

**REPORT AND RECOMMENDATION  
OF THE  
PRESIDENT  
TO THE  
BOARD OF DIRECTORS  
ON  
PROPOSED LOANS  
AND  
TECHNICAL ASSISTANCE GRANT  
TO THE  
REPUBLIC OF INDONESIA  
FOR THE  
COMMUNITY EMPOWERMENT  
FOR RURAL DEVELOPMENT PROJECT**

**September 2000**

## INDIGENOUS PEOPLE PLAN

1. For the purposes of the Project's Indigenous People Plan, indigenous people are those who meet the Government definition of "isolated communities." Under Ministerial Decree 5/1994, isolated communities are described as groups of people who live or wander in dispersed, isolated areas and follow a sociocultural system which is "isolated" and "left behind" in comparison with the rest of Indonesian society. "Isolated" is understood in terms of both geography and culture, while "left behind" is understood in terms of such measures as health, education, housing, clothing, and livelihood. Some characteristics of isolated communities, according to the National Development Planning Agency (BAPPENAS) are as follows: (i) a nomadic or seminomadic lifestyle, or living in small, dispersed bands; (ii) livelihood system strongly dependent on the natural environment, such as hunting, gathering, fishing, or swidden agriculture; (iii) inadequate standards of personal hygiene or cleanliness of environment; (iv) meager or no clothing; (v) low standard of housing; (vi) very limited knowledge and low use of technology; (vii) belief system that is animistic; and (viii) strong attachment to their cultural and belief systems, which makes them culturally closed.

2. These communities or groups also have in common many of the following traits relevant to the concept of indigenous people: "Priority in time with respect to the occupation and use of a specific territory. The voluntary perpetuation of cultural distinctiveness, which may include the aspects of language, social organization, religion and spiritual values, modes of production, laws and institutions. Self Identification as well as recognition by other groups, or by the State authorities, as a distinct collective group; and an experience of subjugation, dispossession, marginalization, exclusion or discrimination, whether or not these conditions persist."

3. The Ministry of Social Affairs is responsible for the development of communities that have been classified as "isolated communities," through the Directorate General of Social Welfare Development under the Directorate for Isolated Communities. Implementation of isolated community development programs under the directorate includes settlement in place of origin, resettlement, and coordination and cooperation of technical agencies to facilitate their accessing and mainstreaming into general development activities. While indigenous people cannot be identified on the basis of an official list of "Isolated Communities," nor enumerated by reference to official census records, agency records can be used to identify districts where indigenous people are likely to be located. The Mission identified seven districts among the nine proposed project districts where the ministry has or had isolated community development in the past, and which are therefore considered to potentially contain a concentration of indigenous people. This list will be used to facilitate identification and, therefore, participation and access of indigenous people to benefits from the Project (Table A15).

**Table A15: Indigenous People in the Project Area**

Project District	Indigenous People	Indigenous Ethnic Groups
Kapuas	X	Dayak Ngaiu Danum, Dayak Naiu
Barito Utara	X	Dayak Dusun Malang, Dayak Taboyan, Dayak Ut Danum
Tanah Laut	X	Dayak Bukit
Banjar	X	Dayak Bukit, Dayak Kaharupan
Bolaan Mengondow		
Minahasa		
Poso	X	Rampi, Wana, Rana
Dongala	X	Tolare, Tajio, Pendala, Sajuan, Lanje, Kori
Kendari	X	Bajo and Tolaki

X = refers to presence of indigenous people

4. There is a large number of major and minor groups in the project area, that have been recognized by the Ministry of Social Affairs as meeting this requirement, and who have been defined by themselves or by outside authorities as indigenous people. These groups have traditionally been unable to participate fully in development activities because of problems associated with isolation and, sometimes, cultural stereotyping and negative bias on the part of the authorities. The direct grant component of the Government IDT program for poverty reduction from 1993 to 1997 provided only one of three rounds of grants to villages with less than 100 households. The village infrastructure programs being assisted by Japan Bank for International Cooperation (JBIC) and the World Bank exclude villages of 50 households or less, and the World Bank's Kecamatan Development Program (KDP) similarly excludes small villages and subdistricts. This serves to limit the access of indigenous people to mainstream development activities. To avoid the problem of exclusion of small villages and indigenous people under the Project, no minimum village size will be set. All established villages will be considered as eligible to participate in the Project.

5. During implementation, the project implementation unit (PIU) at the district level will be responsible for identifying subdistricts containing indigenous people within its jurisdiction, in consultation with institutions and organizations responsible or directly associated with isolated communities – Departments of Social Affairs, Education, Forestry, BAPPEDA, at district levels, and missionary groups and those working in environmental conservation projects. While selection of villages remains with the district PIUs, participating districts will be encouraged to include those with concentrations of indigenous people. Selection and participation of indigenous communities will be monitored.

6. The Project is expected to bring positive benefits to indigenous people through access to mainstream services and improved governance. All participation is voluntary, communities are not required to participate if they do not choose to. The indigenous communities must approve all works, and activities that require resettlement will not be funded. The development of capability for participatory planning and implementation at both the district and village levels, and implementation of participatory monitoring will help ensure that local development planning reflects local interest. In addition to preventing the exclusion of indigenous people on the basis of settlement size, the Project will enable their participation, through the requirement that nongovernment organization facilitators to be engaged under the Project speak the dominant language of the district and priority be given to candidates from the subdistrict of assignment.

7. The Project promotes responsive local planning and administration. As a result, in areas with large populations of indigenous people, the improvement in capability for local planning will permit a greater voice for participation of otherwise marginalized groups, and will legitimize social-ethnic diversity by strengthening local institutions.