

# Tracking funds for the indispensable partners

**REPORT AND ROADMAP**

Workshop, Paris, November 6-7, 2023

  
**Charapa**



**Global  
Alliance**  
of Territorial  
Communities

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Photo: Renzo Fuentes

## INTRODUCTION

On 6-7 November 2023, Shandia and Charapa convened a multistakeholder workshop in Paris.<sup>1</sup>

The workshop aimed at exploring ways to enhance and institutionalize the tracking of funding for Indigenous Peoples and local communities. Specifically, the participants discussed:

- Experiences in tracking and monitoring funding for Indigenous Peoples and local communities,
- Ways to enhance monitoring of funding flows to Indigenous Peoples and local communities, with a view to improving transparency, coordination, dialogue and strategies

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1) The workshop was organized with the support of Indigenous Peoples Rights International, International Funders of Indigenous Peoples, Rainforest Foundation Norway, Rainforest Foundation US, Rights and Resources Initiative, Tinta, United Nations Development Programme and the UN Permanent Forum on Indigenous Issues with financial support from the Ford Foundation, the David and Lucile Packard Foundation and the Christensen Fund.

More than 65 representatives of organizations, networks, platforms and funding mechanisms of Indigenous Peoples, local communities, bilateral donors, philanthropic funders, UN and multilateral agencies, civil society organizations and researchers joined the workshop, which provided simultaneous translation into 4 languages, and facilitated on-line participation in the plenary sessions.

The diverse group of participants reflected the complexities of the challenges at hand, and provided for a rich sharing of experiences, in which everybody contributed, and everybody learned. The discussions affirmed that the solutions can only be found through dialogue and collaboration. This is also reflected in the main outcome of the workshop, *the Paris Roadmap for Tracking of Funds*, which captures the main recommendations put forward. The implementation of the Roadmap will require coordination, co-creation and complementary efforts, in which donors, multilateral agencies, civil society, Indigenous Peoples and local communities all have a part.

As organizers, we are grateful to all participants in the workshop for their contributions to help resolve a long overdue systemic gap, and look forward to following the roadmap, with all of you.

## THE CURRENT FUNDING CONTEXT

### Indigenous Peoples and local communities are essential partners

Insufficient data and statistics about Indigenous Peoples and local communities remain a main obstacle for understanding and addressing their situation. In some regions, even basic demographic data are lacking. Where available, data or estimations highlight the pervasive discrimination faced by Indigenous Peoples and local communities but also their crucial role in combating climate change and biodiversity loss and achieving sustainable development that leaves no one behind.

Globally, indigenous peoples represent approximately 6.2 % of the world's population but 18.7 % of the extreme poor.<sup>1</sup> An estimated 36% of the world's remaining intact forests, at least 24% of the above-ground carbon in tropical forests<sup>2</sup> and up to 80% of the world's remaining forest biodiversity<sup>3</sup> are found within Indigenous Peoples' territories.

The ability of Indigenous Peoples and local communities to protect and sustainably manage lands, territories and natural resources, based on traditional knowledge and livelihood practices, is crucial for crafting solutions to the intertwined crises the world is facing.

Therefore, Indigenous Peoples and local communities are indispensable partners for reaching the targets of the Paris Agreement on climate change, the Global Biodiversity Framework and the 2030 Agenda on Sustainable Development.

This role must be duly reflected in the approaches and language that we use. It is no longer acceptable to adopt a minimum safeguard approach to "do no harm" or talk about Indigenous Peoples and local communities as beneficiaries, or vulnerable and marginalized groups. Our relationships must be framed as partnerships, based on recognition of our rights and contributions in all regions of the world and in all ecosystems.

### Funding is not commensurate with the roles and needs on the ground

While no accurate data is available, estimations show that only a small fraction of international funding for biodiversity, climate change and sustainable development is allocated for Indigenous Peoples and/or local communities.

Rainforest Foundation Norway estimates 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 2011-2020.<sup>4</sup>

International Funders for Indigenous Peoples estimates that only 0.6% of the funding reported to the CANDID database (mainly philanthropic funders) was marked as "benefitting Indigenous Peoples". Of this limited amount, 88.7 % went to Indigenous Peoples in North America.

Complex and bureaucratic donor requirements, competitive application formats, short-term and small-scale funding, language barriers, restrictive government regulations, discrimination and low institutional capacities remain big obstacles for accessing funding.

Another persistent barrier is weak alignment with priorities for self-determined development on the ground. While support is needed for all Indigenous Peoples and local communities who are at the forefront of fighting climate change and biodiversity loss, funding is often earmarked for particular regions or ecosystems and some areas remain invisible to donors. Moreover, communities often have a holistic vision for their development, while funding is typically earmarked for a specific topic or set of activities. Further, they also need flexibility and emergency support, to fight mining, criminalization, attacks on land rights defenders, land grabs and other events beyond their control.

The need for long-term, core support, which strengthen governance and institutional capacities is evident. When capacity-building and technical assistance needs are defined from the communities, and local capacities are consolidated, it drastically reduces transaction costs. Finally, funding should allow Indigenous Peoples and local communities to advocate for their rights at all levels, including pursuing necessary legal and policy reform.

### Channeling funds to the ground

Recognizing the particular roles, needs and barriers faced by Indigenous Peoples and/or local communities, some institutions have developed targeted funding initiatives. These include:

1. The Small Grants Programme (SGP) of the Global Environmental Facility (GEF). Since 1992, the UNDP-implemented SGP has been the primary modality of engagement for Indigenous Peoples with the GEF, with more than a thousand projects supported. The SGP compiles disaggregated data on the percentage of projects that support Indigenous Peoples (above 40% in relevant countries) as well as the percentage of projects per region that is led by Indigenous Peoples versus those that benefit Indigenous Peoples.
2. The Indigenous Peoples Assistance Facility (IPAF) of the International Fund for Agricultural Development (IFAD), established in 2007 to strengthen Indigenous Peoples communities and organizations. IPAF finances small projects that foster self-driven development, hence all projects are implemented by Indigenous Peoples' organizations.<sup>5</sup> IFAD's engagement with Indigenous Peoples is guided by a dedicated Policy and by the biannual Indigenous Peoples' Forum at IFAD is a platform for sustained dialogue with senior management to assess IFAD's engagement with Indigenous Peoples and promote their participation in IFAD-supported activities at all levels.

These initiatives are relatively small-scale, and there is a sense that Indigenous Peoples and local communities are asked to "do big things with small money". Positively, at COP 26, the Forest Tenure Funders Group made a Pledge to provide 1.7 billion USD to strengthen forest tenure rights and guardianship of Indigenous Peoples and local communities over five years.<sup>6</sup> In a similar vein, the recently established Global Biodiversity Framework Fund (GBFF) will dedicate 20 percent of its resources to support Indigenous-led initiatives to protect and conserve biodiversity. This could potentially generate an additional 4 billion USD in funding.<sup>7</sup>

While this is positive, the funding situation on the ground has not changed significantly, leaving the impression that most funding is not reaching institutions at the local level.

**The Forest Tenure Funders Group has a commitment to increase direct funding. However, data compiled by Shandia in 2023 shows that only 0.19 % of the funds of one of the bilateral donors, and 7% of one of the philanthropic funders to the Pledge was transferred directly to organizations of Indigenous Peoples or local communities.<sup>8</sup>**

**Data collected by Charapa in 2022 only identified 6 Indigenous Peoples' organizations, networks and funding mechanisms with a budget above 1 million USD across the tropical forests of Africa, Asia and Latin America.<sup>9</sup> This illustrates that the funding situation on the ground has not changed significantly.**

Given the diversity of situations, there is no simple or single model for providing efficient support to Indigenous Peoples and/or local communities. The general requirement is that funding mechanisms are adapted to the diverse realities on the ground and that Indigenous Peoples and/or local communities must participate in dialogue and decision-making about the most relevant and efficient funding mechanism for them.

## Funding Mechanisms established by Indigenous Peoples and local communities

In response to the current funding situation, Indigenous Peoples and/or local communities have started developing their own mechanisms for direct funding. Such mechanisms include:

- The AYNI Indigenous Women's Fund, established by the International Indigenous Women's Forum, which supports Indigenous women's organizations in strengthening their capacities and in the implementation of economic, environmental and social development projects.<sup>10</sup>
- The Fondo Territorial Mesoamericano (FTM), which is an innovative funding mechanism by and for Indigenous peoples and local communities, established by the Mesoamerican Alliance of Peoples and Forests (AMPB).<sup>11</sup>
- The Indigenous Peoples of Asia Solidarity Fund (IPAS), which is a regional mechanism established through a representative regional process. IPAS provides direct funding for Indigenous Peoples across 14 countries in Asia.
- The Nusantara Fund, established by the Aliansi Masyarakat Adat Nusantara (AMAN) in collaboration with two other mass organizations, is a unique mechanism for providing direct funding to Indigenous Peoples and local communities across Indonesia.<sup>12</sup>

These mechanisms have a strong focus on strengthening capacities on the ground through pre-investments; to not only support activities, but build technical capacity, formulate priorities, formulate impact indicators and measure impact. Many of these mechanisms have been established recently and are still in the process of consolidating their institutional capacity and enlarging their outreach. Currently, donor funding to these mechanisms remains small but the increasing capacity of these funding mechanisms provides an obvious opportunity for scaling up direct fund to Indigenous Peoples and/or local communities.

Moreover, these mechanisms have inclusive governance mechanisms with a focus on women, persons with disability and youth and are characterized by strong ownership. Their design is based on extensive consultations to align with communities' own priorities and plans and to respond quickly to emergencies and changing situations on the ground. As these funding

mechanisms have unique insights on the situation on the ground, they have a strong potential for gathering data on the funding situation, priorities and gaps on the ground.

The Shandia platform is established by the Global Alliance of Territorial Communities to promote and facilitate direct, predictable, effective and sustainable funding to Indigenous Peoples and local communities.<sup>13</sup> Shandia is not a mechanism for transferring funds, but fulfil a number of strategic functions, including:

- Facilitating strategic and sustained dialogue with donors
- Exchanging experiences and good practices for transparency and accountability
- Monitoring the status and trends of funding

Going forward, the annual Shandia Forum will convene regional and national funding mechanisms led by Indigenous Peoples and local communities, key donors, strategic allies and resource persons to identify barriers, good practices and lessons learned for increasing direct funding; agree on simplified procedures and formats for ensuring accountability; identify funding gaps, priorities and opportunities; exchange experiences with monitoring and create a space for mutual capacity-building and learning.

## THE CURRENT TRACKING CONTEXT

### Tracking is crucial for guiding our strategies

Currently, we have difficulties answering basic questions about what amounts of funds are going to whom, for what purpose and with what impact. While data on funding is not an end in itself, it is crucial for guiding our efforts to combat climate change, conserve and sustainably manage biodiversity and achieve sustainable development. More specifically, better data will allow us to:

- Drive policy change and scale up funding for Indigenous People and local communities
- Make funding more efficient, including by assessing the best funding modality in a given context
- Foster collaboration and complementarity between bilateral and philanthropic donors, including at country level
- Hold donors accountable for their commitments, including for specific Pledges and targets (such as the target to allocate 20% of the Global Biodiversity Framework Fund)
- Avoid double funding and double counting, e.g. across multiple pledges
- Report on impact, also political impact, which will help raise additional funds
- Measure success in mobilizing more resources and point new donors to funding gaps
- Match funds with needs, to break patterns of systemic inequity
- Ensure inclusion of women, youth and persons with disabilities
- Empower Indigenous Peoples and local communities through data that is generated, understood and validated by their authorities
- Counter misleading government information, which in some contexts contributes to exclusion of Indigenous Peoples

### Tracking needs to be improved in many ways -at all levels

The challenges for improving tracking and generating better data are manifold and found at various levels. Some are of a more conceptual character and affect all actors while other challenges are more specific to particular groups such as donors, UN agencies, NGOs or organizations of Indigenous Peoples and local communities. The following sub-sections outline the key challenges identified.

#### **It is important to have specific data on the impact and approach to Indigenous Peoples and to local communities.**

There is an increasing tendency to conflate different rightsholders and partners by using combined categories and abbreviations such as IPLC (Indigenous Peoples and Local Communities) and BIPOC (Black, Indigenous, People of Colour). This prevents obtaining and generating more specific data and limits a deeper analysis of the impact and scope of investments through disaggregated data. To yield useful data and point to the right solutions, the categories used need to be specific and aligned with internationally agreed criteria and terms.

Indigenous Peoples constitute a particular group of collective rightsholders, recognized under international human rights law. The rights of Indigenous Peoples are enshrined in the UN Declaration on the Rights of Indigenous Peoples, and ILO Convention No. 169 provides specific criteria for identifying these peoples.

Local communities are covered under the Convention on Biological Diversity and other international environmental and climate-related instruments. The CBD addresses local communities *“embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity (article 8(j))*. In a biodiversity and climate change context, it is therefore relevant to understand the situation and role of both Indigenous Peoples and local communities but without conflating these two distinct categories. It is also important to understand and respect that in many regions Indigenous Peoples and local communities have established partnerships or joint organizations. Therefore, in a data collection context, it is important to be able to aggregate and disaggregate data to reflect the realities, scope, impacts and partnerships on the ground.

## Donor reporting

Donors are committed to transparency and regularly reports on their allocations, but they do not have internationally agreed standards to specifically track funding allocated for Indigenous Peoples or local communities. This, obviously, is a major obstacle for understanding the contribution of individual donors and for aggregating data across multiple donors.

The Forest Tenure Funders Group has made a valuable effort to aggregate data and report on their collective contributions to the Forest Tenure Pledge. However, for many of the donors, reporting on their direct funding to Indigenous Peoples and local communities is based on estimates, ad hoc methodologies and individual surveys, which are complex and time consuming, and carry a risk of misinterpretation or miscalculation when aggregating diverse data.

## Aggregating donor reporting

Many donors report to institutions such as the Organisation for Economic Co-operation and Development (OECD), the International Aid Transparency Initiative (IATI) or CANDID that in different ways have mandates to aggregate and publish data on development finance.

**The Organisation for Economic Co-operation and Development (OECD)**, through its Development Assistance Committee (OECD-DAC) tracks and measures Official Development Assistance (ODA) and other funding flows. Reporting to the OECD is mandatory for bilateral donors, as a way of tracking their commitment to provide 0.7% of Gross National Income (GNI) as ODA. Many multilateral agencies and large philanthropic foundations working for development also report to the OECD.

Donors report to OECD against common measurement standards that specify who spends what, where, how and for what purpose. The OECD standards also include “policy markers” that track specific policy objectives related to gender equality, persons with disabilities; climate change and biodiversity, among others. The system does not include a specific policy marker for Indigenous Peoples.

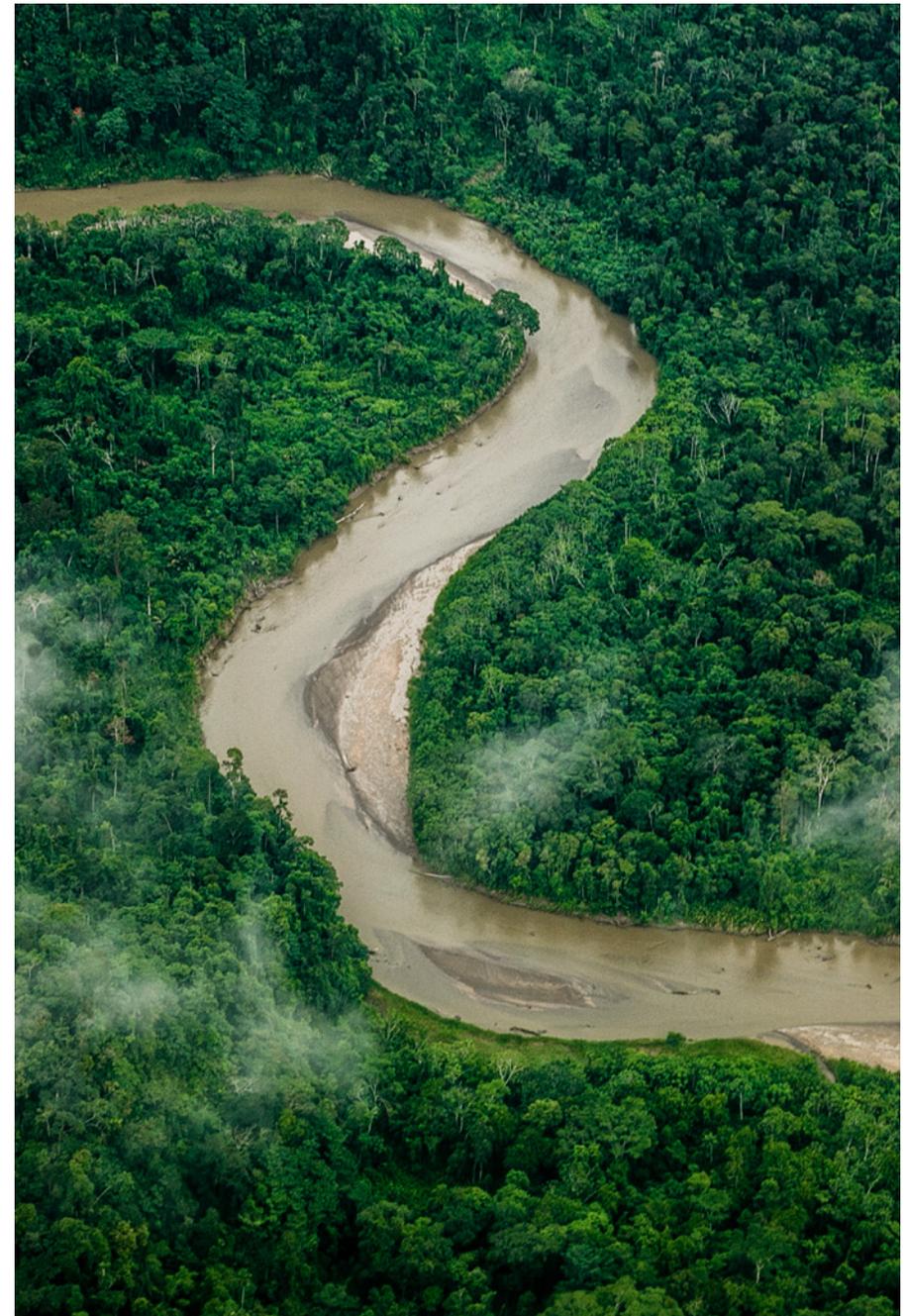
In 2023, the UN Permanent Forum on Indigenous Issues made a specific recommendation to the OECD-DAC to include a policy marker in its statistical system, to facilitate tracking of funding allocated for Indigenous Peoples across all sectors.<sup>14</sup>

**The International Aid Transparency Initiative (IATI)** is a global initiative to improve the transparency of development and humanitarian resources. Over 1,500 organizations, including donor governments, development finance institutions, UN agencies, NGOs, foundations and private sector organizations publish information about their spending and activities through IATI. IATI includes data on past spending, future budget plans, location, sectors, results and access to strategic project documents. Currently, IATI data is available on over 1 million development and humanitarian projects. The IATI standard does not include a marker for Indigenous Peoples but a word search can provide useful information about projects that mention this term in the narrative description. However, the search results require further cleaning and analysis.

**Candid**<sup>15</sup> is a nonprofit organization that provides comprehensive data and insights about philanthropic funding, particular from US-based foundations. Its Foundation Directory contains information about more than 242,000+ grantmakers and provide information about funding by amount, subject and geographical distribution.

All of these institutions have searchable databases, but their statistical systems are not set up to specifically track funding for Indigenous Peoples or local communities. Hence, there are no common methodologies, definitions, terms or classifications to ensure comparability of data. Moreover, funding for Indigenous Peoples and/or local communities often constitutes a smaller component of larger programs, and there is therefore a need to break down budget figures to avoid overestimating the level of funding.

Another challenge is that the OECD database only provides information about the first level of recipients. As most funding is channelled through other types of organizations, the data does not indicate how much funding is eventually transferred to the organizations and territories of Indigenous Peoples or local communities, respectively. The only way to estimate such transfer is by establishing proxy indicators and searching for names of known organizations of Indigenous Peoples or local communities among implementing organizations. That, however, is associated with a high degree of inaccuracy.



The IATI system allows users to ‘follow the money’ by:

- Specifying the identity of organizations involved in specific activities, and the roles of those organizations (for example, funding or implementing). This then allows data users to provide further contextual analysis (for example, by identifying Indigenous-led organizations)
- Detailing the financial transactions related to those activities, including the provider and recipient organizations, and the type of transaction (for example, a pledge, a disbursement or an expenditure)
- Specifying the relationship between separately reported (for example, a parent or child activity) so that complex flows of funds can be understood

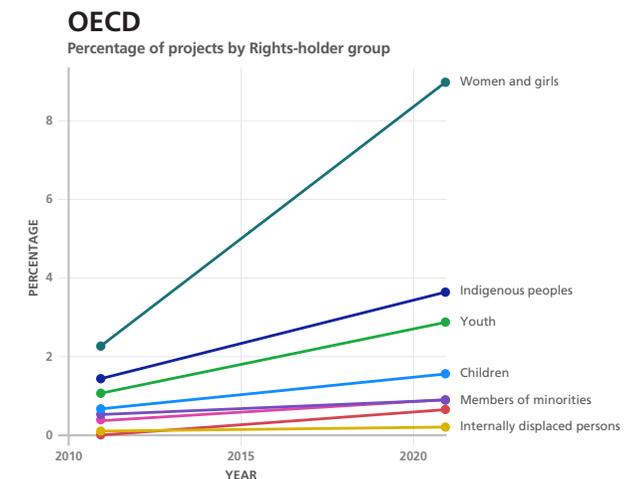
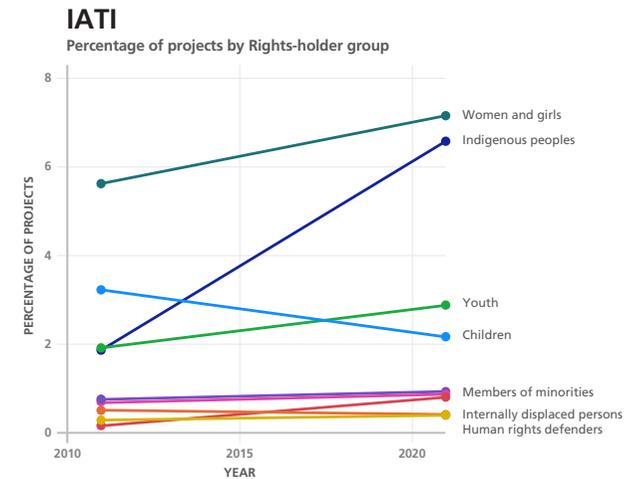
There are practical barriers to following this approach, but it could be explored further in the medium to longer-term.

Based on the narrative project descriptions in the databases, Artificial Intelligence (AI) can help identify projects that somehow implicate Indigenous Peoples, either as a generic category, or identified through the names of individual peoples. The latter, however, would require compiling a list of specific names of Indigenous Peoples. Identifying funding to local communities with the use of AI represents a bigger challenge, as the term is used in different ways by different donors, with no reference to internationally agreed identification criteria.

Civil society and research organizations<sup>2</sup> have published valuable reports based on OECD, IATI and CANDID data, which give approximations about funding for Indigenous Peoples and/or local communities in specific sectors and contexts. This data analysis has required scraping and cleaning millions of data, searching for key words, establishing proxy indicators, as well as manual review and verification. Such workarounds are complicated, costly and time consuming, and difficult to sustain over time. Still, they inevitably have a margin of uncertainty. To minimize the risks of mistakes, all data still needs additional verification by donors, Indigenous Peoples or local communities.

2) See for example: Campaign for Nature, International Funders for Indigenous Peoples, Indufor, Overseas Development Institute, Rainforest Foundation Norway and Rights and Resources Initiative

The above points to the need for a streamlined and systemic solution to ensure common standards for donor reporting and aggregation of data within these established institutions for monitoring of development finance.



Trends in number of projects in the IATI and OECD databases, addressing different groups of rights-holders. Analysis generated by the Danish Institute for Human Rights, making use of a text classification algorithm.<sup>21</sup>

## Enhancing donor reporting systems

Bilateral donors, philanthropic funders and institutions like OECD, IATI and CANDID can all play a crucial role in enhancing the traceability of funding for Indigenous Peoples and local communities. This would imply developing a common framework so that:

- Donors would refer to common terms and classifications when reporting on their support to Indigenous Peoples or local communities, through narrative project descriptions, tagging of budget lines for indirect or direct support and tagging of projects against policy markers in systems for aggregated reporting (OECD, IATI and CANDID, among others).
- The OECD and OATI would incorporate a specific policy marker for Indigenous Peoples in their statistical systems, to facilitate identification of projects relevant to Indigenous Peoples, and to facilitate aggregation of data across multiple donors.

To make this implementable, it would require harmonization among and commitment from some of the big donors/data providers such as influential bilateral donors and philanthropic funders. A key argument in this regard is that rather than imposing an additional reporting burden on donors, this approach would ease their existing reporting requirement against specific pledges and targets, while also generating the data necessary for enhancing the efficiency of their support. In the long-term, this would provide an institutionalized and sustainable source of reliable and comparable data that would allow for sustained monitoring over time, across regions and sectors.

## Traceability of funding through different channels

The various types of organizations that donors channel their funds to in support of Indigenous Peoples and local communities are commonly known as “intermediaries”. An Intermediary is any organization that is not established or led by Indigenous Peoples and/or local communities, which receives funds with a purpose to provide support to Indigenous Peoples and/or local communities, including through transfer of funds. Consequently, intermediaries would comprise multilateral and regional banks, UN agencies, national governments, international NGOs, regranting mechanisms as well as small and local NGOs

and support organizations. Thereby, the term ‘intermediaries’ is so broad and comprises so many different actors that it is not meaningful to talk about them in general.

Instead, we need to differentiate between different categories of institutions and explore ways of generating data about the specific categories. which would allow a deeper analysis of their respective limitations, contributions, comparative advantages, costs and impacts. Given the diversity of “intermediaries”, overcoming the challenge of data collection will require specific solutions for specific categories of organizations.

**As donors report on the first level of recipients of funds, it is actually possible to compile estimates about their allocations to different types of organizations. For example, the FTFG reports that 51% of disbursements in the first year of the Forest Tenure Pledge was allocated to international NGOs, 17% to national governments, 10% to multilateral agencies and smaller percentages to international or regional regranting mechanisms and funds, Indigenous Peoples and local communities, national NGOs and others<sup>16</sup>**

## UN and other multilateral agencies and institutions

In general, multilateral agencies and financial institutions can keep track of funding explicitly allocated to Indigenous Peoples through dedicated grants mechanisms but cannot keep tracking of funding within their broader portfolio of loans and projects.

The UN-system is tasked with achieving the ends of the UN Declaration on the Rights of Indigenous Peoples, as specified in articles 41 and 42 of the Declaration. In 2014, the UN General Assembly requested the development of a System-wide Action Plan (SWAP) to further a coherent approach to action, across the UN-system. The Inter-Agency Support Group on Indigenous Issues, with 45 members across the UN-system, is coordinating the implementation of the SWAP. The Group is currently in the process of designing an indicator

framework for assessing and compiling aggregated data on UN-system action on Indigenous Peoples across the globe, including through the UN Sustainable Development Cooperation Frameworks at country levels. With the right choice of indicators, the framework could be an entry point for gathering systematic data on the UN-system's action with regards to Indigenous Peoples.

A number of multilateral development and finance agencies, such as the World Bank and regional banks, the United Nations Development Programme (UNDP), the green Climate Fund and IFAD have developed institutional safeguards, to avoid infringing on Indigenous Peoples' rights, including through the requirement for free, prior and informed consent of impacted communities. The activation of these safeguards provides an opportunity for estimating the number of projects that positively or negatively affect Indigenous Peoples but does not provide information about funds allocated for or transferred to Indigenous Peoples. That would require a much more detailed manual analysis.

Another entry point is that both multilateral agencies and big civil society initiatives often establish advisory bodies that include self-selected representatives of Indigenous Peoples and/or local communities. Such bodies serve an important monitoring role but has thus far not reported on funding in a way that can be quantified, compared or aggregated.

### **International NGOs**

A big proportion of the funding for Indigenous Peoples and/or local communities is allocated to international NGOs. While some of these NGOs can report on the funds transferred through dedicated mechanisms, they generally do not have data available about funding within their broader portfolios or funding transferred to organizations and territories of Indigenous Peoples and/or local communities. There is also no common taxonomy or reporting standards to facilitate the generation of comparable data between these NGOs.

One way of addressing the information gap about funding to and through international NGOs, is to take point of departure in a list of international NGOs with a track record of engagement with Indigenous Peoples and/or local communities, and request these to provide data against an agreed common standard.<sup>17</sup>

The Path to Scale is an informal network of donors, financial mechanisms and their intermediaries, aiming to mobilize at least 10 billion USD over the next ten years, to secure land and resource rights, conservation and livelihoods of Indigenous Peoples, local communities and Afro-descendant Peoples. The network is coordinated by the Rights and Resources Initiative and meets regularly and also serves as a mechanism for sharing information, ideas and experiences. Given its convening role and composition, Path to Scale could potentially play a role in fostering better data and reporting by international NGOs.<sup>18</sup>

### **Data on funding reaching Indigenous Peoples and local communities**

One of the biggest and most crucial data gaps concerns the funding reaching Indigenous Peoples and local communities. While the FTFG reports on the percentage of disbursements provided as direct funding<sup>19</sup> and some estimates can be made of the percentage of individual donor funding allocated directly to organizations of Indigenous Peoples and local communities. However, these figures do not cover the donor community in a comprehensive manner, and does not capture funds transferred through other channels, e.g. through governments, multilateral agencies or NGOs. This is a gap that can only be closed from the ground and up.

People on the ground know their own situation very well, but this knowledge does not appear as data points that can be easily compared and communicated internationally. On the contrary, reporting frameworks and indicators are often imposed top-down and does not necessarily generate data that is locally accessible, relevant and understandable.

To avoid data extraction and ensure participation and legitimacy of monitoring efforts, they must be led by Indigenous Peoples and/or local communities themselves. Moreover, the focus should not be only on funding but also on impact, along with the broader contextual information that is needed for informing the strategies of Indigenous Peoples and local communities. This would include information about investments in community lands, debts for nature swaps, discriminatory laws and policies, criminalization, human rights defenders etc.



There are already strong and relevant experiences with community-based monitoring on rights and development, such as the Indigenous Navigator,<sup>20</sup> which can inspire additional action or even be expanded to include relevant modules on funding. Similarly, the funding mechanisms established by Indigenous Peoples and local communities will have an important role to play.

Recently, Shandia has also initiated pilot activities to compile and publish illustrative data about the funding reaching the organizations and territories of the Global Alliance of Territorial Communities. These experiences can be the basis for standardized reporting to start producing comparable data that allow for monitoring over time and across regions.

Scaling up monitoring from the ground is crucial for closing the current data gap but can also contribute to empowerment if done in the right way, led by Indigenous Peoples and local communities themselves. This, however, will require a strong focus on capacity-building, development of methodologies and tools, and institutionalization of efforts, as well as investment and donor support.

### **Risks and trust**

In the context of shrinking space for civil society, government restrictions on funding and attacks on human rights and environmental defenders, publishing data regarding funding implies real risks for organizations and leaders of Indigenous Peoples and local communities. There are examples of activists being targeted by security forces for trying to mobilize resources to their communities and organizations having their funds frozen.

For many organizations, it will require a very high degree of trust to share data with others. This is another reason why compilation of data from the ground must be done by organizations of Indigenous Peoples and local communities themselves. In addition, all possible precautions must be taken to enhance data security. Finally, data about funding should be published at an aggregate level, to help identify status and trends without putting individual organizations at risk.

## THE PARIS ROADMAP FOR TRACKING OF FUNDS

The workshop on *Tracking funds for the indispensable partners*, convened 65 representatives of Indigenous Peoples, local communities, bilateral donors and philanthropic funders, UN and multilateral agencies, civil society organizations and researchers. The participants discussed the intertwined problems of:

- Too little funding being allocated to support the crucial role of Indigenous Peoples and local communities with regards to climate change, biodiversity and sustainable development, and;
- Too little information being available to inform decision-making and efficient strategies about allocations, transfer modalities and funds reaching Indigenous Peoples and local communities.

The participants jointly identified the following key components of a roadmap for overcoming these systemic gaps:

### **We need to build an ecosystem of data based on a common framework**

The data we need will come from different sources, including bilateral donors, philanthropic funders, multilateral agencies, NGOs and organizations of Indigenous Peoples and local communities. However, to ensure validity, aggregation and comparability, data should be generated with reference to a common framework. Such a framework should include common classifications, terms and standards, to be agreed and applied across the multiple actors within the data ecosystem.

The classification and description pertaining to Indigenous peoples and to local communities, respectively, should be specific to these distinct groups and developed by their representative institutions, with respect for the fundamental right to self-identification. In the case of Indigenous Peoples, it should be based on and aligned with relevant international instruments, such as the UN Declaration on the Rights of Indigenous Peoples and the ILO Convention No. 169.

A set of guidance materials and training tools should be developed and shared in multiple languages to ensure broad use and applicability of the common framework.

### **Donors**

To significantly address the underfunding of Indigenous Peoples and local communities, donors need to scale up funding, help mobilize additional donors and provide funding in the most efficient and impactful way.

The latter implies scaling up direct funding to Indigenous Peoples and local communities, including through the funding mechanisms they have established, which has an immediate effect on the ground. It also requires ensuring the full participation of Indigenous Peoples and local communities in decisions regarding the most efficient channel for funding to their specific organizations, territories and communities. Donors should enhance coordination among themselves, and work with organizations of Indigenous Peoples and local communities to simplify, harmonize and adapt these formats and requirements to the realities on the ground.

To improve traceability, donors should tag and report on their funding allocations to Indigenous Peoples and to local communities against the classifications, terms and standards of the common framework described above.

Moreover, they should collaborate and coordinate with the institutions established to collate and publish data on donor allocations for development finance (OECD, IATI and CANDID) to build systematic tracking and monitoring into their statistical systems, based on the classifications, terms and standards of the common framework.

One crucial element is for the OECD-DAC to include a policy marker on Indigenous Peoples into its statistical system, which will require coordination and collaboration with the OECD-DAC Working Party on Statistics. Another element is to further explore the potential for analyzing the narrative project descriptions in the OECD, IATI and CANDID databases, using AI/text classification algorithm. Finally, it would be worth exploring the IATI “follow the money approach”, which could yield important information about relationships between different actors and related activities. In general, to ensure data quality and avoid overestimation of funding is the possibility for public scrutiny and verification of micro data about donor allocations.

To generally strengthen the attention of OECD and IATI to the specific data needs pertaining to Indigenous Peoples and local communities, more donors should be encouraged to engage and report. It would, for example, be important to have more philanthropic funders to report to the OECD or IATI. Similarly, it is important to increase the engagement of Indigenous Peoples and local communities with these institutions, e.g. by applying for membership of IATI and initiating dialogue and collaboration with relevant policy networks and workstreams at the DAC, including the DAC Environment Network, the DAC Community of Practice on Poverty and Inequalities, and the DAC's workstream on locally led development.

### **Partners and allies**

The different categories of actors that play a role in supporting and channeling funds to Indigenous Peoples and/or local communities need to enhance coordination and collaboration among their peers, to collectively craft solutions for closing the data gaps within their different contexts, while still aligning with the common framework described above.

Within the UN-system, the Inter-agency Support Group can play a crucial role in furthering a common approach to tracking, by including a specific indicator on funding to Indigenous Peoples into the forthcoming indicator framework for the implementation of the System-Wide Action Plan for implementation of the UNDRIP.

In institutions with safeguards pertaining to Indigenous Peoples, more work should be done to explore the potential of using the activation of these safeguards as an entry point for also assessing budgetary allocations.

Within the group of international NGOs that constitute the first level recipients for the majority of donor funding allocated for Indigenous Peoples and local communities, it is crucial to report on funding received, support provided and funding transferred to organizations, territories and communities of Indigenous Peoples and/or local communities. IATI could be the common platform for such reporting, while Path to Scale and other networks could play an important role in furthering a common approach. Commitment from some of the major NGOs that are active in this field could help bring others along.

### **Indigenous Peoples and local communities**

Only Indigenous Peoples and local communities can assess and report on the level of funding that reaches their respective organizations, territories, and communities. This is not only because donors and partners do not have the overview of funds transferred, but also because generating such data is sensitive and require a high degree of trust and legitimacy. Any attempt to compile and publish data on funding reaching the ground need to factor in risks and provisions for data security, specific to the country contexts.

Therefore, the organizations, networks and platforms of Indigenous Peoples and local communities need to play a key role in the data ecosystem described above. However, the importance of their full participation and contribution goes far beyond the generation of budget figures. It is essential for ensuring that data are relevant, provide transparency, accountability and empowerment of communities and measures impact of funding.

Such an approach to collecting, analyzing, aggregating and communicating data can build on the experiences, methodologies, mechanisms and platforms already developed by Indigenous Peoples and/or local communities. These including the various funding mechanisms such as AYNI, FTM, IPAS and Nusantara, the International Indigenous Forum on Biodiversity, the Local Communities and Indigenous Peoples Platform under the UNFCCC, the Indigenous Peoples Major Group on the SDGs, the advisory bodies established to guide various funding initiatives, the Shandia platform and initiatives such as the Indigenous Navigator.

### **Further dialogue, collaboration, and partnerships**

Moving towards an ecosystem of data that enhances transparency with reference to a common framework is a process that will require efforts of individual institutions, but also continued dialogue, collaboration and partnerships.

To keep track of the collective efforts to follow the roadmap, and adjust it as necessary, it is important to take a stepwise approach, and identify priorities and concrete actions that can be pursued in the short, medium and longer-term. To that effect, we need to identify the coordination mechanisms that will

push us forward, as well as the platforms we can use to continue the dialogue and collaboration.

For coordination purposes, we recommend establishing a multi-actor group, “Friends of the Paris Roadmap”, which should comprise participation from the various categories of organizations that have a role to play in the implementation of the roadmap (Indigenous Peoples, local communities, donors, UN agencies, NGOs, funding mechanisms, institutions with a monitoring mandate). The group will coordinate efforts, while continued dialogue will take place in the context of already established forums and spaces. The Global Alliance of Territorial Communities, in the framework of Shandia, will take a leading role in convening the “Friends of the Paris Roadmap”.

We recommend organizing the most immediate follow-up discussions in the context of the following events:

- The forthcoming Session of the UN Permanent Forum on Indigenous Issues (New York, April 2024)
- Forthcoming Path to Scale meetings
- The Annual Shandia Forum, to be organized in 2024 (dates to be confirmed)
- The global consultation meeting of the Green Climate Fund (GCF) Indigenous Peoples Advisory Group (IPAG) to be held in Malaysia in 2024 / dates to be confirmed)

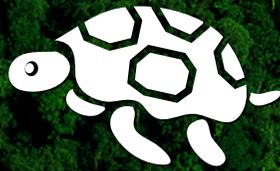
## Resources

The main efforts to advance the Paris roadmap are integral to the mandate and core institutional functions regarding monitoring and reporting of the institutions involved. Therefore, it should not require additional funding. Moreover, aligning the continued dialogue with events that already convene many of the relevant actors, will limit the costs of dialogue and coordination. However, additional funds are necessary for some specific purposes:

- Elaboration of and consultations on the common framework for improving tracking, including classifications, terms and standards, as well as related guidance material
- Development of methodologies and approaches, data collection, and building of data infrastructure by the platforms and funding mechanisms established by Indigenous Peoples and local communities
- Further exploring the potential for analyzing narrative project descriptions with AI
- Convening of the “Friends of the Paris Roadmap” and continued dialogue Forums.

## Endnotes

- 1 ILO, 2019: Implementing the ILO Indigenous and Tribal Peoples Convention No. 169: Towards an inclusive, sustainable and just future, p. 13, [Available here](#)
- 2 See data of the World Resources Institute
- 3 See e.g. IUCN statement and Indigenous Peoples and Local Communities Forest Tenure Pledge, Annual Report 2021-2022, p. 4, [Available here](#)
- 4 See: <https://www.regnskog.no/en/news/falling-short>
- 5 See: <https://www.ifad.org/en/ipaf>
- 6 See: <https://landportal.org/node/112557>
- 7 See: <https://www.forestpeoples.org/en/press-release-indigenous-peoples-global-biodiversity-framework-fund>
- 8 Shandia, forthcoming publication
- 9 See: <https://charapa.dk/directing-funds-to-rights/>
- 10 <https://fimi-iiwf.org/en/our-programs/the-ayni-indigenous-womens-fund-program/>
- 11 <https://www.alianzamesoamericana.org/es/fondo-territorial-mesoamericano/>
- 12 See more at: [nusantarafund.org](https://nusantarafund.org)
- 13 <https://globalalliance.me/shandia/>
- 14 UNPFII, 2023, art. 93, [Available here](#)
- 15 See: <https://candid.org>
- 16 See <https://landportal.org/library/resources/indigenous-peoples-and-local-communities-forest-tenure-pledge-annual-report-2021>
- 17 See indicative list compiled by David kaimowitz here: <https://globalalliance.me/wp-content/uploads/2023/11/Relevant-Organizations-that-Fund-Indigenous-Peoples-and-Forest-Communities.pdf>
- 18 See: <https://www.pathtoscale.org>
- 19 See FTFG, Annual Report 2021-2022, [Available here](#)
- 20 See: <https://indigenoustraveler.org>
- 21 See more on the development of the algorithm here: <https://www.ohchr.org/en/stories/2021/03/artificial-intelligence-ensuring-human-rights-heart-sustainable-development-goals> and here: <https://sdgdata.humanrights.dk/en/methodology>



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