

Thank you Tove and thank you to the fellow panelists. It is a very enriching discussion on the remedy and redress of human rights impacts of businesses on indigenous peoples.

Let me start off with a quick overview of the framework and policy architecture through which ADB deals with indigenous peoples in its operations. ADB Safeguard Policy Statement, 2009 (SPS) includes Safeguard Requirements 3 on Indigenous Peoples which explicitly seeks to foster full respect for Indigenous Peoples' identity, dignity, human rights, livelihood systems and cultural uniqueness. The update of the SPS is currently underway – some key points being discussed and being considered include (i) Opportunities for closer alignment of Safeguard Requirements 3 with other MFI Policies including IFC Performance Standards 7 and World Bank Environmental and Social Framework (ESF). (ii) developing clarity on non-tangible triggers such as 'dignity', 'human rights', 'culture' and assessment procedures and tools; and (iii) adoption of FPIC vs continuation of the current Broad Community Support. The new policy is expected to be effective by 2024.

Any discussion on effective redress and remedy of impacts is incomplete, in my view, without the mention of the Accountability mechanism. Functioning as the last resort option, when the grievances are not resolved at the project level grievance mechanism and the ADB operations department, ADB's Accountability mechanism has two functions – problem solving function and compliance review function. The problem-solving function is outcome-driven, focusing not on the identification and allocation of blame, but on finding ways to address the problems of the people affected by ADB-assisted projects (essentially like redress). The Compliance review function examines whether the direct and material harm alleged by the complainants is the result of ADB's failure to follow its operational policies and procedures in the course of formulating, processing or implementing an ADB assisted project.

A few points that I would like to highlight, based on my experience with the accountability mechanism and as a safeguards specialist,

- (i) Working on the resolution of complaints through the problem-solving process have contributed to development of mechanisms and strengthened borrower's ability to take IPs along in a meaningful manner, and have also put in place effective measures to mitigate impacts on these indigenous communities on various aspects including cultural sites, community forests, traditional lands, traditional livelihoods etc.
- (ii) I am not saying anything new. The evidence-based lessons learned by ADB from the complaints that were escalated to the ADB's Accountability Mechanism reinforces that a grievance mechanism at a project level, shall be the focus to ensure that the concerns of the affected persons including the IP communities are redressed in a timely manner. Remedial actions after the occurrence of harm on the IP communities, is usually challenging, not sustainable, leads to loss of ownership of the project agencies/governments, and in some cases even stretch the boundaries of financial institutions like ADB.
- (iii) Recognizing the importance of improving the effectiveness of project GRMs based on problem-solving casework, in 2018, OSPF launched a technical assistance for a grievance redress mechanism training series, and has significantly contributed to improvement of project level grievance mechanisms.
- (iv) OSPF's operational support and advisory services has published a GRM capacity development training manual, 7 GRM case studies and lessons learnt for 5 countries..

While grievance mechanisms have been established across all ADB financed projects and are found effective in most of the cases, the structural inequalities on ground (caste, gender, heterogenous population that includes IP communities), have been barriers for IPs to effectively access the grievance mechanisms. This is compounded by remoteness (people travelling 8- 12 hours by foot on hilly terrain) to participate in consultations or submit their grievances, and the incremental vulnerability caused due to project impacts. Several of the projects have utilized active collaboration with NGOs/CSOs to bridge this gap. Ground level capacities of project agencies and executing agencies on handling IP issues is a key area of concern and presents a real bottleneck in effectively redressing impacts.

ADB, in several cases, provides Technical Assistance resources and access to grant funds to build capacities at the ground level, on awareness of ADB policies, inclusive engagement, forging partnership with stakeholders including NGOs and IP organizations, and IP sensitive monitoring.

Securing commitment and continued support during implementation of any additional provisions agreed as part of problem-solving sometimes becomes a challenge, given that in several of the member countries, these measures for IPs may be over and above the national requirements. For e.g. provisions such as benefit sharing, recognition of customary lands pose challenges for the borrowers to adopt differential standards for ADB vs national funded projects, and have escalated grievances.

Having pointed out several challenges and difficulties, it is important to note that there have been several success stories in ADB financed projects. Let me briefly discuss on two such projects.

- In a geothermal project financed by ADB's private sector in Indonesia, the project proponent included special measures for IP communities, provided targeted support to take forward the indigenous farming/cultivation practices, especially on coffee plantation and processing, capacity building and support mobilizing the communities in forming associations, and work with them in branding and marketing the produce to national and international suppliers. It is a good practice that is being adopted in other similar projects.
- ADB South Asia portfolio has examples in working on hydro projects with benefit sharing arrangements with the local indigenous communities, SME support to traditional livelihoods and businesses, which have contributed to building partnerships and trust, and minimizing grievances.

In conclusion, I would stop by saying that grievance redress has been effective in contexts where there is a true commitment and mutual upfront understanding between the parties and where the project development process has been more inclusive in working with indigenous communities, consistent with their aspirations and respecting their culture, practices. Challenges do remain in terms of gaps in national procedures, capacities and financial resources to effectively implement and monitor these provisions. Projects which have gone the extra mile to bridge the vulnerability and improve the lives of IP communities have had better development impacts and achieved better results in minimizing and avoiding grievances – any improvements to their current levels and enhancing access to services and opportunities is expected to significantly benefit, given that the baseline is so low. There remains a critical need to build capacities at all levels to achieve effective grievance redress across ADB operations. ADB operation departments with support from the Accountability mechanism will continue their efforts to achieve this.

Thank you for the opportunity to present and I will be happy to respond to any questions.