

## Call for Inputs: Green Climate Fund Indigenous Peoples Policy

1. Incheon, 27 October 2017 – In decision B.15/01, paragraph (a)<sup>1</sup>, the Board requested the Secretariat to develop a Fund-wide indigenous peoples’ policy. The policy aims to assist GCF in incorporating considerations related to indigenous peoples into its decision-making while working towards the goals of climate change mitigation and adaptation. The policy is seen to provide a framework for ensuring that activities of the GCF are developed and implemented in such a way that fosters full respect for indigenous peoples and their dignity, human rights, and cultural uniqueness so that they (a) receive culturally appropriate social and economic benefits; and (b) do not suffer adverse effects during the development process.
2. Indigenous peoples are unique and a distinct stakeholder of the Green Climate Fund (GCF) with rights affirmed by international human rights instruments, particularly, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). While indigenous peoples have invaluable and critical contributions to climate change mitigation and adaptation, they are also facing serious threats to the protection of their rights from climate change actions.
3. The obligation to engage indigenous peoples in climate change policies and actions has been explicitly recognized in the Cancun Agreement. The need to respect the rights of indigenous peoples is reiterated in the preamble of the Paris Agreement. The Paris Agreement acknowledges the positive contribution of indigenous peoples’ traditional knowledge systems in achieving its goals and recognizes the need to strengthen practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change. The United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties has recognised that a key obstacle to realizing this role is lack of indigenous peoples-specific projects and international funding for these projects and invited the GCF to “to enhance their consideration of local, indigenous and traditional knowledge and practices and their integration into adaptation planning and practices, as well as procedures for monitoring, evaluation and reporting”<sup>2</sup>
4. On 1 March 2017, the GCF Secretariat sent a call for inputs that invited Board members and alternate Board members, and observer organisations, to provide inputs in relation to the development of the indigenous peoples’ policy of the GCF. Following submission of inputs, the Secretariat prepared an initial draft of the indigenous peoples’ policy.
5. On 11 July 2017, the GCF Secretariat published a public call for inputs and invited Board members and alternate Board members, national designated authorities and focal points, accredited entities, and observer organisations, to provide inputs in relation to the initial draft of the indigenous peoples’ policy of the GCF. Following the initial submission of, the Secretariat has further developed the policy.

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<sup>1</sup> The compendium of decisions of the seventh meeting of the Board is available at [http://www.greenclimate.fund/documents/20182/490910/GCF\\_B.15\\_24\\_-\\_Decisions\\_of\\_the\\_Board\\_\\_\\_fifteenth\\_meeting\\_of\\_the\\_Board\\_\\_13-15\\_December\\_2016.pdf/8726fc1c-15fc-4a2e-90fb-23267b3f8ea5](http://www.greenclimate.fund/documents/20182/490910/GCF_B.15_24_-_Decisions_of_the_Board___fifteenth_meeting_of_the_Board__13-15_December_2016.pdf/8726fc1c-15fc-4a2e-90fb-23267b3f8ea5).

<sup>2</sup> Decision – CP./20 available at [http://unfccc.int/files/meetings/lima\\_dec\\_2014/decisions/application/pdf/auv\\_cop20\\_adaptationcommittee.pdf](http://unfccc.int/files/meetings/lima_dec_2014/decisions/application/pdf/auv_cop20_adaptationcommittee.pdf)

6. The purpose of the consultation is to solicit feedback on and recommendations to improve the proposed indigenous peoples' policy of the GCF. The proposed indigenous peoples' policy of the GCF is attached below this call for inputs.

### **I. Inputs requested**

7. The GCF Secretariat is pleased to invite submissions in relation to the GCF indigenous peoples' policy.

### **II. Deadline**

8. The deadline for submissions is: **26 November 2017 at 23:59 Korean Standard Time.** ***All submissions should be sent no later than the deadline.***

### **III. Submission**

9. Official submission of inputs on behalf of an organization or group of organizations in ***Microsoft Word format*** should be sent via email as one document with subject line "**Call for inputs –GCF Indigenous Peoples Policy – Response**" to:

[policyinputs@gcfund.org](mailto:policyinputs@gcfund.org)

**The official submission should clearly indicate:**

Full Name

Title/Position

Organization/Affiliation

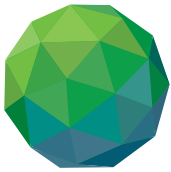
Contact details including telephone and e-mail address

Organization's Focal Point (name, surname and position).

10. Submissions should indicate whether the inputs are provided on behalf of an organization or a group of organizations. In the case where the inputs are provided on behalf of an organization, the list of organizations should be included in the official submission of inputs.

### **IV. Disclaimer**

11. Inputs provided may be publicly disclosed, made available on the GCF's website, and/or incorporated in whole or in part in a document presented to the Board.



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**DRAFT FOR CONSULTATION**

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# Indigenous Peoples Policy

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## I. Introduction and rationale

1. Indigenous peoples are unique and a distinct stakeholder of the Green Climate Fund (GCF) with rights affirmed by international human rights instruments, particularly, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). While indigenous peoples have invaluable and critical contributions to climate change mitigation and adaptation, they are also facing serious threats to the realization of their rights from climate change actions.

2. The importance of engaging with indigenous peoples in climate change policies and actions has been recognized by the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC), including in the Cancun Agreement (Decision 1/CP.16). The preamble of the Paris Agreement also acknowledges that Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on, *inter alia*, the rights of indigenous people. The COP decision adopting the Paris Agreement (Decision 1/CP.21) recognizes the need to strengthen practices and efforts of local communities and indigenous peoples related to addressing and responding to climate change. The COP has further requested the GCF consider a recommendation “to enhance [its] consideration of local, indigenous and traditional knowledge and practices and their integration into adaptation planning and practices, as well as procedures for monitoring, evaluation and reporting.”

3. This GCF Indigenous Peoples policy (referred to in this document as “the policy”) recognizes that indigenous peoples have identities and aspirations that are distinct from mainstream groups in national societies and often are disadvantaged by traditional models of mitigation, adaptation and development. In many instances, they are among the most economically marginalized and vulnerable segments of the population. The economic, social and legal status of indigenous peoples frequently limit their capacity to defend their rights to, and interests in, land, territories and natural and cultural resources, and may restrict their ability to participate in and benefit from development initiatives and climate change actions. In many cases, they do not receive equitable access to project benefits, or benefits are not devised or delivered in a form that is culturally appropriate, and they are not always adequately consulted about the design or implementation of activities that would profoundly affect their lives or communities.

4. The GCF’s Governing Instrument, as well as other policies such as the Interim Environment and Social Standard (ESS) and the draft Environment and Social Management Standard (ESMS), refer to the GCF’s obligation to fully and effectively engage with Indigenous Peoples in the design, development and implementation of the strategies and activities to be financed by the GCF, while respecting their rights.

5. At its fifteenth meeting, the Board of the GCF in its decision B.15/01 requested the Secretariat to develop a Fund-wide indigenous peoples policy.

6. This policy will assist the GCF in incorporating considerations related to indigenous peoples into its decision-making while working towards the goals of climate change mitigation and adaptation. The policy allows the GCF to examine, control, eliminate and reduce the adverse impacts of its activities on Indigenous Peoples in a consistent way and to improve outcomes over time. These elements of the policy will be integrated with other business processes and governance frameworks, particularly the ESMS, and will be utilized across the organization of the GCF. The policy will be an evolving policy that will continue to mature as the GCF’s operations develop.

7. In developing this policy, GCF has been guided, as relevant, by principles set forth in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), International Labour Organization (ILO) Convention 169 and the International Covenant on Economic, Social and

Cultural Rights and the International Convention on the Elimination of All Forms of Racial Discrimination (CERD).

8. This policy has been developed with the participation and consent of a wide range of Indigenous Peoples Organisations.

## II. Policy objectives

9. The overall objective of this policy is to provide a structure for ensuring that activities of the GCF are developed and implemented in such a way that fosters full respect for and promotion of indigenous peoples' dignity, rights as recognized by national laws and obligations of the country directly applicable to the activities under relevant international treaties and agreements, identity, aspirations, natural resource-based livelihoods, autonomy, protagonism and cultural uniqueness so that they (a) benefit from GCF activities and projects in a culturally appropriate manner; and (b) do not suffer adverse effects from the design and implementation of GCF-financed activities. The policy will allow the GCF to promote its approach in a consistent way and improve outcomes over time.

10. The specific objectives of this policy are as follows:

- (a) To support and promote the welfare, positive contributions and leadership of indigenous peoples to climate change mitigation and adaptation, based on their traditional knowledge systems, livelihoods, sustainable resource management systems and practices, in a manner that is accessible, rights-based, gender-responsive, culturally appropriate and inclusive;
- (b) To enable the critical role of indigenous peoples in assisting the GCF to ensure more effective, sustainable and equitable climate change results, outcomes and impacts and to enable them to be active leaders and participants in the process;
- (c) To enable indigenous peoples present in, or with collective attachment to, the areas where the GCF-financed activities are implemented (or activities proposed for GCF-financing will be implemented) to be fully informed and consulted about, and have opportunities to actively participate in, project design and the determination of project implementation arrangements.
- (d) To provide a framework for GCF to anticipate and avoid adverse impacts of its activities on indigenous peoples' rights, interests and well-being and when avoidance is not possible, to minimize, mitigate and/or compensate appropriately and equitably for such impacts;
- (e) To pay particular attention to the different challenges faced by women and girls and other groups within indigenous communities, and to promote the participation and leadership of women in GCF activities, given their role as traditional knowledge holders and custodians of cultural and spiritual heritage and values
- (f) To enable and ensure the full respect for the human and territorial rights, dignity, aspirations, identity, culture, lifestyle, autonomy, protagonism, natural resource-based livelihoods of indigenous peoples and territory management in the whole spectrum of activities and initiatives of the GCF, guided by the applicable international and regional principles such as International Labour Organization (ILO) Convention 169, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP);
- (g) To promote and respect indigenous peoples' rights to collectively own, permanently possess, usufruct, use, manage, develop and/or control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired;

- (h) To recognize, respect and protect the culture, knowledge and practices of indigenous peoples, and to provide them with an opportunity to adapt to changing conditions in a manner and in a timeframe acceptable to them;
- (i) To foster full respect, promote, and preserve their cultural and spiritual heritage and values, traditional knowledge, natural and economic resource management systems and practices, occupations and livelihoods, customary institutions and overall well-being;
- (j) To recognize and effectively apply the principle of free, prior and informed consent, as described in this policy;
- (k) To establish and maintain continuing engagement based on fully informed consultation and effective participation of the indigenous peoples – including indigenous women, youth and elders - affected by GCF-financed activities throughout the implementation of the activities;
- (l) To ensure that all grievance mechanisms associated with GCF activities are effective in addressing issues raised by indigenous people and are accessible, fair, transparent and culturally appropriate; and
- (m) To recognise and operationalise indigenous peoples' equitable access to the benefits of GCF funded activities.

### III. Scope of application

11. This policy will apply to all prospective and approved GCF-financed activities, to the extent reasonably possible and to both public and private sector entities. The activities supported by the GCF include programmes, projects and subprojects and the financial instruments may vary and may include grants, concessional loans, guarantees and equity investments.

12. This policy will apply to indigenous peoples as characterized in the following paragraphs.

13. In this policy, the term “indigenous peoples” is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees, recognizing that no single factor is dispositive:

- (a) Self-identification as members of a distinct indigenous social and cultural group and recognition of this identity by the group or community;
- (b) Collective attachment or right to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation, as well as to the natural resources in these areas; or
- (c) Customary cultural, economic, social, or political systems that are distinct or separate from those of the mainstream society or culture.

14. The GCF will take into account commonly accepted and applied criteria for identifying indigenous peoples, respecting self-identification as indigenous or tribal as a fundamental criterion for determining the application of this policy. At a minimum, this policy will apply to indigenous peoples as characterized in Article 1 of ILO Convention 169. Further to this, the GCF may assess the presence of several characteristics, drawing on the working definition used by the United Nations and indigenous peoples' experts.

15. In some countries, such groups are referred to as 'indigenous peoples.' In other countries, they may be referred to by other terms, such as “sub-Saharan African historically underserved traditional local communities”, “indigenous ethnic minorities”, “Afro-descendent communities of South America and the Caribbean”, “ethnic groups”, “aboriginals”, “hill tribes”, “vulnerable and marginalized groups”, “minority nationalities”, “scheduled tribes”, “first

nations”, “tribal groups”, “pastoralists”, “hunter-gatherers” “nomadic groups” or “forest dwellers”. Regardless of which terminology is used, the requirements of this policy will apply to all such groups.

16. This policy applies whenever indigenous peoples are present in, have, or had a collective attachment to areas where GCF-financed activities will be implemented.
17. This policy applies regardless of whether indigenous peoples are affected positively or negatively, and regardless of the significance of any such impacts.
18. The application of this Policy will not be limited by the absence of legal recognition or identification of indigenous peoples by a country.
19. This policy also applies irrespective of the presence or absence of discernible economic, political or social vulnerabilities, although the nature and extent of vulnerability will be a key variable in designing plans to promote equitable access to benefits or to mitigate adverse impacts.

#### IV. Guiding principles

20. The guiding principles of the existing and proposed policies of the GCF will apply to this policy.
21. In addition, the guiding principles for this policy will also include:
  - (a) Develop and implement free, prior and informed consent. The GCF will ensure and require evidence of the effective consultation and application of free, prior and informed consent through appropriate procedures and in particular through their representative institutions whenever consideration is being given to GCF-financed activities that may affect indigenous peoples’ rights, their lands, territories, resources, livelihoods and cultures. The free, prior and informed consent shall be undertaken, in good faith and in a form appropriate to the circumstances, with the objective of achieving agreement or consent to the proposed measure in an iterative, transparent, equitable, inclusive process, requiring indigenous peoples’ consent before any GCF-financed activity is undertaken, on the basis of their own independent deliberations and collective decision-making process, customs values and norms, based on adequate information to be provided in a culturally appropriate manner, including in the relevant local languages, that is understood by them and a process of transparent and inclusive consultations, including with women, the elderly, people with disabilities and youth, and free of coercion or intimidation;
  - (b) Respect and enhance the rights of indigenous peoples to their lands, territories and resources. All GCF activities shall fully respect and support indigenous peoples’ rights to land, territories and resources, including their cultural and spiritual heritage and values, traditional knowledge, resource management systems and practices, occupations and livelihoods, customary institutions and overall well-being;
  - (c) Recognize and implement relevant international human rights standards. All GCF activities shall respect the rights and responsibilities set forth in the (UNDRIP), and other applicable international and regional instruments relating to the human rights of indigenous peoples, including, but not limited to, ILO Convention No. 169, the International Covenant on Economic, Social and Cultural Rights and the International Convention on the Elimination of All Forms of Racial Discrimination (CERD);
  - (d) Respect the right of indigenous peoples under voluntary isolation. The GCF shall respect the right of indigenous peoples living in voluntary isolation, or remote groups with limited external contact, also known as peoples “in voluntary isolation,” “isolated peoples” or “in initial contact”, to remain isolated and to live freely according to their



- culture. Activities that may affect these peoples, their lands and territories, or their way of life, will include the appropriate measures to recognize, respect and protect their lands and territories, environment, health and culture and to avoid contact with them as a consequence of the activities;
- (e) Respect and recognize traditional knowledge and livelihood systems. The GCF recognizes, respects and values indigenous peoples' cultural heritage as well as traditional knowledge held by indigenous peoples and the indigenous ways of ownership and knowledge transmission, and shall promote the participation and leadership of traditional knowledge holders in GCF-financed activities;
  - (f) Enhance the capacity for indigenous peoples issues within the GCF. The GCF shall develop its advisory and decision-making capacities to understand and properly address indigenous peoples' issues and rights, including developing the capacity of Board members and Secretariat management and staff;
  - (g) Facilitate access to GCF resources for indigenous peoples. The GCF shall encourage National Designated Authorities and accredited entities to engage with and be inclusive of indigenous peoples. As appropriate, the GCF may consider taking actions to better meet the needs and priorities to support their initiatives and efforts for climate change mitigation and adaptation actions; and
  - (h) Recognition and self-determination of the system of self-government. The GCF should promote respect for the right of indigenous communities to freely determine their political status and freely promote their economic development, social, spiritual and cultural, and consequently promote their right to autonomy or self-government in relation to, their culture, religion, education, information, media, health, room, employment, social welfare, economic activities, land and resource management and environment as well as to determine the resources and means to finance these autonomous functions.

## V. Overview of roles and responsibilities

### 5.1 Overview of roles and responsibilities of the GCF

- 22. Operational guidelines. The GCF is responsible for developing and updating the operational guidelines to accompany this policy.
- 23. Documenting and communicating. The GCF is responsible for documenting and communicating the experience and knowledge acquired from the implementation of this policy.
- 24. Accreditation. In relation to the accreditation of entities, the GCF is responsible for determining the capacity of the entities to implement this policy. Where capacities exist, the GCF will assess the consistency of the system and approach used by the entities and intermediaries with this policy. As necessary, the GCF will collaborate with the entities on measures to improve their capacities including the deployment of available support and assistance.
- 25. Managing risks throughout the project cycle. Within the parameters of GCF-financed activities, the GCF is responsible for:
  - (a) Requiring the accredited entities to implement their management system consistent with this policy, thereby providing for free prior informed consent (FPIC) and a systematic, consistent and transparent management of risks and impacts from GCF-financed activities. Where gaps or weaknesses exist, the GCF will require that these are addressed by the accredited entities in a manner and time amenable to the GCF and the

- accredited entities, so that an effective system is in place before GCF-financed activities are implemented;
- (b) Requiring and ensuring that appropriate screening and categorization processes within the accredited entities' systems are conducted;
  - (c) Conducting due diligence on activities proposed for funding consideration, and recommending to the Board for financing only those proposed activities with FPIC and satisfactory approaches to managing risks and impacts, consistent with this policy;
  - (d) Requiring that risks and impacts assessments for activities are adequate and provide sufficient information to assess whether FPIC has been properly provided and the GCF should consider funding the activities and should determine suitable avoidance, mitigation or compensation measures in those cases where proceeding with funding consideration is appropriate. Where gaps or weaknesses exist in the assessment, the GCF will require that they are addressed;
  - (e) Requiring that accredited entities implement (which may include the role of an executing entity), monitor and supervise the activity's implementation and compliance with (as an intermediary) this policy and require that any gaps or weaknesses be addressed;
  - (f) Carrying out monitoring, reviewing and reporting functions related to the performance of accredited entities and the supported activities, as may be required consistent with the monitoring and accountability framework; and
  - (g) Reviewing proposed operational changes with respect to the GCF-financed activities or the accredited entities' management systems and requiring additional measures to align this policy, if necessary.
26. Information disclosure, stakeholder engagement and grievance redress: the GCF is responsible for:
- (a) Confirming that all information related to FPIC and the risks and impacts of activities are appropriately disclosed to meet the requirements of the GCF Information Disclosure policy and this policy and working with accredited entities to address any gaps or weaknesses in the disclosure of relevant information;
  - (b) Confirming that persons and communities affected or potentially affected by any GCF activity are consulted by the accredited entities or through its executing entities during the design and implementation of the activities and that appropriate grievance and redress mechanisms are established and function and in a way that is complementary to the Independent Redress Mechanism (IRM) of the GCF and requiring that any gaps or weaknesses be addressed; and
  - (c) Ensuring that accredited entities establish activity-specific grievance redress mechanisms and fully implement remedial actions stipulated by the Board on the recommendation of the IRM in response to complaints received by the IRM and in accordance with the terms of reference, guidelines and procedures of the IRM and consistent with the requirements of this policy.
27. The GCF will require accredited entities to comply with their obligations specified in their accreditation, this policy and any Indigenous Peoples Plan (IPP) or Indigenous Peoples Planning Framework (IPPF), applicable country laws and regulations, and obligations of the country directly applicable to the activities under relevant international treaties and agreements. Where the accredited entities fail to comply with these requirements, the GCF will work with the accredited entities to develop and implement corrective actions that will bring the activities back into compliance. Where the accredited entities fail to re-establish compliance

within a time frame and manner that are mutually agreed upon, the GCF may exercise its remedies under its legal agreement with the accredited entities.

28. Indigenous Peoples Advisory Group. The GCF will support the work of the Indigenous Peoples Advisory Group and ensure its recommendations are effectively conveyed to the Board, accredited entities, countries and any other relevant organization or person.
29. Review of policy. The GCF is responsible for supporting the periodic review of the implementation of this policy as outlined below.

## 5.2 Overview of roles and responsibilities of the accredited entities

30. The accredited entities are responsible for:
  - (a) In the case of activities proposed for GCF financing:
    - (i) Ensuring FPIC has been properly obtained and meaningful consultation has been undertaken in line with the requirements of this policy;
    - (ii) Implementing a management system to manage the risks and impacts associated with the activities, including meaningful and inclusive multi-stakeholder consultation and engagement throughout the project cycle taking into account the particular situations of vulnerable groups and populations (including women, children, people with disabilities and indigenous peoples), appropriate to its role as an implementing entity (which may include a project execution role), an intermediary entity, or both, maintaining or improving the management system on which its accreditation was approved;
    - (iii) Ensuring that activities proposed for GCF financing are properly screened, assigned appropriate risk categories and that the risks and impacts are properly and sufficiently assessed;
    - (iv) Cooperating with the GCF in its due diligence of the activities proposed for GCF financing;
    - (v) Ensuring that measures to avoid, minimize or mitigate adverse impacts, to compensate for residual impacts and to provide for restoration are planned and adequately supported in the activities proposed for GCF financing;
    - (vi) Disclosing information on the GCF-financed activities and component subprojects pursuant to the GCF Information Disclosure policy, and developing and implementing ongoing stakeholder engagement, including entity-level and activity-level grievance mechanisms; and
    - (vii) Ensuring that remedial actions stipulated by the Board of the GCF on the recommendation of the IRM in response to a complaint from people affected by the activities are respected and promptly implemented.
  - (b) In the case of GCF-financed activities:
    - (i) Ensuring that FPIC, IPPs and IPPFs are implemented, monitored and continuously improved as needed; and
    - (ii) Monitoring and reporting the progress and performance to the GCF and its stakeholders throughout the implementation of the GCF-financed activities, in accordance with this policy and any IPP and IPPF.
31. The accredited entities will confirm that the measures to implement this policy, including, as relevant, FPIC, meaningful consultation, information disclosure, stakeholder

engagement and grievance redress, are incorporated in the agreements with executing entities including tendering documents and contracts.

32. The accredited entities are responsible for compliance with all applicable laws, including the laws, regulations and standards of the country in which the activities are located, and/or obligations of the country or countries directly applicable to the activities under relevant international treaties and agreements.

33. Entities that are functioning as financial intermediaries are responsible for managing the risks associated with the supported activities. The intermediaries will review all subprojects and delegated activities to identify where the entities and the GCF could be exposed to potential risks and take necessary actions, including the development and operation of management systems to oversee and manage these risks. The accredited entities acting in intermediary functions will require and ensure that all component subprojects and activities meet the requirements of this policy. The accredited entities will also guarantee that the borrowers, grantees and investees have the adequate management systems, processes and capacity to manage the implementation of this policy and the impacts of GCF funded activities and will ensure that the individual subprojects and delegated activities are properly screened, assessed, assigned an appropriate risk category, FPIC and meaningful consultation are met, subjected to due diligence and oversight and that the implementation and outcomes monitored and reported.

34. The accredited entities will be responsible for ensuring that the communities affected or potentially affected by the activities are properly consulted in a manner that provides them with opportunities to express their views on all aspects of the activity and allows the accredited entities to consider and respond to their concerns. In ensuring the meaningful and effective consultation and participation of the affected communities and vulnerable populations, the accredited entities will align their processes to best practices and standards, and will make publicly available the relevant information on the activities according to the requirements of the Information Disclosure policy of the GCF and this policy.

## VI. Requirements

### 6.1 General

35. A key purpose of this policy is to ensure that indigenous peoples present in, or with collective attachment, be it present or past, to, the areas where the GCF-financed activities are implemented (or activities proposed for GCF-financing will be implemented) are fully informed, consulted about and provided adequate and legitimate opportunities to actively participate in, project design and the determination of project implementation arrangements, operation and decommissioning. Consultations and subsequent project planning and documentation processes will address potential risks and impacts as these may affect indigenous peoples. The scope and scale of consultations, as well as subsequent project planning and documentation processes, will be proportionate to the scope and scale of potential risks and impacts as these may affect indigenous peoples.

36. The accredited entities, in consultation with potentially affected indigenous peoples and the host government(s), will assess the nature and degree of the expected direct and indirect economic, social, cultural (including cultural heritage) and environmental impacts on indigenous peoples who are present in, or have a collective attachment to, the project area. The accredited entities with the participation of the potentially affected indigenous peoples and the host government will prepare a consultation strategy and identify the means by which affected indigenous peoples will participate in the design and implementation of GCF-financed activities as well as share equitably in the benefits.

37. The accredited entities proposed measures and actions will be developed in consultation with the potentially affected indigenous peoples and contained in a time-bound plan that is culturally appropriate. Where there are potential impacts on indigenous peoples, accredited entities with indigenous peoples shall prepare an Indigenous Peoples Plan or, if specific activities or locations have not yet been determined an Indigenous Peoples Planning Framework. The scope and scale of the IPP or IPPF will be proportionate to the potential risks and impacts of the project. The IPPF will include a description of the processes and plans so that specific activities meet the requirements of this policy and the GCF ESS standards including provisions for the development and implementation of site-specific IPP that meet the requirements of this policy. The IPPF and IPP will complement the social assessments of the project and programmes proposed for GCF financing and provide guidance on specific issues related to addressing the needs of the affected indigenous peoples. The format and title of the IPP or IPPF will be adjusted as appropriate to the project or country context and will reflect any alternative terminology for the indigenous peoples.

38. An IPP should include the following elements:

- (a) Baseline information (from independent and participatory environmental and social risks and impacts assessment process);
- (b) Key findings and analysis of impacts, risks and opportunities;
- (c) Measures to avoid, minimize and mitigate negative impacts and enhance positive impacts and opportunities;
- (d) Community-based natural resource management;
- (e) Result of consultations (during environmental and social risks and impacts assessment process), the free, prior and informed consent and future engagement plans;
- (f) Gender assessment and action plans;
- (g) Benefit sharing plans;
- (h) Tenure arrangements;
- (i) Grievance redress mechanism;
- (j) Costs, budget, timetable, organizational responsibilities; and
- (k) Monitoring, evaluation and reporting.

39. If the accredited entities are acting in an intermediary function, the accredited entities shall require and ensure that the executing entity and other intermediaries apply and fulfill the requirements of this policy. The accredited entity and the executing entity will conduct the necessary due diligence and oversight to ensure that these requirements are fulfilled.

40. Where communities are mixed, or indigenous peoples live in close proximity to different social and ethnic groups, this policy should be applied for the benefit of both the indigenous peoples and the other group/s living together or in close proximity.

#### **6.1.1 Activities designed solely to benefit indigenous peoples**

41. Where GCF-financed activities are designed to provide benefits only to indigenous peoples, the accredited entities and executing entities will proactively engage with the relevant indigenous peoples to ensure their ownership, buy-in and participation in the design, implementation, equitable benefit sharing, monitoring and evaluation of GCF-financed activities. The accredited entities will consult with the indigenous peoples as to the cultural appropriateness of proposed services or facilities and will seek to identify and address any economic, social or capacity constraints (including those relating to gender, elderly, youth and

persons with disabilities) that may limit opportunities to benefit from, or participate in, the project.

42. When indigenous peoples are the sole or constitute the overwhelming majority of, the beneficiaries of GCF-financed activities, the elements of the IPP shall be included in the overall design and the environmental and social management plans in relation to environmental and social due diligence of the GCF-financed activities. The preparation of a stand-alone IPP or IIPF will not be necessary.

### **6.1.2 Activities where indigenous peoples are not the sole beneficiaries**

43. When indigenous peoples are not the only beneficiaries of the activities proposed for GCF financing, the planning documents and procedures may vary in form and presentation and will meet the requirements of this policy regardless of form and presentation. The accredited entities will design and implement the GCF-financed activities in a manner that provides affected indigenous peoples with equitable access to project benefits. The concerns or preferences of indigenous peoples will be addressed through meaningful consultation, including a process to request and obtain their free, prior and informed consent and design, and documentation shall summarize the consultation results and describe how indigenous peoples' issues have been addressed in the design of the GCF-financed activities. Arrangements for on-going consultations during implementation and monitoring will also be described.

44. The accredited entities will prepare a time-bound plan, such as an IPP, setting out the measures or actions proposed. In some circumstances, a broader integrated community development plan will be prepared, addressing all beneficiaries of the GCF-financed activities and incorporating necessary information relating to the affected indigenous peoples. A community development plan may be appropriate in circumstances where other people, in addition to the indigenous peoples, will be affected by the risks and impacts of the GCF-financed activities; where more than one indigenous peoples group is to be included, or where the regional or national scope of a programmatic project incorporates other population groups.

### **6.1.3 Avoidance of adverse impacts**

45. Adverse impacts on indigenous peoples will be avoided where possible. Where alternatives have been systematically explored to consider feasible alternative project designs to avoid adverse impacts, and adverse impacts are unavoidable, the accredited entities will minimize and compensate for these impacts in a culturally appropriate manner proportionate to the nature and scale of such impacts and the form and degree of vulnerability of the affected indigenous peoples. The appropriate mitigation measures to minimize impacts and for appropriate compensation shall be determined with the full and effective participation of affected indigenous peoples including indigenous women, youth, elderly and disabled people.

46. When situations arise in which GCF-financed activities may potentially affect remote groups with limited external contact, also known as peoples "in voluntary isolation", "isolated peoples" or "in initial contact", the accredited entities will take all appropriate measures to recognize, respect and protect their land and territories, environment, health and culture, as well as measures to avoid all undesired contact with them as a consequence of the GCF-financed activities. The aspects of the GCF-financed activities that would result in such undesired contact will not be processed further.

### **6.1.4 Mitigation and development benefits**

47. The accredited entities and the indigenous peoples will identify measures to mitigate environmental and social risks and impacts in alignment with the mitigation hierarchy that sets prioritized steps for limiting adverse impacts through avoidance, minimization, restoration and

compensation as well as opportunities for culturally appropriate and sustainable development benefits. The scope of the environmental and social assessments and mitigation will include cultural impacts as well as physical impacts. The accredited entities will ensure the timely delivery of agreed measures to indigenous peoples.

48. The determination, delivery and distribution of compensation and shared benefits to indigenous peoples will take account of the institutions, rules and customs of these indigenous peoples, capacities and gender equity. Eligibility for compensation can either be individually or collectively-based or be a combination of both to be determined in consultation with affected indigenous peoples. Where compensation occurs on a collective basis, as far as practicable, mechanisms that promote the effective distribution of compensation to all eligible members, or collective use of compensation in a manner that benefits all members of the group including women, youth, elderly and persons with disabilities, will be defined and implemented in consultation with affected indigenous peoples.

49. Various factors including, but not limited to, the nature and context of the GCF-financed activities and the vulnerability of affected indigenous peoples will determine how affected indigenous peoples will benefit from the activities. Identified opportunities will aim to address the goals and preferences of the affected indigenous peoples, including improving their standard of living and livelihoods in a culturally appropriate manner, recognizing and strengthening the role of women in the project and to foster the long-term sustainability of the natural resources on which they depend.

#### **6.1.5 Meaningful consultation tailored to indigenous peoples**

50. To promote the effective design of GCF-financed activities, to build local project support or ownership or buy-in, and to reduce the risk of delays or controversies, the accredited entities will undertake an engagement process with indigenous peoples. This engagement process shall commence as soon as feasible and prior to the commencement of any activities that may affect their rights or interests and will include stakeholder analysis and engagement planning, the disclosure of information and meaningful consultation, in local language and in a culturally appropriate and gender and inter-generationally inclusive manner in accordance with the customs, norms and values of the affected people and through their chosen representatives.

51. For indigenous peoples the process of meaningful consultation will also:

- (a) Involve indigenous peoples' representative bodies and organizations (e.g., councils of elders or village councils, or chieftains) and, where appropriate, other community members including indigenous women and youth. For GCF-financed activities that have a regional or national scope, it must be carefully evaluated whether meaningful consultation can only be carried out with indigenous peoples organizations or legitimate representatives at the relevant national or regional levels. Meaningful consultations may require that consultations be carried out at a local level in addition to at the regional and national levels. These organizations or representatives will be identified in the stakeholder engagement process described in the GCF ESS standards and other relevant policies of GCF;
- (b) The engagement process shall begin as early as possible in the project design and development process and shall provide sufficient time for indigenous peoples' decision-making processes. Internal decision-making processes are generally but not always collective in nature. There may be internal dissent and decisions may be challenged by some in the community. The consultation process shall, therefore, allow sufficient time for internal deliberations and decision-making processes to reach conclusions. The consultation process shall be free of external manipulation, interference, coercion and intimidation;

- (c) Allow for indigenous peoples' effective participation in the design of GCF-financed activities that could potentially affect them either positively or negatively;
  - (d) Take into account the interests of these segments in the community that are particularly affected especially women, youth, indigenous persons with disabilities and the elderly, including being cognizant of traditional cultural approaches that may exclude segments of the community from the decision-making process. Additionally, spaces should be created to allow for their direct participation in consultation and in the decision-making process; and
  - (e) Assess the capacity of the indigenous peoples to engage and consider and implement effective communication and capacity building programs to enhance the effectiveness of the process with indigenous peoples. This should include the possibility and availability of resources to ensure adequate preparation and participation in the process.
52. The accredited entities and indigenous peoples shall agree on appropriate engagement and consultation processes as early as possible, commensurate with the scale of impact and vulnerability of the communities. This shall be done through framework documents or plans that identify representatives of indigenous peoples, the agreed consultation process and protocols, the reciprocal responsibilities of parties to the engagement process and agreed avenues of recourse in the event of impasse occurring. The entity shall document support for the agreed process from the indigenous peoples.

## 6.2 Circumstances requiring free, prior and informed consent

53. Free, prior and informed consent shall have the meaning described in this policy. It shall be an iterative process, requiring indigenous peoples' consent before any GCF-financed activities are undertaken, on the basis of their own independent deliberations and decision-making process, based on adequate information to be provided in a timely manner and in a culturally appropriate manner and in local language that is understood by them and a process of transparent and inclusive consultations, including with women and youth, and free of coercion or intimidation. Free, prior and informed consent does not require unanimity and may be achieved even when individuals or groups within or among affected Indigenous Peoples explicitly disagree.
54. Accredited entities shall:
- (a) Describe how the activities proposed for GCF financing will be consistent with applicable law, and particularly with regard to a transparent and inclusive free, prior and informed consent during project and programme design, implementation and expected outcomes related to the risks and impacts affecting the communities of indigenous peoples;
  - (b) Describe the involvement of indigenous peoples, including women, girls, and youth, in the design and the implementation of the GCF-financed activities, and provide detailed outcomes of the consultation process of the indigenous peoples; and
  - (c) Provide documented evidence of the mutually accepted process within the GCF-financed activities between the implementing entities and the affected communities and evidence of an agreement between the parties as the outcome of the negotiations.
55. As part of the operational guidelines of this policy, the GCF Secretariat, in consultation with indigenous peoples will develop and maintain guidance on the application of free, prior and informed consent. This guidance shall be developed in a timely manner, and the Secretariat shall ensure that it is followed by all relevant parties.



### 6.2.1 Impacts on lands and natural resources subject to traditional ownership or under customary use or occupation

56. Where the activities proposed to be financed by the GCF are contingent on establishing legally recognized rights to lands and territories the accredited entities, working with the countries and the affected indigenous peoples, the accredited entity will prepare a plan to ensure the legal recognition of such property rights in accordance with applicable law, customs, traditions and land tenure systems of the indigenous peoples.

57. Where the activities proposed to be financed by the GCF are located on, or develop natural resources on land traditionally owned by, or under the customary use or occupation of, indigenous peoples and potential create adverse impacts, including loss of access to assets or resources or restrictions on land use can be expected, the accredited entity will take the following steps and seek their free, prior and informed consent and prepare indigenous peoples engagement plan and/or IPP:

- (a) Document efforts to avoid and otherwise minimize the area of land proposed for the activities;
- (b) Document efforts to avoid and otherwise minimize impacts on natural resources subject to traditional ownership, use or occupation;
- (c) Identify and review all property interests, tenure arrangements and traditional resource usage prior to purchasing, leasing or, as a last resort, undertaking land acquisition;
- (d) Assess and document indigenous peoples' land and resource use without prejudicing any indigenous peoples' land claims. The assessment of land and natural resource use will be gender inclusive and specifically consider women's roles in the management and use of these resources;
- (e) Ensure that affected indigenous peoples are informed of and understand: (i) their land rights under applicable law; (ii) the scope and nature of the activities proposed for GCF-financing; and (iii) the potential impacts of the activities proposed for GCF-financing; and
- (f) Where the activities promote commercial development of their land or natural resources, afford due process and offer compensation together with culturally appropriate sustainable development opportunities to indigenous peoples, at least equivalent to that to which any landowner with full legal title to the land would be entitled, including:
  - (i) Providing fair lease arrangements or, where land acquisition is necessary and unavoidable, providing land-based compensation of land that is comparable to the land acquired from the indigenous peoples or compensation in kind in lieu of cash compensation where feasible;
  - (ii) Ensuring continued access to natural resources, identifying the equivalent replacement resources, or, as the last option, providing compensation and identifying alternative livelihoods if project development results in the loss of access to and the loss of natural resources independent of project land acquisition;
  - (iii) Enabling indigenous peoples to have equitable access to the benefits to be derived from the commercial development of the land or natural resources where the entity intends to utilize land or natural resources; and
  - (iv) Providing affected indigenous peoples with access, usage and transit on land the GCF-financed activities are developing subject to overriding health, safety and security considerations.

58. Any reference to free, prior and informed consent in the GCF (e.g., Board decisions, policies, GCF ESS standards) shall have the meaning described in this policy.

### **6.2.2 Relocation of indigenous peoples from lands and natural resources subject to traditional ownership or under customary use or occupation**

59. Wherever practicable the GCF will not finance activities that would result in the involuntary resettlement of indigenous peoples except as permitted by paragraph [60]. The GCF will avoid funding activities that may involve physical displacement (i.e. relocation, including relocation needed as a result of loss of shelter), whether full or partial and permanent or temporary, or economic and occupational displacement (i.e. loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of the activities.

60. In exceptional circumstances where resettlement or displacement is unavoidable to achieve the project or programme objective, they will only be permitted if they meet the following criteria: (a) free, prior and informed consent has been obtained as described above; (b) authorized by national law; (c) carried out in a manner consistent with the obligations of the country directly applicable to the activities under relevant international treaties and agreements; (d) reasonable and proportional; and (e) follow standards of due process consistent with the GCF ESS standards and pursuant to other applicable policies of the GCF and the accredited entity including those related to involuntary resettlement policy requirements; (e) and are regulated so as to ensure full and fair compensation and rehabilitation as well as right of return, if applicable.

61. The accredited entities shall consider, disclose and present for stakeholder consultation feasible project design alternatives and livelihood restoration measures, that may be distinct from the components of the GCF-financed activities, designed to avoid the resettlement, relocation or displacement of indigenous peoples from communally held or attached land and natural resources subject to traditional ownership or customary use or occupation.

### **6.2.3 Cultural heritage**

62. Where the activities proposed for GCF financing may potentially impact cultural heritage, which includes but is not limited to, natural areas with cultural and/or spiritual value such as sacred groves, sacred bodies of water and waterways, sacred mountains, sacred trees, sacred rocks, burial grounds and sites, as well as the non-physical expressions of culture such as traditions, language, intellectual property rights, identity, ceremonial, or spiritual aspects of the affected indigenous peoples' lives, priority will be given to the avoidance of such impacts. Where negative impacts are unavoidable, the accredited entities will obtain the free, prior and informed consent of affected indigenous peoples.

63. Where the activities proposed for GCF financing propose to use the cultural heritage of indigenous peoples for commercial purposes, the accredited entities will inform the affected indigenous peoples in an accessible local language, culturally-appropriate manner and that ensures understanding of the affected indigenous peoples of (a) their rights under applicable law; (b) the scope and nature of the proposed commercial development and use; and (c) the potential consequences of such development and use; and (d) seek and obtain their free, prior and informed consent. The accredited entities shall ensure that the indigenous peoples have equitable access to benefits derived from the commercial development of such cultural heritage, consistent with the customs and traditions of the indigenous peoples.

## **6.3 Grievance redress mechanism**

64. Any issue raised in this policy shall be deemed as relevant and thereby considered appropriate for the various grievance mechanisms operating as part of the GCF.

65. All GCF-financed activities affecting indigenous peoples shall establish an effective grievance redress mechanism at the project level, in order to address indigenous peoples' project-related concerns. The mechanism will be designed in consultation with the affected or potentially affected communities of indigenous peoples. The mechanism will facilitate the resolution of grievances promptly through an accessible, fair, transparent and constructive process. It will also be culturally appropriate and readily accessible, at no cost to the affected communities and without retribution to the individuals, groups or communities that raised issues or concerns. Where feasible and suitable for the project, the grievance mechanism will utilize existing formal or informal grievance mechanisms, supplemented as needed with project-specific arrangements. The mechanism will not prejudice the access to judicial or administrative remedies that may be available through the country systems, acknowledging that these localized systems may provide more robust information and better reflect the context of the issues on the ground. The mechanism will take into account the "effectiveness criteria" for non-judicial grievance mechanisms outlined in Article 31 of the United Nations Guiding Principles on Business and Human Rights in order to maximize effectiveness.
66. The scope, scale and type of grievance redress mechanism required for the project- and programme-level will be proportionate to the nature and scale of the potential risks and impacts of the project or activity. The grievance redress mechanism should include the following:
- (a) Different ways in which indigenous peoples can submit their grievances and taking into account language barriers/limitations and anonymously if a complainant fears retaliation or submission by an authorized representative or civil society organization.
  - (b) Provision to keep complainants' identities confidential especially in instances where the complainants fear retaliation;
  - (c) Provision for interpretation/translation to overcome language barriers/limitations;
  - (d) A log where grievances are registered in writing and maintained as a database;
  - (e) Publicly advertised procedures, identifying the means for submitting grievances, setting out the length of time users can expect to wait for acknowledgment, response and resolution of their grievances, description of the transparency of the procedures and the governing and decision-making structures;
  - (f) An appeals process to which unsatisfied grievances may be referred when the resolution of grievance has not been achieved; and
  - (g) Information about other available grievance mechanisms, including the GCF's IRM and the accredited and implementing entities' grievance mechanisms.
67. The project or activity shall provide mediation as an option where users are not satisfied with the proposed resolution.
68. This mechanism shall consider customary laws, applicable law, dispute resolution mechanisms and justice systems of indigenous peoples as appropriate and be able to use independent indigenous experts. The mechanism will not preclude the option to use the accountability mechanisms of the GCF and those of the accredited entities and executing entities, ensuring that users are provided with the necessary financial and technical support to access such mechanisms.
69. The GCF independent Redress Mechanism and the Secretariat's Indigenous Peoples' focal point shall be available for assistance to all users.
70. In the event of complaints being filed with the independent Redress Mechanism, the accredited entities and executing entities, relevant national competent authorities and any other relevant parties shall cooperate with the independent Redress Mechanism, including providing all required information. In addition, the accredited entities and executing entities will

promptly implement remedial measures stipulated by the Board on the recommendation of the independent Redress Mechanism pursuant to its guidelines and procedures.

## 6.4 Indigenous peoples and broader planning

71. The accredited entities may include technical or financial support as part of the GCF-financed activities for the preparation of plans, strategies or other activities intended to strengthen consideration and participation of indigenous peoples in the climate change actions that are consistent with the mandate of the GCF. This may include a variety of initiatives designed, for example, to (a) strengthen local legislation to establish recognition of customary or traditional land tenure arrangements; (b) address the gender, socio-economic divisions and intergenerational issues that exist among indigenous peoples; (c) protect traditional knowledge through intellectual property rights; (d) strengthen the capacity of indigenous peoples to participate in development planning or programs; and (e) strengthen the capacity of government agencies providing services to indigenous peoples.

72. The National Designated Authorities and accredited entities may seek support through readiness and preparatory support proposals and funding proposals for various initiatives including (a) support for the development priorities of indigenous peoples through programs, (such as community-driven development programs) developed by governments in cooperation with indigenous peoples; (b) preparation of participatory profiles of indigenous peoples to document their culture, demographic structure, gender and intergenerational relations and social organization, institutions, production systems, religious beliefs and resource use patterns; (c) facilitating partnerships among the government, indigenous peoples organizations, civil society organizations and the private sector to promote the climate resiliency of indigenous peoples' communities.

## VII. Implementation arrangements

### 7.1 Overview of arrangements

73. This policy supports the existing policies and practices of the GCF particularly those related to the management of environmental and social risks and impacts including the application of the GCF ESS standards. The implementation of this policy will take into consideration the roles and responsibilities for the GCF, the Secretariat, countries, accredited entities and executing entities and independent accountability units.

74. This policy supplements the environmental and social safeguard standard on indigenous peoples and its requirements, the gender policy and other policies of the GCF.

75. If there is any inconsistency between this policy and any applicable provision on the subject-matter in a policy of the GCF, this policy shall prevail to the extent of such inconsistency on the basis that it represents the policy governing a specific subject matter.

76. Accredited entities shall ensure that GCF-financed activities approved by the Board prior to this policy being adopted by the Board will use best endeavors to meet the requirements of this policy.

77. The Board will oversee the implementation of this policy and will review and report on the implementation of this policy every five (5) years. The Board will regularly monitor its implementation through the review of periodic implementation reports from the Secretariat that takes into account the information received from the accredited entities and the independent accountability units and independent observers as outlined in paragraph [105].

78. The GCF Secretariat shall undertake a periodic assessment of the implementation of this policy, which will require the collection of baseline data, and to (a) determine how the GCF can improve its response to the needs of indigenous peoples; (b) identify the drivers of change in order to achieve adaptation or mitigation goals; (c) identify and design the specific and culturally-appropriate elements to be included in the GCF policies and GCF-financed activities; (d) estimate the resources necessary for the implementation of the policy; (e) select specific output, outcome and impact indicators for indigenous peoples; and (f) design and establish implementation and monitoring arrangements that promote and develop effective participation of indigenous peoples within GCF-financed activities. Accredited entities and executing entities shall assist this assessment. Indigenous peoples and CSOs shall be invited to participate and assist this assessment.

79. A senior indigenous peoples specialist will be appointed in the Secretariat and will be the Indigenous Peoples Focal Point with operational responsibility to manage the implementation of this policy.

80. An Indigenous Peoples Advisory Group will be established to enhance coordination between GCF, accredited entities and executing entities, countries and indigenous peoples. The key functions of the Group shall be: (a) to provide advice to the Indigenous Peoples Focal Point, national designated authorities, and accredited entities and executing entities, on GCF-financed activities affecting indigenous peoples; (b) to review the implementation and monitoring of this policy, particularly, on the appropriate modality to enhance dialogue among indigenous peoples, GCF, countries, accredited entities and executing entities and other experts; and (c) provide guidance and advice to the Board as may be requested.

81. The Indigenous Peoples Advisory Group will be made up of four indigenous peoples representative from the regions of developing countries where the Green Climate Fund may fund activities. The Advisory Group members shall be selected through an indigenous peoples-led, self-selection process for each region and should be gender-balanced. The Indigenous Peoples Advisory Group will inform the GCF Secretariat of the members of the Group and working together with the GCF Secretariat, develop the terms of reference of the activities and functions of the Group.

## 7.2 Operational guidelines

82. The operational guidelines containing technical and administrative references and tools for implementing this policy shall be developed and maintained by the GCF Secretariat, consistent with the ESMS and other relevant policies including the gender policy, in consultation with accredited entities and executing entities, countries, the Indigenous Peoples Advisory Group and indigenous peoples.

## 7.3 Information disclosure

83. This policy shall be made publicly available in accordance with the Information Disclosure policy of the GCF.

84. The accredited entities and executing entities shall ensure that all disclosed information will be provided in a culturally and socially appropriate manner, including in relevant indigenous languages, to indigenous peoples and their legitimate advisors and shall also ensure that indigenous peoples have sufficient time and resources to review and consider the disclosed information. The accredited entities will disclose information in accordance with the requirements of the Information Disclosure policy of the GCF and the relevant accreditation master agreement signed between the GCF and the accredited entity.

## 7.4 Stakeholder engagement

85. This policy shall apply to any process and guidance developed by the GCF to assist the accredited entities and executing entities in putting in place a process for meaningful consultation with communities and people that are affected by GCF-financed activities or potentially affected by activities proposed for GCF financing.

## 7.5 Accountability

86. Through the accreditation process and taking into account the fit-for-purpose accreditation approach<sup>1</sup>, accredited entities will be required to ensure compliance with this policy. They will also be required to have policies, procedures and competencies in place with which to implement this policy. After accreditation, and at the activity level, the accredited entities through its own rules, policies and procedures will be responsible for implementing this policy as it relates to the GCF-financed activities through in-country project identification and implementation, as well as for results reporting.

87. The GCF Secretariat is accountable for the results of this policy, and as part of its due diligence, the GCF Secretariat will ensure that GCF-financed activities are implementing and meeting the requirements of this policy.

## 7.6 Country ownership and engagement

88. This policy supplements the best practices for country coordination and multi-stakeholder engagement processes for developing national strategic frameworks and funding proposals<sup>2</sup> and shall apply to these and any future engagement processes of the GCF.

89. Specifically, this policy informs national designated authorities and focal points that any consultative process through which national climate change priorities and strategies are defined must also consider applicable national and international policies and laws for indigenous peoples. Furthermore, the criteria and options for country coordination through consultative processes should include indigenous peoples in an appropriate manner.

90. The requirements of this policy form part of the relevant GCF ESS standards that accredited entities and countries need to take into account when developing proposals, as well as on-going monitoring and evaluation after approval.

## 7.7 Reducing emissions from deforestation and forest degradation (REDD-plus) actions

91. This policy shall apply to GCF-financed activities supporting the REDD-plus actions including readiness phase, results-based payments and to any access and financing modalities, guidance, terms of reference and assessment tools developed by the GCF with respect to REDD-plus actions. Consequently, any REDD-plus activities proposed for GCF financing including results-based payments shall ensure that the requirements of this policy in conjunction with other relevant policies and standards of the GCF, such as the UNFCCC Paris Agreement, the Warsaw Framework for REDD-plus and the Cancun Agreement (Decision 1/CP.16, Decision

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<sup>1</sup> As outlined in Decision B.08/02

<sup>2</sup> As outlined in decision B.17/22, annex XX

12/CP.17 and Decision 17/CP.21), are addressed emphasizing that references to stakeholders include indigenous people as defined in this policy.

## 7.8 Competencies and capacity development

92. The GCF shall develop the capacity of its stakeholders including the Secretariat to understand and properly address indigenous peoples' issues and rights.
93. The GCF shall also ensure indigenous peoples, or those with expertise in indigenous issues, are included in the independent panels and advisory groups of the GCF. The Secretariat will create a roster of indigenous peoples experts to be reviewed and updated in consultation with indigenous peoples and scholarly and policy referees.
94. Indigenous peoples training will be provided for the Secretariat in order to develop the awareness of indigenous peoples issues.
95. The GCF will support specific capacity building programs for indigenous peoples as part of readiness and preparatory support proposals or funding proposals to ensure their full and effective engagement with the GCF at all levels. This support will include, at a minimum, activities related to consultation, advocacy, institutional building for project implementation and management, as well as the effective engagement of indigenous peoples in the formulation of project proposals and monitoring and evaluation.
96. The countries and accredited entities particularly the direct access entities may request readiness and preparatory support from the GCF to enhance their capacity to implement this policy.

## 7.9 Resource allocation

97. The GCF will give consideration to activities proposed for GCF financing that are tailored to meet the needs and priorities of indigenous peoples and to support their initiatives and efforts for climate change mitigation and adaptation actions.
98. The GCF may target funds to support indigenous peoples climate change adaptation and mitigation initiatives if it is necessary to correct for climate change-exacerbated indigenous peoples inequality or they are not benefiting from GCF support adequately.
99. As the rationale for this policy is to promote indigenous peoples engagement, the Board may consider giving additional weight to activities proposed for GCF financing with well-designed components to promote indigenous peoples elements.

## 7.10 Knowledge generation and communication

100. The GCF commits to generating and sharing knowledge built on the experiences gained on indigenous peoples and climate change and from implementing this policy. The GCF will also commit to capitalize on the knowledge and expertise gained by other organizations. Such knowledge is to be used to strengthen the competencies and capacities of all stakeholders. This will be coherent and complementary to the implementation of paragraph 135 of Decision 1/CP.21 of the UNFCCC, specific to strengthening indigenous peoples' and local communities' knowledge systems integral to climate change adaptation and mitigation measures and the implementation of the indigenous peoples and local communities knowledge platform.
101. The GCF Secretariat will document the experience and knowledge that will be acquired from the implementation of this policy and will seek to identify good practices from countries and accredited entities.

102. Communicating the commitment of GCF to indigenous peoples engagement, this policy, and its operational guidelines will inform a strategic communications activity and form an integral part of the communications plan of the GCF and the responsibility of the GCF Secretariat. Accredited entities will also be required to assist with this activity. It will be important to communicate to the public not only how the GCF is implementing this policy, but also to seek periodic feedback from stakeholders and partners on the implementation of this policy and on possible improvements.

### **VIII. Effective date and review**

103. The policy will become effective upon its approval by the Board.

104. The GCF will review and evaluate the overall performance of this policy based on the objectives of this policy. Appropriate amendments to this policy will be considered, based on the results of such review and evaluation and changes to the policy will follow the decision-making processes of the GCF. The Independent Evaluation Unit shall conduct an evaluation of the implementation of the IP policy, and that shall be included in the review.

105. A review of the policy will be undertaken five (5) years after the effective date to assess the effectiveness of the GCF in achieving the objectives of this policy. This review will be supplemented by the assessment developed pursuant to paragraph [77], and any other annual and mid-term implementation reviews and reports of the GCF.

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