In our regions, the intersecting crises of climate change, biodiversity loss, and inequality pose formidable challenges to maintaining our traditional sustainable management practices and governance systems. It has become increasingly difficult to pass down our traditional knowledge, practices, and innovations to future generations.

Despite these challenges, we remain the stewards of vast territories, housing many of the world’s last remaining forests and intact ecosystems. Consequently, we play a crucial role as partners in the global efforts to combat climate change, conserve biodiversity, and promote sustainable development. Empowering our communities is not just a matter of justice; it is a strategic imperative.

As the global community mobilizes resources to achieve the 2030 Agenda, the Paris Agreement, and the Global Biodiversity Framework, we find that the funding allocated to us is disproportionately small compared to our roles and needs. Even when donors recognize our significance and allocate funds, they often lack awareness of the capacity of our organizations. Direct funding is scarce, and we are frequently excluded from discussions about funding for our own territories and organizations.

In response, we’ve established Shandia, a collective platform designed to streamline direct funding to the territories of Indigenous Peoples and local communities. Throughout 2023, Shandia has been diligently working to:

1. Establish the necessary infrastructure and mechanisms to channel funds where they are most needed.
2. Generate comprehensive data on our governance structures, funding situations, and impacts to inform our strategic approaches.
3. Strengthen our dialogue with donors and partners.

This year has been a period of substantial progress for Shandia. We take pride in sharing the outcomes of our efforts in this report and extend our gratitude to the donors, partners, and allies who have placed their trust in, supported, and inspired us. With these results, we aim to lay the foundation for the transformative changes in funding modalities that are urgently required.
SHANDIA
OUR COMMON PLATFORM

SHANDIA was conceptualized and launched by the Global Alliance of Territorial Communities (GATC) in 2022 and operates under the direction of our Leadership Council. SHANDIA is our common platform to promote and facilitate direct, long-term, effective and sustainable funding to our peoples and communities. SHANDIA is not a mechanism for transferring funds, but to fulfill the following strategic functions:

- Support the establishment and strengthening of territorial funding mechanisms governed by our peoples and communities.
- Facilitate the flow of funds to the regional and national territorial funding mechanisms and support their capacity building processes.
- Strengthen the institutional capacities of our peoples and communities to access and manage funding.
- Facilitate a strategic and sustained dialogue with donors to increase and improve funding to our peoples and communities.
- Exchange experiences and good practices for ensuring transparency, accountability, flexibility, inclusion and sustainability.
- Develop simple reporting, accounting, monitoring and evaluation systems and procedures that can be used and adapted by our institutions, as well as by donors, allies and partner organizations.
- Monitor the status and trends of funding allocated for and received by our peoples and communities.
- Enlarging our technical team and liaisons within the growing number of funding mechanisms established by our peoples and communities.
- Strengthen communication, exchange of experiences and sharing of resources within and between our organizations and networks.
- Develop methodologies and tools for monitoring the level of funding reaching our organizations, communities and territories.
- Organize the first annual SHANDIA Forum in connection with the 2024 New York Climate Week.

THE FUTURE OF SHANDIA

In the coming year, we will strengthen the institutional capacities and outreach of SHANDIA and step up our support to the establishment and consolidation of direct funding mechanisms for our peoples and communities. Among our main priorities are:

- THE ANNUAL SHANDIA FORUM

Every year, we will organize a global SHANDIA Forum. The Forum will convene GATC members, regional and national funding mechanisms led by Indigenous Peoples and local communities, key donors, strategic allies and resource persons. At the Forum, we will review progress in advancing funding to the various regions and countries; identify barriers, good practices and lessons learned; discuss the governance structure and operational features of the fund held every year for continuous progress monitoring.

- REGIONAL FORUMS

SHANDIA supports the efforts of our members to organize regional and sub-regional forums. This is a way of bringing the dialogue closer to the ground, taking into account the specific issues, cultural sensitivities and challenges of the different regions and countries. In 2024, the following events are already planned:

- Mesoamerican Alliance of Peoples and Forests and Mesoamerican Territorial Fund: The regional “Dialogue on the Impact and Scope of Direct Territorial Financing in Mesoamerica”, will be held on February 13-16, 2024 in San José, Costa Rica. The main objective of this event is to promote multi-stakeholder dialogue, as well as exchange of experiences and lessons learned to evidence the impact and scope of direct territorial financing mechanisms from, by and for Indigenous Peoples and local communities in Mesoamerica.

To learn more about SHANDIA, scan the QR.
To learn more about our work in Mesoamerica, scan here.
To read the forum’s report, scan the QR.
ALIANSI MASYARAKAT ADAT NUSANTARA (AMAN)

One of Shandia’s core functions is to support the establishment and strengthening of territorial funding mechanisms led by Indigenous Peoples and local communities that can effectively channel the needed funding to our territories. 2023 was a significant year with major achievements in the establishment of such funding mechanisms, in all regions.

The Aliansi Masyarakat Adat Nusantara (AMAN) serves as the national representative body of an Indigenous population of approximately 30 million in Indonesia. It has 2,565 member communities, which collectively manage 60 million hectares, encompassing forests, rivers, coastal, and other ecosystems.

Over the past 5 years, it operated with a budget of USD 20,392,760 from 21 sources, including donors, partners, member dues, and donations. The organization has a structured approach, with organizational levels at national, regional, and local scales. It strategically allocates funds to its members in line with its overall plan in two ways:

1. Through its Central Governing Body, AMAN dedicates around 10% of funding for national administration and operational support, while channeling the remaining 90% to regional or local levels, handling donor responsibilities in the process.

2. Mekanisme Kerja Bersama (MKBA) or the Joint Work Mechanism was established as an internal mechanism to efficiently distribute funds among AMAN members, Regional and Local Chapters, and Wing Organizations. It serves to rapidly expand and distribute AMAN’s work evenly across Indonesia by strengthening AMAN’s foundations, fostering impactful change from the local to the national level, launched in early 2020.

Over 2022-23 members saw increased funding with the overall budget growth, showcasing AMAN’s agility in channeling more funds to the community level as donor support rises. Regular monitoring at all levels ensures transparency and accountability in AMAN. The Council oversees program implementation regionally, and financial reports are accessible on the website every two months for members and the public.

Funding is primarily used for livelihood, local economic infrastructure development (warehouses for storing of crops, woven textile galleries, production houses, etc.), mapping and registration of indigenous territories, advocacy work, and emergency response. The impact of the funding is evident in:

- Mapping of the territories of 1,136 indigenous communities, comprising 26.9 million hectares, including 20.3 million hectares covered by forest.
- Advocacy and policy reform efforts span national and local levels, encompassing court rulings, legislation, cooperation agreements, and programs with ministries, along with various local regulations.
- AMAN’s board and members gained enhanced capacity in administration, finance, participatory mapping, advocacy, journalism, and utilizing online platforms for project management and communication.
- Boosted political participation by training village leaders to influence and consolidate governance institutions.

In May 2023, AMAN, KPA (Agrarian Reform Consortium), and WALHI (Friends of the Earth Indonesia) jointly launched the Nusantara Fund, a unique direct funding mechanism for Indigenous Peoples and local communities in Indonesia. This collaboration, involving the three largest mass organizations in the country, aimed to accelerate local-level change and contribute significantly to global emission reduction. The preparation phase, which included consultations, operational guideline finalization, global introduction, a trial in 30 communities, and legal approval, spanned about 2 years.

The Nusantara Fund’s creation confirms that direct funding mechanisms for Indigenous Peoples and Local Communities are a viable and effective means of supporting on-the-ground communities.

The Nusantara Fund aims to directly impact at least 62 million people (25% of Indonesia’s total population) and 62 million hectares of forest and land (1/3 of the country’s total land area) through:

- Increased mapping of Indigenous Territories, Community Managed Areas, and Priority Agrarian Reform Locations
- Protection and recognition of 28 million hectares
- Rehabilitation and restoration of 35 million hectares
- Realization of sustainable models of production, distribution and consumption

Establishment of “Peoples’ Education” centers to revitalize, restore, innovate and collaborate to increase capacity, quality of knowledge and skills in protecting and managing lands, territories and resources.

Inspired by this, AMAN played a key role in establishing the Indigenous Peoples of Asia Solidarity Fund (IPAS), a regional initiative offering direct funding to Indigenous Peoples in 14 Asian countries. AMAN currently serves as the fiscal sponsor for IPAS during its legal registration and institution-building phase.
Implementing a robust Resource constraints:

Introduction of new Limited technical knowledge:

Complex administrative Disregard for traditional Non-contextualized Undertaking consultation Communication difficulties:

Short timeframes and limited flexibility: Constraints hindering communities from addressing complex problems and developing long-term solutions effectively.

Limited technical knowledge: Communities facing challenges in preparing project proposals, financial management, administration, and reporting, affecting their competitiveness in formal proposals.

Resource constraints: Insufficient funds limiting the ability to hire professional accountants or technical advisors.

Introduction of new structures by international partners: Added committees increasing administrative burdens and high costs that divert resources and time from conservation activities.

Communication difficulties: Technical language in international cooperation challenging for local communities speaking their native languages.

Disconnection with community realities: Funding often diverging from actual needs and priorities due to the exclusion of Indigenous Peoples and local communities from decision-making.

Disregard for traditional knowledge: Diminished chances of support due to inadequate acknowledgment.

Non-contextualized indicators: Imposed technical and financial assistance and support during the project design and implementation phase.

Undertaking consultation processes at the territorial level to define priorities and alignment with community strategies and aspirations.

With the investment in recent years, the FTM has gained valuable experience in effectively directing support to Indigenous Peoples and local communities, laying the foundation for a financing model equipped to overcome the barriers of the current system:

► Implementing a robust monitoring and reporting system tailored to Indigenous Peoples and local communities, with clear indicators of impact and outcomes.

► Prioritizing pre-investment activities to provide technical/financial assistance and support during the project design and implementation phase.

► Undertaking consultation processes at the territorial level to define priorities and alignment with community strategies and aspirations.

The Mesoamerican Alliance of Peoples and Forests (AMPB) serves as a coordination platform for territorial authorities, Indigenous governments, and community forestry organizations in Mesoamerica. In the region, Indigenous Peoples and local communities have achieved recognition of their land rights in over 60% of the region’s forests, a proportion higher than anywhere else globally. This has empowered communities to establish strong local organizations, community forestry enterprises, and local ecotourism initiatives associated with sustainable forest management and conservation.

The Mesoamerican Territorial Fund (FTM) addresses the challenge of global funds, especially climate-related ones, not reaching communities. It aligns with the agenda of Indigenous Peoples and local communities, a focus of the AMPB for the past 8 years. The FTM, guided by a Board of Directors with AMPB leaders and individuals with investment expertise, operates based on two key principles: active territorial governance and a continuous territorial work agenda. Organizations embodying these principles in Mesoamerica are eligible to collaborate with the AMPB and its FTM.

The FTM’s central strategy focuses on implementing territorial rights and investment. It swiftly deploys performance-linked financing in forest and agroforestry areas to make substantial strides in climate change, biodiversity conservation, and sustainable development. The FTM advocates for inclusive socio-economic growth, supporting Indigenous Peoples and local communities by enhancing capacities, improving livelihoods, promoting sustainability, and fostering positive impacts on investments for the sustainable management of natural resources and ecosystem conservation, in harmony with the rights of the peoples.

The annual budgets of AMPB members from 2021-23 range between US$ 53,000 and US$ 537,750. The combined average budget of the AMPB and FTM is currently about US$ 1.7 million per year and is expected to grow as the FTM strengthens its structures and expands its reach to Indigenous Peoples and local communities beyond the member organizations of the AMPB.

Recent milestones include expanding its fund portfolio, securing support for three new projects in 2023, and initiating the third call for proposals in 2023. This call aims to benefit 16 organizations of Indigenous Peoples and local communities in Mesoamerica with a total investment of US$ 1.2 million in direct territorial investment.

The main barriers identified for accessing direct funding in the current cooperation system are related to:

► Complex administrative and legal requirements: Involving intricate bureaucratic procedures and hindered efficient resource management.

► Communication difficulties: Technical language in international cooperation challenging for local communities speaking their native languages.

► Disconnection with community realities: Funding often diverging from actual needs and priorities due to the exclusion of Indigenous Peoples and local communities from decision-making.

► Disregard for traditional knowledge: Diminished chances of support due to inadequate acknowledgment.

► Non-contextualized indicators: Imposed technical/financial assistance and support during the project design and implementation phase.

The FTM supports inclusive socio-economic growth by enhancing capacities, improving livelihoods, and promoting sustainability for Indigenous Peoples and local communities in harmony with their rights.
One of Shandia’s core functions is to monitor the status and trends of funding for our peoples and communities. We need better data to:

► Inform policy dialogue with donors and partners and drive change.
► Enhance accountability and coordination.
► Inform and guide strategies to reach the Sustainable Development Goals, the Paris Agreement on climate change and the Global Biodiversity Framework.
► Identify the best funding modalities, adapted to the territorial realities.
► Guide funding flows to where the needs are most urgent and impact is maximized.
► Assess and evaluate impact on the ground.

Our data:

► We have compiled illustrative data about donor allocations, about our partners and about funding reaching the ground, but generating comprehensive statistical data would require partnerships with donors and partners.
► We can use the data to develop stories that illustrate the realities on the ground and can be used to foster dialogue with our partners.

Challenges:

► Data collection requires significant investment in building capacity and trust.
► Data from self-reporting and on-line questionnaires poses more challenges to proof.
► Aggregation of data is difficult, as data sources are diverse and mixed.
► Sustained long-term monitoring is a costly endeavor.

This initial experience has served as a learning process for consolidating and expanding Shandia’s work in this area. We will build on the recommendations emerging from the Paris workshop to push for systemic change in donor reporting and engage in data partnerships (see page 22).
The Congo Basin hosts the second-largest tropical forest in the world, spanning more than 200 million hectares. The forest faces numerous threats, including expansion of agriculture, illegal logging, extractive industries, political instability and conflicts. The Network of Indigenous and Local Communities for the Sustainable Management of Forest Ecosystems in Central Africa (REPALEAC) represents 370 organizations of Indigenous Peoples and local communities across 8 countries in the region. They primarily fight for recognition of customary land rights and sustainable management of their territories and resources. The members of REPALEAC make use of a range of mechanisms and tools, to ensure communication and participation of their constituencies. Of the 18 organizations that participated in the survey, 11 organizations have developed special mechanisms for the participation of women, and 8 have special mechanisms for youth. These arrangements enable them to act effectively and autonomously while taking into account the concerns of specific groups.

REPALEAC members report that funding has been increasing in recent years. However, of the 18 major organizations surveyed, only one organization reports an annual budget above US$ 500,000, while four organizations have a budget below US$ 10,000 a year. Funding for Africa under the Pledge in 2021-22. was low, representing only 16% of disbursements, but more than doubled in 2022-23.

Organizations need a certain overhead, to build and consolidate institutional capacity and cover administrative and operational costs. Of the twelve REPALEAC organizations that responded to this question, only half received an institutional overhead of 15%, while two organizations received no institutional overhead at all. We need long-term, predictable and flexible funding that allow us to build and strengthen our organizations, as the cornerstone of self-determined development, based on identity and traditional knowledge.

The data confirms that:
► Our organizations have strategies and mechanisms in place to ensure inclusive and legitimate governance.
► Funding continues to be far too small and not commensurate with the role and the needs of our peoples and communities.
► The limited and unpredictable overhead makes it very hard for our organizations to build and consolidate their institutional capacities.

We need long-term, predictable and flexible funding that allow us to build and strengthen our organizations, as the cornerstone of self-determined development, based on identity and traditional knowledge.
SPOTLIGHT ARTICULATION OF INDIGENOUS PEOPLES OF BRAZIL (APIB)

There are more than 305 Indigenous Peoples in Brazil, with a total population of over 1.7 million. Through an intimate relationship with the territories, they are protagonists in the fight against climate change. In the last 30 years, Brazil has lost 69 million hectares of native vegetation. However, only 1.6% of this deforestation was recorded on Indigenous lands. There is no way to preserve the biomes and to combat climate change without guaranteeing the full enjoyment of Indigenous Peoples’ rights in the territories.

Despite the crucial role of indigenous lands, these are not covered by effective public policies to protect them against large-scale projects, expansion of the agricultural frontier and illegal activities such as logging, mining and land grabbing. These practices not only have environmental impacts, but also represent violence and persecution against the indigenous population. Indigenous Peoples in Brazil resist and fight against these threats, which are also represented in the great spaces of power.

Despite the valuable environmental services provided to the planet, Indigenous Peoples, communities and representative organizations face obstacles in accessing financial resources from international cooperation. There has long been a call for transparent and participatory mechanisms to ensure that necessary resources are directly available.

This means that bureaucratic requirements must be adapted to the diverse realities of peoples and organizations, and that funding must be available for environmental and territorial management in all biomes, not just the large areas of tropical forests, emphasizing the importance and interrelatedness of all ecosystems.

APIB is a national organization built from the bottom up of the Brazilian indigenous movement, made up of seven regional indigenous organizations:
- Articulation of Indigenous Peoples and Organizations of the Northeast, Minas Gerais and Espírito Santo (APOINME)
- Coordination of Indigenous Organizations of the Brazilian Amazon (COIAB)
- Articulation of Indigenous Peoples of the Southern Region (ARPINSUL)
- Articulation of Indigenous Peoples of the Southeast (ARPINSUDESTE)
- Terena Council
- Aty Guasu
- Guarani Vyrrupa Commission

APIB’s mission is to articulate and strengthen the Indigenous movement at national scale. They seek to create and maintain an institutional and organizational structure to promote and defend Indigenous Peoples rights.

The creation of the National Fund for the Articulation of the Indigenous Peoples of Brazil is part of this and aims to strengthen strategic and programmatic objectives.

The indigenous movements and organizations have set up different community funds for territorial action:
- The National Fund of the Articulation of Indigenous Peoples of Brazil, which is in the process of being created by APIB.
- Regional Funds (such as the Poddáli Fund and the fund being set up by APOINME).
- Sub-regional funds (such as the Rio Negro Indigenous Fund).
- Local or territorial funds (Kayapó Fund, Jamaxim Indigenous Fund).

The goal is to establish a collaborative network of direct funding mechanisms to ensure that resources reach the territories more effectively and include the various levels of Indigenous governance, from the communities to the national articulation.

In order to establish and develop the National Fund, APIB is carrying out a series of consultations to gather the reflections of the political bodies of APIB and its regional organizations. Through this process, they are collectively building the Fund and its vision, mission, objectives, principles and governance structures.

The National Fund’s initial goals
- Support the national mobilization of Indigenous Peoples from Brazil to safeguard indigenous rights and interests.
- Strengthen regional organizations, promoting their institutional and advocacy capacities.
- Fund emergency responses related to climate, environmental and health disasters and to violence and rights violation cases.

The consolidated input from the consultation processes on the creation of the fund will be presented to the National Forum of Indigenous Leaders in January 2024, and launched at the 20th Edition of the Terra Livre Camp, the greatest mobilization of Indigenous Peoples from Brazil, which will take place in Brasília, in April 2024.
DIRECT DONOR SUPPORT REMAINS NEGLIGIBLE

In 2021, the Rainforest Foundation Norway estimated that funding to tenure rights and forest management of Indigenous Peoples and local communities amounted to less than 1 percent of international climate development aid from 2011-20. Moreover, most funds are channeled to governments, multilateral banks and agencies, NGOs, consultancies etc., and it is unknown what amounts reach our territories.

The glaring contrast between our extremely limited access to funding and our crucial role with regards to climate change and biodiversity generated action from donors. In 2021, the Forest Tenure Funders Group launched the 1.7 billion Pledge to advance our tenure rights and forest guardianship, including with a commitment to scaling up direct funding to our organizations and territories.

Individual donors do not provide statistics on direct funding for Indigenous Peoples and local communities. We therefore manually reviewed publicly available data on projects under the COP26 pledge of one bilateral donor (A) and one philanthropic donor (B), to at least get indicative data on the situation.

In the portfolio of the bilateral donor A, we identified 104 projects with a total budget of US$ 580 million related to forest tenure and sustainable management from 2021-23. We found only one project, representing 0.19 % of the budget, which was allocated as direct funding to an Indigenous Peoples’ organization.

A similar review of philanthropic funder B to report on the pledge, showed they had 98 projects with a total budget of US$ 75 million. Of these, 15 projects were given as direct funding, representing 7% of the overall budget.

The figures do not show a significant shift towards more direct funding. We urge donors to work with us through the Shandia platform, to find viable ways of providing more direct funds to our organizations and territories.

“We urgently need to turn things around, yet progress is painfully slow. Even when donors allocate funds to support Indigenous Peoples and local communities, the money often appears to evaporate in complex transactions through numerous layers of multilateral institutions. That is why Shandia is crucial, as a permanent voice of Indigenous Peoples and local communities, to rebuild trust and ensure support reaches the communities doing vital work protecting our planet”.

Lord Goldsmith, former Minister of the Foreign, Commonwealth and Development Office of the UK government.
The term "intermediaries" is often used to describe the organizations that access donor funds and provide financial or other support to Indigenous Peoples and local communities. An intermediary could be a multilateral bank, a UN agency, or a national government. A big international NGO or a small support NGO. It could be driven by commitment and solidarity or by opportunism to raise funds in our names. It could have a mandate or a legal obligation to fulfill our rights - or provide voluntary assistance to our organizations. The term intermediary is so broad and covers so many different actors that it is not meaningful to talk about them in general. Instead, we need much more detailed information and deeper analysis of the different funding channels; their limitations, contributions, comparative advantages, costs and impacts.

In our work this year, we decided to initially focus on 12 of our closest partners, who willingly provided data through an on-line questionnaire. These represent 5 distinct types of organizations.

These represent 5 distinct types of organizations.

The prevalence of international NGOs among our partners is not surprising, as they have historically played a key role in supporting our peoples and communities and received 31% of the funds disbursed under the Forest Tenure Pledge in 2021-22.

The data shows that many of our partners, like us, work across a broad range of topics and through a variety of activities, from fiscal sponsorships to joint advocacy and events. This indicates an openness to align with our priorities, and flexibility and adaptability in the methods of work.

The average annual budgets of our partners demonstrates that the have access to much larger resources than us. Half of them have an annual budget above US$ 10 million. In contrast, research by Charapa in 2022 only identified six Indigenous Peoples’ organizations, networks and funding mechanisms with a budget above US$ 1 million across the tropical forests of Africa, Asia and Latin America. This is not an argument for taking funds away from our closest partners and allies, but points to the immediate need to scale-up funding to our organizations to create a level playing field.

Our partners access funds from a variety of sources, but most frequently from philanthropic foundations. These foundations are also the main source of direct funding for Indigenous Peoples and local communities, and it would be pertinent to initiate a conversation about how to avoid competition over funds. A part of the funding of our partners does not originate directly from donors. Instead, it comes from international NGOs, regranting mechanisms, multilateral banks or UN agencies, through a variety of activities, from fiscal sponsorships to joint advocacy and events.

## Data About Our Global Partners and Allies

### Activities our partners undertake with Indigenous Peoples and local communities

<table>
<thead>
<tr>
<th>Activity</th>
<th>% of partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advice, training or capacity building on technical issues</td>
<td>8</td>
</tr>
<tr>
<td>Advice, training or capacity-building on institutional strengthening</td>
<td>8</td>
</tr>
<tr>
<td>Advice, training or capacity-building on funds management</td>
<td>5</td>
</tr>
<tr>
<td>Joint research and publications</td>
<td>5</td>
</tr>
<tr>
<td>Exchange of experiences</td>
<td>7</td>
</tr>
<tr>
<td>Monitoring and evaluation</td>
<td>7</td>
</tr>
<tr>
<td>Joint advocacy</td>
<td>8</td>
</tr>
<tr>
<td>Joint fundraising</td>
<td>7</td>
</tr>
<tr>
<td>Joint events</td>
<td>7</td>
</tr>
<tr>
<td>Facilitation of grants</td>
<td>3</td>
</tr>
<tr>
<td>Fiscal sponsorship for partners</td>
<td>3</td>
</tr>
</tbody>
</table>

### Types of organizations surveyed

<table>
<thead>
<tr>
<th>Type of Organization</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>8</td>
</tr>
<tr>
<td>National NGO</td>
<td>1</td>
</tr>
<tr>
<td>Regional/multilateral bank</td>
<td>1</td>
</tr>
<tr>
<td>Consultancy firms</td>
<td>1</td>
</tr>
</tbody>
</table>

### Partner’s work topics with Indigenous Peoples and local communities

- Monitoring of lands, territories and resources: 8
- Conservation of biodiversity: 6
- Climate change adaptation and mitigation: 6
- Carbon markets: 5
- Food security: 4
- Traditional knowledge: 5
- Economic development and livelihoods: 8
- Organizational strengthening: 8
- Gender and women’s rights: 9
- Youth: 7
- Persons with disabilities: 2
- Human rights and environmental defenders: 6
- Advice, training or capacity-building: 7
- Reform of laws or policies related to lands, territories and resources: 6
- Defense against intrusion, land grabbing or alienation of lands, territories and resources: 6
- Conflict resolution and redeployment related to lands, territories and resources: 8
- Management and sustainable use of lands, territories and resources: 8
- Monitoring of lands, territories and resources: 4
- Forest tenure: 8

**Our partners annual budgets**

- US$ 10,000-200,000: 1
- US$ 200,000-1,000,000: 2
- US$ 1-2 million: 2
- US$ 2-5 million: 1
- US$ 5-10 million: 2
- Above US$ 10 million: 6
Our partners provided us with a vast set of ideas and recommendations that will inspire and inform our future work. We share a selection:

1. Partners need to spend time together in communities.
2. Partners need to be frank about interests and motivations.
3. Partners can provide adequate finance for administrative staffing and overhead for indigenous and local community-led organizations.

Our partners stated they bring added value by providing:

- Policy expertise on multiple countries and issues
- Strong research and campaigns, amplifying the voices of Indigenous Peoples, local communities to tackle threats and advance their rights
- Joint fundraising and co-designing of all projects

four partners provide non-earmarked general support.

When asked about the difficulties our partners encounter in their work with donors, they highlight compliance with application, budgetary and reporting requirements as well as discrepancies between donor and partner priorities. In their work with Indigenous Peoples and local communities, language barriers stand out as a common problem. These difficulties are very similar to those reported from our organizations on the ground (see page 9) and points to the need for enhanced dialogue and co-creation of solutions among all of us.

Our partners transfer funds to Indigenous Peoples or local communities. Eight of them have developed a dedicated funding mechanism and six transfer funds from their general budget. Most partners were not able to report how much of the budget dedicated to Indigenous Peoples and local communities was transferred, but the five partners that responded indicated a range between 30-60%. Most of our partners provide funding that is earmarked for specific activities, but such funds, but to significantly scale-up direct funding, we need to make a breakthrough with bilateral donors. Our partners can provide invaluable assistance in that regard, as they already have experience in working with these donors.

One-third of our partners have access to funding from bilateral donors. Such funds generally come with strict administrative and financial requirements, but also tend to be larger-scale and longer-term and therefore attractive. Very few of our organizations have access to such funds, but to significantly scale-up direct funding, we need to make a breakthrough with bilateral donors. Our partners can provide invaluable assistance in that regard, as they already have experience in working with these donors.

### Partner’s sources of funding

<table>
<thead>
<tr>
<th>Sources of Funding</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private foundations/philanthropic funders</td>
<td>6</td>
</tr>
<tr>
<td>Bilateral donors</td>
<td>4</td>
</tr>
<tr>
<td>Private donations</td>
<td>4</td>
</tr>
<tr>
<td>Funding/granting mechanisms</td>
<td>4</td>
</tr>
<tr>
<td>International NGOs</td>
<td>3</td>
</tr>
<tr>
<td>Constituents/members</td>
<td>2</td>
</tr>
<tr>
<td>Income-generating activities</td>
<td>1</td>
</tr>
<tr>
<td>UN agencies, funds or programmes</td>
<td>1</td>
</tr>
<tr>
<td>UK inter-agency pooled funds</td>
<td>1</td>
</tr>
<tr>
<td>Multilateral or regional banks</td>
<td>1</td>
</tr>
<tr>
<td>Other multilateral institutions (FCPF, GEF, GGGI, etc.)</td>
<td>1</td>
</tr>
</tbody>
</table>

All our partners transfer funds to Indigenous Peoples or local communities. Eight of them have developed a dedicated funding mechanism and six transfer funds from their general budget. Most partners were not able to report how much of the budget dedicated to Indigenous Peoples and local communities was transferred, but the five partners that responded indicated a range between 30-60%. Most of our partners provide funding that is earmarked for specific activities, but such funds, but to significantly scale-up direct funding, we need to make a breakthrough with bilateral donors. Our partners can provide invaluable assistance in that regard, as they already have experience in working with these donors.
Indigenous Peoples and local communities, with a view to improving transparency, coordination, dialogue and strategies.

The workshop evidenced that currently we have difficulties answering basic questions about what amounts of funds are going to whom, for what purpose and with what impact. Some of the key problems are:

- Donors do not keep track of their allocations to Indigenous Peoples and local communities, so reporting is based on estimates, ad hoc methodologies and surveys, which are complex and time consuming, and carry significant risks of miscalculations, misinterpretations and double counting.
- The global systems for donor reporting through the organization for Economic Co-operation and Development (OECD) and the International Aid Transparency Initiative (IATI) are not currently set up to track funding for Indigenous Peoples and local communities.
- Multilateral agencies, financial institutions and NGOs may keep track of funding explicitly allocated to Indigenous Peoples through dedicated grants mechanisms but cannot keep track of funding within their broader portfolio of loans and projects.
- There is hardly any data on the funds reaching the organizations and territories of Indigenous Peoples and local communities.

In recognition of the complexity of the problems and the urgency of finding solutions, participants agreed on the need to form a strong coalition for collaborative, complementary and concerted efforts. The recommendations put forward at the workshop, constitute a broad roadmap for the coalition to follow:

- Develop common standards (taxonomy, terms, tags and methodologies) for tagging and reporting, which can be used by all actors to generate comparable data. Such standards should not conflate the distinct categories of Indigenous Peoples and local communities, to ensure that data can be both disaggregated and aggregated, as necessary. The standards regarding identification of Indigenous Peoples should be strictly related to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), including the fundamental criterion of self-identification.
- Enhance donor reporting using such common standards and build the possibility for systematic tracking into the existing institutionalized monitoring systems, including by introducing a specific policy marker into the OECD and IATI statistical systems.
- Explore opportunities for analyzing existing data (donor reports, project descriptions, databases) with Artificial Intelligence, and publish results of data analysis for public scrutiny and verification.
- Move towards a common approach to tracking within the UN-system, including through the forthcoming UN indicator framework for the implementation of the System-Wide Action Plan for implementation of the UNDRIP.
- Strengthen the role of Shandia and the funding mechanisms led by Indigenous Peoples and local communities in systematically collecting, analyzing, aggregating and communicating data about funds that reach their organizations and territories. As part of its monitoring function, Shandia will play a crucial role in following up on these recommendations.
One of Shandia’s key functions is to facilitate a strategic and sustained dialogue with donors to increase and improve funding to our peoples and communities.

In the aftermath of COP26, Shandia has continuously engaged with the Forest Tenure Funders Group (FTFG), to follow up on the significant US$ 1.7 billion Pledge to Indigenous Peoples and local communities. Conversations with FTFG leaders at the UN Biodiversity Conference in December 2022 (COP15) focused on regional working dialogues, bringing solutions closer to the ground.

Shandia delegates also joined the Global Conference of the International Funders for Indigenous Peoples (IFIP) in Mérida Yucatán, where donors and indigenous representatives discussed shared goals, related to flexible and collaborative funding, to underpin Indigenous Peoples self-determined development.

The Global Alliance further solidified its engagement in late March 2023 during a planning meeting with allies and funders in Bali, Indonesia. The emphasis was on Shandia’s growth as a platform for accelerating direct financing, aligned with the core demands of the Global Alliance. In the following months, we focused on the operationalization of Shandia, including by supporting regional events led by member organizations.

These included the launch of the Nusantara Fund in Indonesia and the First Forum of Indigenous and Local Community Women in Central Africa, where Shandia facilitated dialogue with regional and global actors. The Mesoamerican Climate Week hosted by AMPB brought together diverse stakeholders, featuring a special session on direct funding linked to the Mesoamerican Territorial Fund.

During the New York Climate Week in September, Shandia convened over 70 key actors involved in discussions about direct funding, reflecting on the year’s progress and urging ambitious collaboration to support frontline climate solutions. To culminate the year, Shandia co-hosted the Tracking Funds for Indispensable Partners workshop, addressing gaps in data collection and monitoring (see page 22).

Throughout the year, Shandia has emerged as a leader in multi-stakeholder spaces, leveraging dialogues to promote funding that directly impacts the rights and well-being of our peoples and communities across the globe.
The Global Alliance of Territorial Communities (GATC) is a political platform of Indigenous Peoples and Local Communities united to defend Mother Earth for all humanity’s present and future benefit. We guarantee our legitimacy and representativeness thanks to democratic processes, ranging from the community to the plurinational level.

**OUR ALLIANCE REPRESENTS**

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million people living in forest territories from countries, and we are guardians of over million hectares of land.

Through our **9 years** of collective work we have made strides towards our five demands.

- Land Rights
- Free, prior and informed consent
- Direct financing
- Protection of life
- Traditional knowledge