

Indigenous Peoples Impact Categorization Form

A. Project Data

Country/ Project Title:

Department/ Division: **Processing Stage:**

Lending Project Loan Financial Intermediation Loan or Equity Investment

Modality: Program Loan¹ Emergency Loan

Sector Loan SDP Loan

Categorization Status: New Re-classification Previous Category

B. Identification of indigenous peoples in project area

Impact on indigenous peoples (IPs)/ ethnic minority(EM)	Not known	Yes	No	Remarks or identified problems, if any
Are there IPs or EM groups present in project locations?				
Do they maintain distinctive customs or economic activities that may make them vulnerable to hardship?				
Will the project restrict their economic and social activity and make them particularly vulnerable in the context of project?				
Will the project change their socioeconomic and cultural integrity?				
Will the project disrupt their community life?				
Will the project positively affect their health, education, livelihood or social security status?				
Will the project negatively affect their health, education, livelihood or social security status?				
Will the project alter or undermine the recognition of their knowledge, preclude customary behaviors or undermine customary institutions?				
In case no disruption of indigenous community life as a whole, will there be loss of housing, strip of land, crops, trees and other fixed assets owned or controlled by individual indigenous households?				

¹ Applies to program loans with investment components.

C. Anticipated project impacts on indigenous peoples

Project activity and output	Anticipated positive effect	Anticipated negative effect
1.		
2.		
3.		
4.		
5.		

D. Decision on Categorization

After reviewing the answer above, the Mission Leader and Social Development Specialist agree that the project:

- Should be categorized as an A project, an Indigenous Peoples Development Plan (IPDP) is required or, for sector/FI projects, an Indigenous Peoples Development Framework (IPDF) is required
- Should be categorized as a B project, a specific action favorable to indigenous peoples/ethnic minority is required and addressed through a specific provision in RRP and in related plans such as a Resettlement Action Plan, a Gender Action Plan or a general Community Participatory Plan
- Should be categorized as a C project, no IPDP/IPDF or specific action required

Explanation of IP Impact Categorization

A. Summary of Categorization

The IP categorization depends on the nature and magnitude of the project's potential positive and negative impact on indigenous peoples, which may result from its location, the type and scale of the project, and sensitivity of indigenous peoples' issues.

Category A - Indigenous Peoples Development Plan (IPDP) and/or Indigenous Peoples Development Framework (IPDF) is required

Category B - Specific action is required, but not within the framework of an IPDP

Category C - No impact

B. Definition of Categories

Category A

A proposed project is classified as Category A if it is likely to have significant positive or negative impacts on indigenous peoples. An Indigenous Peoples Development Plan (IPDP) and/or Indigenous Peoples Development Framework (IPDF) is required for Category A Project to avoid negative impacts and ensure appropriate benefits. The circumstances where an intervention is considered having a significant impact on indigenous peoples include:

- (i) positive or negative effects on their customary rights of use and access to land and natural resources;
- (ii) positive or negative effects on their socioeconomic and cultural integrity;
- (iii) positive or negative effect on their health, education, livelihood, and social security status;
- (iv) impacts that may alter or undermine indigenous knowledge, preclude customary behaviors or undermine customary institutions;
- (v) project will be located in, or pass through, areas of significant indigenous peoples' settlement and/or use; and
- (vi) project proposes to specifically target indigenous peoples in one or more of its main activities; or is anticipated to have significant negative effects on indigenous peoples (Appendix 7²).

In terms of community impacts, the impact area may be considerably broader than the immediate area physically affected by a project. Category A applies to project and its impact area where indigenous peoples maintain distinctive customs or economic activities that may make them particularly vulnerable to hardship. It also applies to project that is likely to adversely affect or disrupt community life. A full-blown IPDP should include specific deliverables, budget and schedules.

An IPDF is required for a project if it is financed under sector investment loans, financial intermediary loans, or a credit line or equity investment to a third party, and other ADB-assisted project with multiple sub-projects, which are anticipated to have either positive or negative significant impacts on indigenous peoples but where the nature of the impacts cannot be determined until the sub-projects are prepared or until after the detailed technical/engineering design is completed, or following a process of community consultation.

Other projects that require an IPDF include program, sector development program, and sector loans that are likely to cover an area where indigenous peoples live. An IPDF sets out the indigenous peoples policy together with the screening and planning procedures, which apply to subprojects, components, or investments that are to be approved during loan implementation. An IPDF provides a strategy to ensure that the requirements of the Policy on Indigenous Peoples are met.

Category B

A proposed project is classified as Category B if it will have limited impacts on indigenous peoples or when there is a risk that the project may not bring the intended benefits to the affected indigenous peoples within a specific plan. Specific action in favor of indigenous peoples is required in order to ensure appropriate benefits and mitigate adverse impact, which action is not necessarily within the framework of a full-blown Indigenous Peoples Development Plan. The favorable action does not require specific deliverables, budget and schedules since it can be embedded in project components or dealt with through the Resettlement Action Plan, the general Community Participatory Plan, or any other appropriate means.

Category C

A project is classified as Category C if it is likely to have very minimal or no adverse or significant impact on indigenous peoples. For this category of project, no IPDP or specific action is required although impact on indigenous peoples still needs to be properly reviewed.

² An appendix of the *Handbook for Poverty and Social Analysis* (ADB. 2001. *Handbook on Poverty and Social Analysis*. Manila).