the Rural Roads Sector I Project in India,¹ the Southern Philippines Irrigation Sector,² and the Provincial Roads Improvement Sector³ and Second Red River Sector⁴ projects in Viet Nam. The case studies are summarized here to illustrate the potentially high transaction costs involved in multilocation sector projects and the difficulties of starting and completing an indigenous peoples (IP) planning and implementation process for individual subprojects when the project implementation phase has started and loan closing is only a few years away.

2. **The Rural Road Sector 1 Project in India.** The Asian Development Bank (ADB) loan covered about 70% of the needed \$571 million for the construction of hundreds of rural roads scattered across the states of Madhya Pradesh and Chhattisgarh. The case study concentrated on the project in Chhattisgarh State. Before project approval, a summary analysis of socioeconomic and poverty impact had concluded that there would be no significant adverse impacts (meaning, it would have only limited impacts) on the large groups of scheduled tribes (STs) and scheduled castes (SCs) residing in the project area. Such groups tended to be culturally integrated and were better served economically and socially than other STs/SCs in isolated localities with no roads. The project prepared an indigenous peoples development framework as a supplementary appendix to the report and recommendation of the President (RRP). The main IP-related features of the project were: (i) preparation of an IPDP for STs/SCs that might be affected significantly, (ii) recruitment of a nongovernment organization (NGO) to independently monitor and verify the implementation of voluntary land contribution, (iii) completion of a land acquisition plan (LAP) and IPDP within 3 months of loan effectiveness, and (iv) preparation of reports on compliance with ADB's IP policy.

3. The social assessment found that because of the tribal populations' main occupation of collecting forest produce (e.g., *tendu* leaf, *mahua*, and *sal* seeds), the loss of small parcels of agricultural land through voluntary donations to the project would not have much impact on their livelihood. The all-weather road would give STs an opportunity to obtain higher value for the forest and agriculture produce. Nevertheless, IP specific actions (SpAs) were included within the framework of the LAP for vulnerable affected households. Vulnerable groups (such as STs/SCs, female-headed households, the disabled, and the elderly) that lost assets would be compensated with either replacement land or cash compensation according to the land revenue code, and would receive in addition a fixed lump sum of Rs2,000 (\$40) per household.

4. The planning and implementation of the land acquisition and resettlement program (LARP) proved difficult. This affected the due diligence. ADB's indigenous resettlement policy and agreements before the start of the project required the preparation of district LAPs. Before appraisal, a summary plan for a few districts had been prepared to provide examples of what was to be prepared later for each district. Project implementation consultants (PICs) were fielded late, by mid-2005, and for the second batch of roads, only a short, framework-like plan was prepared for all districts together. ADB approved this on the condition that the PICs would complete the verification survey and prepare appropriate reports for the hundreds of road improvement subprojects by October 2005. The executing agency (EA) and implementation

¹ Loan 2018-IND: *Rural Road Sector I Project*, for \$400.0 million, approved 20 November 2003.

² Loan 1668-PHI: *Southern Philippines Irrigation Sector Project*, for \$60.0 million, approved 18 December 1998.

³ Loan 1888-VIE: *Provincial Roads Improvement Sector Project*, for \$70.0 million, approved 18 December 2001.

⁴ Loan 1855-VIE: *Second Red River Basin Sector Project*, for \$70.0 million, approved 13 November 2001.

agencies, however, required the PICs to also complete LAPs for the third batch of roads within a few months' time, by February 2006. And the fourth batch of roads would have to be designed by the end of 2006, to make up for the time lost at the start of the project. The Special Evaluation Study (SES) considers such unrealistic targets as contrary to the spirit of the project, which foresaw the completion of one batch of rural road projects each year. Given the front-end delays and the time constraints, it was clear that few IPDPs could be prepared for the subproject roads, and that even district-wise resettlement plans (RPs) would be very summary in nature.

5. In the field survey for this case study, which covered 14 rural roads, it was found that all land had been acquired without compensation to the affected but through voluntary donations based on transect walks. Of the 12 roads studied under Batch II, only two had a memorandum of understanding signed between the land donor and the project authority during the transect walk.

6. In the course of the special evaluation study (SES), it became evident that even the normal country land acquisition procedures were not always followed.⁵ Many procedures elaborated in the sample RPs were not complied with; the lump-sum arrangement for STs/SCs was unknown to the new project manager in Madhya Pradesh, and was not applied in Chhattisgarh. With some reason, it was argued that this could not be implemented and was incompatible with local procedures. STs/SCs are viewed as well integrated into the villages, and there are many majority ST areas. Although the sample RPs bore this note on their cover, "This is not an ADB document," they were seen as prepared by ADB. No RP or IPDF was translated into the local language and distributed to stakeholders; public consultations were not held.

7. The entitlement matrix of the LARP included criteria for assistance to vulnerable affected people. Vulnerable households included those headed by (i) women, (ii) STs, (iii) SCs, or (iv) disabled/elderly persons. All vulnerable households were eligible for cash assistance of Rs2,000 per household if they were affected by roadwork. The OED consultations on all 14 roads visited by the SES found that the affected vulnerable households were not aware of the entitlements. The RP and IPDF were not translated into the local language and had not been widely disseminated at the time of the field visit.

8. Overall, the requirement of IPDPs, and notably the lump sum for vulnerable people including IP, seems to have been inappropriate in this project. The categories of vulnerable people were too large and too vague. When applied rigorously, these might have led to conflict within mixed communities. The conditions under which voluntary contributions of land and/or assets to the project could be accepted were not fully spelled out by the IPDP. Since this was an ongoing project at a relatively early stage, activities safeguarding the interests of IP and other affected people may have changed after the field visit made for this SES.

9. **Southern Philippines Irrigation Sector Project (SPISP).** An IPDP was prepared, but this project was approved in 1998, before the introduction of the IP Development Framework (IPDF) instrument in ADB. An IPDF would have been more suitable for this sector project.

⁵ An example from a Batch I road subproject illustrates this. There were four roads under Batch I in Bastar district. The land to be acquired covered 17 acres, affecting 248 persons. A notification for land acquisition was published in October 2005. The notification expressed the intention and provided permission to conduct a physical survey. Only after the completion of a follow-up procedure, namely, the declaration that land was required for a public purpose, was the acquiring body legally empowered to acquire any private land for construction work. At the time of the field visit, the road was nearly finished (the contractor was completing the bitumen layer on the road), but the declaration that land was required for a public purpose had not yet been issued.

However, a few sites for which dams were planned had LARPs. For these places, SpAs for IP were included. In addition, IPDPs were to be prepared or finalized as needed for subprojects. One was proposed for the subprojects in the Autonomous Region of Muslim Mindanao.

10. The IPDP attached to the RRP concluded that ethnic minorities were generally well integrated with the local population. The main beneficiaries were seen as the Lumads in Caraga Region and the Muslim communities (the Maranaos) in the Autonomous Region of Muslim Mindanao. The former were regarded as well integrated within their own areas and the latter as having special characteristics and requirements. These special requirements (agricultural employment, rural roads) were addressed by the project. The cultural constraints restricting Maranao women led to special measures in the project, including (i) the hiring of female Maranao-speaking institutional development officers, (ii) the formation of women's groups, (iii) the preparation of a Maranao language version of the implementation manual, (iv) the development of extension and training activities based on visual methods to enable participation regardless of literacy level, and (v) the conduct of extension and training activities in local languages and in places where women did not face logistical difficulties. Thus, the proposed design of the project, which addressed agricultural production, rural roads, and women constraints, was viewed, in essence, as the IPDP.

11. The Baobo National Irrigation Project was investigated as case study for this SES. It required the construction of a concrete diversion weir to convey water to the service area through a main canal. The main canal distributed water through a system of smaller canals. The project acquired about 34 hectares as right-of-way, affecting 270 farming households. They were compensated for the affected crops and trees. Among the affected households were five IP households. It was found that the LARP made no distinction between IP and non-IP that were affected, on the ground that IP in the subproject area were part of the mainstream population. Overall, not much IP-specific risk mitigation work was done in the case of this project, for reasons that the SES considers valid. Since SPISP was an ongoing project at the time of the field visit, more activities safeguarding the interests of IP and other affected people may have been conducted afterwards.

12. **Provincial Roads Improvement Sector Project in Viet Nam.** The project was being implemented in 18 northern provinces and intended to improve about 1,600 kilometers (km) of existing access roads covered by 160 contract packages. The roads were being upgraded (18 km in length on average), and this meant the provision of some road widening, pavement surface treatment, and road side drainage. Nine core roads were selected as "pilot projects" during the detailed implementation planning. The project preparatory technical assistance (TA) had prepared a framework for ethnic minority development planning, which became part of the loan agreement signed in November 2001.⁶ Roads other than the nine were not covered by feasibility studies, or by resettlement, environment or IP planning. Environment, resettlement and IP planning for other roads (90 in total) was done during project implementation as part of the detailed design. The Government was persuaded to set aside funds equivalent to \$1.5 million for the implementation of ethnic minority development plans (EMDPs). To comply with ADB policy within the budget constraint, priority was put on the mitigation of negative impacts. Such impacts focused on those that were different from land loss or resettlement impacts, as for these 79 RPs were already separately required.

⁶ Preliminary ethnic minority development plans for the nine core roads were approved in 2002 as part of the resettlement plans; resettlement implementation was undertaken in 2002–2003.

13. An EMDP was to be prepared for each subproject road crossing an area in which ethnic minorities composed more than 25% of the total beneficiary population. This requirement led to a somewhat mechanical target of 40 EMDPs. According to the project management unit (PMU) and the design and engineering consultants, ADB was not very clear about the nature of the EMDPs in the early years of the project. ADB rejected a number of plans submitted in early 2004 because of their aggregate nature and the emphasis on demands made by ethnic minorities for further infrastructure investments like water supply and suspension bridges, for which there were not enough funds available. After this experience, ADB and the PMU agreed on extensive social screening for all subprojects, focusing on “soft” investments appropriate to each case. With the help of consultants, the screening took place over 9 months. Twenty-nine of the 40 EMDPs required were submitted to the PMU by November 2005. The PMU took much time to review these and had sent only 10 EMDPs to ADB for approval by May 2006. By November 2006, after raising some questions, ADB had approved 21 EMDPs. (By the time of finalizing the draft of this study, all 40 had been approved, and the project extended until end 2008.) The consultants and provincial PMUs completed the remaining 11 EMDPs in 2006, but the central PMU had yet to submit these to ADB at the time of the field visit.

14. It was clear from interviews with consultants that much work had gone into the preparation of the EMDPs. Many consultations had been held and data collected from all organizations involved. The positive impacts of the road improvements were generally viewed as (i) reduced isolation, (ii) transition from subsistence to cash farming and improved access to markets and agricultural extension, (iii) improved access to health and education, (iv) greater opportunities for income and employment, and (v) increased national integration.

15. Adverse impacts identified for the rural road project were (i) disruption during construction (usually also in environmental management plans); (ii) increased exposure to exploitation by forces from the outside;⁷ (iii) increased migration into the project area, leading to a larger population and the disruption of existing communities; and (iv) increased exposure to communicable diseases such as HIV/AIDS. These impacts are listed here also to show how conceptually difficult it proved to be for the Government and the consultants to identify and subsequently mitigate the adverse impacts of rural road rehabilitation on ethnic minorities. Serious thought therefore needs to be given to identifying the differential impact of investments in different sectors on ethnic minorities. The issue of whether, in practical terms, it is necessary to distinguish between the impact of such projects on IP and their impact on the general population also arises. These sorts of benefits apply to most rural road projects and apply to all beneficiaries living in the road influence area, not just IP. These factors raise the question of whether detailed surveys to document these benefits should be required for every road project of this type.

⁷ The EMDP explained this as follows:

Improved communications will provide channels and conduits for social and political advancement but also manipulation, particularly as these relate to money-making opportunities both within and beyond villages and communes. People who are more experienced in the cash economy and more knowledgeable in the ways of trade and business will be in a position to take advantage of those with less experience and awareness. A large proportion of ethnic minority groups live in relative isolation and [are] therefore susceptible to manipulation by “outsiders.” Women and children may be particularly vulnerable. Unless this situation is dealt with sensitively and carefully, problems of household indebtedness, exploitive labor contracts, undistributed development funds, debt slavery and trafficking in children and women can be significant adverse, albeit unintentional, impacts of the project.

16. The solutions offered by EMDPs were usually similar across developing member countries (DMCs) and did not address much the risks due to the influx of outsiders. Mitigation measures mentioned were HIV awareness and prevention, training (for instance, in brocade knitting in tourist areas), and sometimes some agricultural support investments. The small budget available for the preparation of each plan (\$35,000 to \$40,000 per plan) encouraged replication and made it hard to identify activities that varied significantly from plan to plan. Implementation had not started for any EMDP by the time of the mission (May 2006), even for those approved in 2005. Quick consideration and approval of the remaining unapproved plans was needed, given the short remaining duration of the project, and the lack of consultant time available for assisting in the implementation of the plans.⁸ Given the comprehensive plans of the Vietnamese government for ethnic minorities already in place (notably Program 135 and HIV awareness programs) and the need to shift government funds to the project from other uses in ad hoc fashion, the utility and value added of the plans are questionable. HIV awareness, education, and health programs with specific attention to ethnic minorities are obviously national issues requiring a national approach. Addressing these issues both through nationwide programs and through ad hoc provincial road projects financed with ADB loans can lead to fragmentation of effort.

17. The impression obtained from project staff and management consultants interviewed is that the transaction costs of EMDP preparation outweighed the added value. For instance, the EMDP used as example above ended with only one proposal, despite the sizable list of potentially negative impacts of the road: a “project,” to be implemented in 2006 for the equivalent of \$3,600, was worked out in response to the risk of increased exposure to communicable diseases “to improve the communities’ competence in HIV/AIDS and social evils prevention” (including child and women trafficking). The transaction costs of the approach included wasted effort and the loss of time in a period during which the wrong types of EMDP were prepared, as a result of uncertainty regarding the nature of the EMDP that ADB could endorse. Also a transaction cost of the project were the raised expectations during the consultation processes and the disappointment of the ethnic minorities when they later learned that the expectations regarding minor infrastructure investments could ultimately not be satisfied for lack of resources. The confusion and resulting inactivity due to the overlap of some activities planned (such as the HIV/AIDS awareness program) with regular government projects and activities was another such transaction cost. The funds for EMDP preparation and later implementation could have been more useful as part of Viet Nam’s Program 135 for activities along the project roads. By the time of the field visit, the consultant budget for EMDP preparation and implementation had been almost exhausted, and little was left for supervision of implementation. In fact, little time would have remained for the proper implementation of the dozens of small activities across the 40 scattered rural roads selected, if the project had been on schedule. Recently, however, the loan closing date was extended from December 2006 to December 2008, providing another opportunity for the EMDPs to be implemented properly.

18. **Second Red River Basin Sector Project, Northern Provinces of Viet Nam.** No sample IPDPs nor an IPDF were prepared for this project in the agriculture and natural resources sector. The project used a set of guidelines for the involvement and treatment of ethnic minorities in the preparation of subprojects and in the implementation of the rural development support component. In the upland provinces, where ethnic minorities were in the majority, the project financed only two minor irrigation and drainage subprojects. These were both core subprojects prepared before loan approval; IPDPs were not produced. The project was supposed to have a large number of irrigation-oriented subprojects in the upland provinces,

⁸ After the field mission, the project was extended until 31 December 2008.

but, as it turned out, all feasibility studies pointed to too low economic rates of return. Thus, ADB and the Ministry of Agriculture and Rural Development agreed not to fund the subprojects. As a result, the project has had a much more limited impact on ethnic minorities than was originally envisaged. This situation provides a paradox: although the project was formulated to reduce poverty and improve the lives of ethnic minorities, economically viable projects could not be identified in the areas with a high incidence of IP and poverty.

19. **Conclusion for the Two Projects in Viet Nam.** The approach to ethnic minorities was very different in the two case study projects. For the road project, ADB required EMDPs, even for subprojects in the lowlands, if ethnic minorities were present. For the Red River Basin Sector Project, EMDPs were not required, but ethnic minority–oriented guidelines were to be applied. The requirement for a sufficient economic return, in practice, made the identification of poverty reduction–oriented productive subprojects difficult. Emphasizing safeguards in one project proved wasteful; the dominance of economic considerations resulted in a shift in the focus away from IP in the other case.

B. Findings on Impact from Case Studies

20. Elements of impact and value added were assessed through questionnaire surveys in three completed projects: the Cordillera Highlands Agriculture and Resource Management (CHARM) Project in the Philippines⁹ and two projects in the People’s Republic of China (PRC): the Guizhou–Shuibai Railway Project,¹⁰ and the Southern Yunnan Rural Development Project.¹¹

21. **Southern Yunnan Road Development Project in PRC.** The Southern Yunnan Road Development Project supported the development of the southern part of Yunnan Province by removing a major transport bottleneck between Yuanjiang and Mohei, and helping reduce poverty by providing better access to the economic mainstream for nationally designated poor counties with ethnic minorities. The project needed to acquire 1,221 hectares of land for the expressway’s right-of-way and for the construction of other project facilities.

22. The EA prepared an RP and a minority peoples development plan (MPDP), which were reviewed and approved by ADB in 1999. The objectives of the MPDP were (i) adequate resettlement and rehabilitation (dealt with in the RP), (ii) poverty reduction, and (iii) economic development of minority areas. The objectives were to be achieved by (i) drawing up development plans for remote villages, (ii) minimizing the negative impacts and maximizing the positive impact of the road, and (iii) establishing a monitoring and evaluation plan for the MPDP.

23. The households that lost farmland numbered 5,147 (19,300 people). Because of the need to demolish houses on the alignment, 542 households (2,029 people)—208 households more than the estimated number in the RP—needed to be relocated. There were few complaints about the amount of cash compensation offered, but the payments to the affected villages were delayed because the poor county governments received the funds late from the expressway company, and had very limited financial resources to compensate the affected persons (APs) in a timely manner.

24. Most relocated households built new houses that were larger and of better quality. To increase the quality and size of the houses, the households had to use their savings. The

⁹ Loan 1421-PHI: *Cordillera Highland Agricultural Resource Management Project*, for \$9.5 million, approved 11 January 2006.

¹⁰ Loan 1626-PRC: *Guizhou–Shuibai Railway Project*, for \$140.0 million, approved 18 August 1998.

¹¹ Loan 1691-PRC: *Southern Yunnan Road Development Project*, for \$250.0 million, approved 24 June 1999.

county governments provided the following services to the APs: land leveling, installation of water supply electric power supply facilities, construction of access roads, and provision of broadcasting and television connections. The county governments also ensured improved access to clinics and schools.

25. The APs generally employed two strategies to cope with the decrease in farmland as a result of the project: they (i) grew more cash crops (the road and the expanding economy made this possible), and (ii) sought more nonfarm activities like seasonal labor to restore their livelihoods. County governments provided training programs in cash crop production, health, and legal knowledge. Some poverty reduction activities like biogas production, rural road construction or rehabilitation, and reforestation were directed to the APs. Attention was paid to vulnerable groups to help to restore their lives. For example, in Mojiang county, a policy of “rural residents becom[ing] urban residents” was applied in 2000, to help APs who had lost more than 50% of their farmland to regain their livelihood. A minimum living guarantee was provided to 789 affected households (3,990 APs). The sample survey indicated that 96% of the affected households had either restored their livelihood or had improved it. Perhaps more so than the specific assistance provided through the project, national economic growth had provided compensation for the losses sustained.

26. Almost all of the interviewees agreed that adequate consultation with the APs was carried out during resettlement planning and implementation. Eighty-six percent responded that the project management had taken adequate steps to resolve the resettlement grievances of the APs. Nevertheless, during the field mission, some APs complained that some land temporarily occupied by contractors had not been returned in the same excellent condition, and that the compensation provided for this purpose was inadequate.

27. Although the project was successful, there were issues, such as increased scope of resettlement, shortfalls in funding of compensation, delays in payments, and weak internal monitoring and evaluation. The quality of returned land occupied by contractors for the duration of the construction phase was an issue as well. The MPDP proved to be a document prepared only to meet ADB’s policies and not to serve as the basis for special measures. These measures would have required a specific action plan and budget in the MPDP.

28. Regarding specific IP issues, the survey showed that the 41 IP in the sample of 50 had similar views as the Hans: they appreciated the lower transport costs resulting from the construction of the expressway, even though it was a toll way, and the tourism industry this would help develop, which in turn would provide a way of promoting their nationality and culture. They also saw the new ideas for businesses and travel that increased interaction with outsiders gave local people, although young people now tended to leave agriculture and work in the cities. Lastly, the decline of roadside businesses along the old main road was noted. Among the ethnic minorities, over 60% acknowledged the preferential treatment given them as ethnic minorities, for instance, the priority they had received in road construction jobs. Overall government policy had provided much help to IP families. In Mojiang county, some people affected by the road were provided urban resident status and a minimum living guarantee. When asked, most IP did not see that their way of life had changed as a result of the road—much less as the result of any EMDP. Rather, the consensus was that impoverishment risks had been reduced and opportunities provided for development by the ethnic minority policies of the local and national government, which were unrelated to the EMDP or the expressway.

29. **Cordillera Highland Agricultural Resource Management (CHARM) Project in the Philippines.** The PCR rated this project a success. The project covered 16 municipalities and

around 23,000 households (out of a total population of 263,851 households in the region [as of 1 May 2000]¹²), and the land acquisition had no adverse effect on livelihoods or assets. The project helped prepare six ancestral domain sustainable development protection plans (ADSDPPs), integrating existing plans with a new focus on the aspirations of the indigenous populations of over 90% in the area. The project facilitated the issuance of the first certificate of ancestral domain title in the Philippines covering 29,444 hectares for the Bakun in 2003 and another for 26,353 hectares for Kibungan communities in 2004. Four more were under way by the time of project completion; if awarded, these certificates will bring 107,242 of the 163,039 hectares of the area under the full collective ownership of IP. In addition, three ancestral domain claims with a total domain area of 141,511 hectares were awarded to the IP beneficiaries. The award of the first title was regarded as a major breakthrough and the first step to giving the land titles to individual IP in the Philippines. The CHARM Project was acknowledged to be a positive learning experience in the application of the IP law by the NCIP, and in participatory approaches in agriculture and natural resource management for other government agencies. The project promoted integrated pest management and incorporated indigenous forest management practices called *lapat*. Taking indigenous knowledge systems into account in the project design made the project easier to implement. Whether the participatory processes were really worth the huge effort put into them is a moot point. OED's SES on Participatory Approaches¹³, which also included a case study of the project, already questioned the value of the processes, on the grounds that the ADSDPPs were prepared in English and had not been translated into the IP language.¹⁴ As mentioned, the main criticism of the SES was that the level of participation achieved did not extend to participation in decisions on the size of budgets and subsequent expenditure.

30. The limited survey of the SES found that, as the PCR argued, the project seemed to be well liked by the beneficiaries. The respondents believed that the project was compatible with their cultural beliefs, ancestral territories, and traditional practices. As would be expected from a project that had come at little cost to the people, with no need to expropriate land, almost all the respondents declared themselves satisfied and wanted a follow-up project. Eighty percent of the respondents said that they were better off because of the project, while the rest said that their lives had not changed. Seventy-four percent of the respondents observed that the project had given them access to domestic water supply, and 57% had gained access to social services. Ten percent had benefited from reforestation, and 18% from the various training programs. Nobody interviewed for the evaluation claimed they were worse off because of the project.

31. As an indicator of the difficulty in assessing the effects of a project like the CHARM Project, it has to be mentioned that in 2001, when the project was in full swing, the intended impact was disputed by an advocacy NGO called the Cordillera People's Alliance. A briefing paper made the following allegations about the CHARM Project: (i) the people's participatory process in decision making and project implementation was sacrificed; (ii) commercial agriculture was promoted to the detriment of traditional agricultural practices; (iii) reforestation projects caused conflicts among indigenous communities; (iv) corruption in the implementation of rural infrastructure development projects was rampant; (v) the promise of employment for the intended beneficiaries was not fulfilled; (vi) the performance of the NGOs was weak;

¹² Cordillera Administrative Region: The Least Populous Region in the Philippines. Press release no. 2002-1999. Released 27 June 2003.

¹³ ADB. 2004. *Special Evaluation Study on the Effectiveness of Participatory Approaches: Do the New Approaches Offer an Effective Solution to the Conventional Problems in Rural Development Projects?* Manila.

¹⁴ The validity of these earlier findings is unclear; the field survey for this SES found many local councilors and other IP capable of speaking and reading English.

(vii) indigenous practices were undermined, thereby causing disunity among IP; and (vii) there was widespread confusion on the issue of land tenure.

32. The Department of Agriculture submitted a response to ADB on 24 August 2001. It argued that the participatory process utilized by the project ensured that priority community needs and aspirations were identified and considered. The basis for all the subprojects in the CHARM Project was the *barangay* (community) natural resources management plan, and this was formulated by the communities themselves. Indigenous knowledge systems and institutions were recognized in the formulation of subprojects, which did not foster approaches that undermined traditional and indigenous practices. The project did not encourage the community to plant cash crops such as cut flowers and commercial vegetables, as the NGO alleged. Only 21 of the 82 barangays produced vegetables, as they had been doing since the 1960s. The project was expected to irrigate 2,800 hectares, 65% of which (1,185 hectares) was rice land. This, in the view of the Department of Agriculture, the project had no bias toward the introduction of cash crops. Furthermore, the project continued to promote integrated pest management, which helped reduce the use of pesticides, was sensitive to the cultural fabric of the community, and required social validation before implementation. Specific works were undertaken by community groups contracted for the purpose. This created employment and generated income. Outside labor was required only when no local laborers were available. The EA insisted that there was no corruption in the implementation of the project. The procurement guidelines of ADB, in addition to those of the Government, helped ensure that corruption did not affect the project.

33. Efforts by the project to set up meetings with the Cordillera People's Alliance to provide reassurances and clarify and address its concerns had met with no response.

34. One point that might detract from the overall success of the project, however, was its failure to achieve its objective of bringing down significantly the high poverty levels in the area. Poverty was reduced from 42.5% to 36.9%, but not to the extent of the too ambitious target in the RRP (from 70% to 25%). Another lesson in the PCR was that true participation of IP in decision making, and the subsequent involvement of good NGOs in implementation, takes a long time. However, time is a scarce good in loan-funded projects, where quick implementation reduces interest payments and improves the economic returns.

35. **Guizhou–Shuibai Railway Project in PRC.** Because of the mountainous terrain, 59 km of the 119 km railway was tunneled through mountains, and 17 km went across bridges. This reduced the potential adverse impact on land loss related to the right-of-way for the project. Nevertheless, over 25,000 people lost some or all of their farmland and over 4,300 lost their houses, which had to be rebuilt elsewhere in the village. This was substantially more than the 650 households originally envisaged to be affected. The questionnaire survey covering 472 households, held for the SES in September–October 2006, did not find any differences between the Hans (60% of the APs) and ethnic minorities (40%) in terms of loss of land. Both groups lost 29% of their farmland areas on average, and 19% of their per capita grain output. The survey also found that loss of land in the villages was part of a larger process. Even households not affected by the railway construction and those in other areas lost 8% of their farmland in 1997–2005, mainly because of population growth, economic development, and alternative uses of land within villages.

36. The survey results were analyzed by group (e.g., Hans, ethnic minorities, and subpopulations of the two)¹⁵ to see if significant difference emerged. The incomes of both Hans and ethnic minorities had gone up, on average, at least 90% over 1997–2005. There were no significant differences between the two. The most important factors explaining reductions in poverty in the project area seemed to have compensated for the impoverishment effects related to disruption, loss of land, and loss of housing to the railway line. These factors included (i) national economic growth, filtering through to rural areas; (ii) the proximity and connectivity of such areas to population centers; (iii) national policies and (iv) to a lesser extent, project policies favorable to ethnic minorities. The effects of national growth seemed to trickle down to all areas investigated. The proximity to population centers was already better in the railway area villages than in the more remote villages that were investigated to provide a control group for the survey. It proved to be difficult to find a control group area close to population centers and not at all connected to these centers by the time of the evaluation.

37. The survey in the in the villages along the right-of-way of the railway registered an average per capita income of CNY1,320 in 1997 as opposed to only CNY549 in the remote villages. By end 2005, average incomes had increased to CNY2,526 in the railway villages and CNY1,561 in the remote villages. Large income differences remained between the two types of villages, although the gap was closing: the remote villages selected as control group had experienced even more significant positive changes in income than the villages in the project impact zone. As it turned out, the Government had conducted its own relocation program in one remote village visited by the survey team, as a result of special poverty and ethnic minority programs. Many villagers had been helped to move from high up in the mountains to lower down in the more temperate zone, and they had been provided with land and housing, which, in combination with greater income from off-farm work, had led to higher incomes. From the very low base in 1997, the relative growth in income was 184% in the remote villages in the sample and 91% in the railway area villages. This result could be interpreted as a relative failure of the project to mitigate adverse impacts of the railway construction sufficiently. However, the SES holds another view. It has to be born in mind that in absolute terms, income in the railway area villages had grown more still—by CNY1,206 per capita per year, compared with a growth of only CNY1,012 in the remote villages. The income growth in the project area villages was also more or less in line with overall growth of the Chinese economy over the period, so if the project had adverse effects, then they were not such that they disadvantaged the economy of the project areas relative to that of the country as a whole. Furthermore, the positive effects of the railway are, in part, yet to materialize, as only few of the expected new coal mines have started operations. Other policies introduced by the Government for ethnic minorities were special access to higher education opportunities, and exemption from the one-child policy. Such policies have resulted in some mixed Han–ethnic minority couples deciding to register their children as belonging to an ethnic minority. Also, some Hans have converted to ethnic minority status because one or more ancestors belonged to ethnic minorities. For these reasons, the area’s ethnic minority population was observed to be growing faster than the Han population.

38. The trickle down effect of national economic growth may have been the most important factor benefiting the ethnic minorities in the railway area. This is reflected in the rising percentage of persons over 16 years in households that had migrated for work, from 1.7% in 1997 to 7.6% in 2006. In fact, contrary to many other areas in PRC, more ethnic minority households relied on incomes from migration than Han households in the area—the proportions being 2.7% in 1997 and 9.2% in 2006 for ethnic minorities, and 1.0% in 1997 and 6.2% in 2006

¹⁵ For instance, those affected by loss of land to the railway and those not, and those close to the railway and those far away from it.

for Hans. Whether out migration is to be seen as a positive strategy or negative strategy for ethnic minorities was difficult to judge, but the effect on household income was highly positive. On average, CNY1,200 of the total CNY2,159 per capita income of ethnic minorities in 2005 was derived from migration wages (and CNY1,585 of CNY2,893 for Hans). Hans are more likely than ethnic minorities to capture employment opportunities afforded by the new railway and by expanding coal mining and nearby employment opportunities (local migration). While 8.6% of Han households along the railway worked in the new coal mines and 11.8% had coal mining-related jobs, only 3% of the ethnic minorities worked in those mines and only 3.5% held jobs in coal mining. The project's executing agency, however, gave preferential treatment to ethnic minorities in railway sector jobs. About 3% of ethnic minority households held such jobs, compared with 1.4% of Hans.

39. The following findings regarding the effect of land loss, compensation, and resettlement were of interest. Eighty percent of the minorities affected by railway construction reported livelihood improvement over the years, whereas only 66% of the minorities not affected could report such improvement. Although there can be many reasons for livelihood improvement, the compensation received for land loss and resettlement, although it was not high, is likely to have been sufficient to avert impoverishment. Many migrated, and this strategy must have paid off in terms of the income of the household left behind. The positive effect of the arrangements was also reflected in the growth of housing size and quality, which was greater for affected households (both minorities and Hans) than for households not affected (76% of affected households had TV and 94% tap water, compared with 47% and 78%, respectively, for the non-affected households).

40. Overall, the most positive effects of the railway that were mentioned were the greater ease in migration employment and the increase in local government resources available. Ethnic minorities as well as Hans benefited from the railway, in spite of the loss of land. The findings of an earlier OED study on Pathways out of Rural Poverty,¹⁶ which was skeptical about small add-on components such as requiring contractors to use local or ethnic minority labor, can be only partially corroborated. Even if no local labor had been used, the railway might yet have been perceived as producing benefits to the local population. However, the project "add-ons" helped cushion potential adverse impacts and accelerate the improvements for ethnic minorities. National government policy helped to further narrow the gap between Han and ethnic minorities. The question of the use of add-ons is therefore one of cost and efficiency.

¹⁶ ADB. 2006. *Special Evaluation Study on the Pathways out of Rural Poverty and the Effectiveness of Poverty Targeting*. Manila.