

Indigenous Peoples and climate financing: Experiences of the Indigenous Peoples Assistance Facility



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Indigenous Peoples' participation in developing climate policies is critical to address climate change. Indigenous Their deep knowledge of nature, and their understanding of and closeness to the land of our ancestors, make them an essential ally in the fight against climate change. The International Fund for Agricultural Development (IFAD) has been

working hand in hand with Indigenous Peoples and governments to empower Indigenous Peoples and protect their rights to self-determination. Improving their land tenure security, governance, economies and knowledge systems are essential requirements to achieving this end.



The IPAF was established in 2006 to foster Indigenous Peoples' self-driven development by supporting small projects designed and implemented by Indigenous Peoples. Indigenous Peoples' communities and organizations solicit funds by responding to a call for proposals ranging from US\$20,000 to US\$70,000 and lasting up to three years. Operationally, IFAD provides overall coordination and financial management. At the regional level, three Indigenous Peoples' organizations (el Foro Internacional de Mujeres Indígenas for Latin America and the Caribbean,

Samburu Women Trust for Africa and Tebtebba for Asia and the Pacific) co-manage and coordinate implementation by: supporting the technical review process of IPAF applications; channelling resources to organizations awarded; monitoring and supervising IPAF-funded projects; strengthening the link between IPAF small projects and IFAD-funded country programmes; documenting and disseminating knowledge generated by the IPAF; and supporting IPAF resource mobilization.

IFAD is a United Nations fund dedicated to agriculture and rural transformation with a view towards the elimination of poverty and hunger. As an international finance institution, IFAD operates through a loan scheme for state borrowers, and grant schemes in support of states and non-state actors. Its loan programme involves the development of country strategic opportunities programmes from which projects and programmes are then derived. As traditionally rural dwellers, Indigenous Peoples have been one of IFAD's target groups from its inception in the 1970s. Since 2009, IFAD's engagement has been guided by its own Policy on Engagement

with Indigenous Peoples (updated in 2022) as well as international human rights standards and principles contained in key international instruments, particularly the United Nations Declaration on the Rights of Indigenous Peoples. Over the last decade, IFAD has engaged Indigenous Peoples in climate-related interventions in a variety of ways, including a wide range of climate-related projects across the world, the IPAF and IFAD's Indigenous Peoples' Forum. The IPAF has emerged as a critical instrument for responding to Indigenous Peoples' demands for direct financing, as well as for the important lessons that the facility offers.

The IPAF is governed by a board consisting of four representatives of Indigenous Peoples' institutions/organizations, one representative from the United Nations Permanent Forum on Indigenous Issues and one representative from IFAD. The Board provides strategic

guidance, advises on the selection of regional organizations to manage the facility, establishes criteria and guidelines for calls for proposals, and reviews and makes final decisions on proposals to be awarded.

Examples of IPAF-funded projects being implemented during its sixth cycle (2022–2026)



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Women's Empowerment through Enset-Based Horticulture Productivity in Gamo Highlands (WET Project) in Ethiopia

In 2015, Dere Integrated Development Action, through the IPAF, launched an initiative to support the cultivation of enset, a staple crop that is critical to the food security of 15 million Ethiopians, who call the crop “the tree against hunger.” The project promoted enset-based foods, supported Gamo women in developing organic treatment solutions against bacteria that gravely affect the enset plant, and increased the diversity of enset varieties. A seed fair in partnership with local authorities identified and distributed 2,900 seedlings of 29 rare enset varieties, with demonstration plots to ensure wider community access. In addition, women received tools and training to improve food quality. This second grant scales the initiative, further strengthening food security and community resilience through sustainable enset practices.



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Wayana Indigenous Biocultural Guardianship and Conservation of the Wayana Indigenous Territory in Suriname

In the period 2019–2022, Stichting Mulokot developed a map of the Wayana Indigenous Territory showcasing its rich biodiversity, freshwater resources and cultural heritage. Building on this mapping exercise, the ongoing IPAF project proposes to implement indigenous land use management and biocultural monitoring systems to manage and protect the territory. In implementing the project, Stichting Mulokot will work with Digital Democracy and with the government body Planbureau Suriname SPS.

Demonstrate successful community-based initiative and innovate to create healthy and sustainable food systems to conserve/manage biodiversity, build climate change resilience, and improve nutrition and local livelihoods in India

This ongoing project implemented by the North East Society for Agroecology Support (NESFAS) aims to expand various successful community-based initiatives to conserve/manage biodiversity, build climate resilience, and improve nutrition and local livelihoods. The project will also introduce new initiatives on a pilot basis by learning from communities and UN bodies. These initiatives will be geared towards: increasing and diversifying the production of micronutrient-rich and climate-resilient local foods; building the capacity, particularly of indigenous women and youth, to increase their income; and showcasing compelling evidence of the relevance of Indigenous Peoples' food systems.



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Since 2007, the IPAF has issued six calls for proposals, receiving nearly 5,000 applications from Indigenous Peoples' organizations worldwide. This highlights the immense demand for support to empower Indigenous Peoples' communities. However, a significant funding gap persists, underscoring the critical need for increased investments. Climate financing presents a transformative opportunity to bridge this gap. To date, the IPAF has been supporting 212 Indigenous Peoples' self-driven projects in more than 45 countries, with a total funding of approximately US\$8.5 million, including the current IPAF cycle. These initiatives have been instrumental in fostering sustainable development and safeguarding Indigenous Peoples' rights. The current cycle is dedicated to advancing indigenous-led conservation and the sustainable management of biodiversity, vital for strengthening resilience and adapting to the escalating challenges of climate change. By investing in the IPAF, donors—including countries like Sweden, Norway, Italy, Canada,

and organizations like el Fondo para el Desarrollo de los Pueblos Indígenas de América Latina y el Caribe, Tamalpais, and the International Work Group for Indigenous Affairs –alongside IFAD, which supports the IPAF through grants from its core resources, directly contribute to empowering Indigenous Peoples as custodians of nature.

This collective support fosters initiatives that enhance Indigenous Peoples' resilience, cultural heritage and environmental stewardship, ensuring a more sustainable and equitable future for all. The IPAF monitoring and evaluation system is designed to ensure accountability and learning, with each cycle undergoing a comprehensive assessment. Regional partners implementing the facility have monitoring and evaluation systems in place that are adapted to the specific needs and contexts of IPAF partners in their regions.

Key lessons from IPAF direct financing to Indigenous Peoples' climate actions

1. Indigenous Peoples as climate action leaders

Indigenous Peoples are frontline defenders against climate change, playing a vital role in preserving biodiversity and promoting sustainable resource management across diverse ecosystems and livelihoods. From drylands and pastoral landscapes to coastal and fishing communities, their traditional knowledge and sustainable practices are essential to combating climate change and fostering resilience. IPAF demonstrates that climate action initiatives led by Indigenous Peoples not only address environmental challenges but also deliver critical co-benefits such as improved nutrition, enhanced gender equity, youth empowerment and biodiversity preservation. By integrating traditional knowledge, resilience-building strategies, and sustainable resource management, these initiatives highlight the indispensable role of Indigenous Peoples in achieving global climate and biodiversity goals.

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| Fourth cycle: |
| People trained in natural resource management and agricultural technologies: 8,655 |
| People trained in climate change adaptation and mitigation: 567 |

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| Fifth cycle: |
| People trained in climate change adaptation and mitigation: 669 |
| People trained in natural resource management: 1,588 |
| People trained in organic farming: 1,967 |

2. Indigenous governance for resilience

Indigenous governance systems, rooted in traditional knowledge, are vital for managing ecosystems and building climate resilience. Climate finance that supports these systems enhances their capacity to lead adaptation and mitigation strategies effectively.

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| Fifth cycle: |
| Over 32,400 hectares of indigenous territories and lands demarcated, titled, registered or protected |

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| Fourth cycle: |
| Over 260,000 hectares of indigenous territories and lands demarcated, titled, registered or protected |

3. Self-determination through climate action

Indigenous Peoples face unique vulnerabilities to climate change. Financing mechanisms like the IPAF show that when funding is directed and governed by indigenous organizations, it ensures that projects address community-specific priorities while respecting cultural values. Solutions led by Indigenous Peoples are cost-effective and sustainable but remain underfunded. Channelling climate finance directly to Indigenous Peoples bridges funding gaps, meets the growing demand for community-driven solutions, and strengthens global climate resilience. Indigenous Peoples know how to protect their lands and resources. Climate finance that respects and strengthens their right to self-determination ensures that solutions are sustainable, culturally aligned and effective in addressing the climate crisis.

4. Partnerships for inclusive financing

Effective climate financing requires partnerships built on trust and respect for Indigenous Peoples' self-determination. Platforms like the IPAF demonstrate how Indigenous Peoples' organizations, governments and donors can unite to create equitable pathways to channel climate resources where they are most needed. Uniquely, the IPAF achieves this while meeting the rigorous financial management standards of an international financial institution.





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Links

Indigenous Peoples Assistance Facility
<https://www.ifad.org/en/ipaf>

IFAD's Policy on Engagement with Indigenous Peoples
<https://www.ifad.org/en/w/corporate-documents/policies/ifad-policy-on-engagement-with-indigenous-peoples>

United Nations Permanent Forum on Indigenous Issues
<http://www.un.org/esa/socdev/unpfii/index.html>



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