

DECEMBER 2021

MEETING REPORT

Partnering with Indigenous Communities

Session 4: Brazil-U.S. Dialogue on Sustainability and Climate Change







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Executive Summary

Although 23 percent of the Brazilian Amazon comprises Indigenous land (98.25 percent of all Indigenous lands in Brazil),¹ Indigenous communities have long been ignored and excluded from deliberations over the sustainable development of the Amazon. Indigenous peoples have managed the rainforest intensively but sustainably for centuries, yet they still do not benefit from an adequate seat at the table in multilateral climate conferences, with national or sub-national governments, or with private funders. This is the case despite growing awareness that protecting Indigenous communities' right to self-determination not only increases their overall welfare, but also serves as a catalyst for sustainable management of their lands and natural resources.

- 1. The right of Indigenous peoples to self-determination—particularly in terms of support for their own decision-making—must be truly imbedded in policy discussions and financing instruments for sustainability. A critical piece in this equation is the mutual development of robust governance structures that meet the joint needs of Indigenous communities and international funders instead of merely the latter.
- 2. Funders and international organizations need to ensure that financing for sustainable development is going to Indigenous organizations and Indigenous-led projects. This will require addressing fairly profound issues of access, which have typically plagued past sustainability investments in the Brazilian Amazon, including with successful past programs like the Amazon Fund.
- 3. The international community also has an important role to play in helping to address non-financial barriers to greater Indigenous participation in sustainability and climate deliberations by more forcefully advocating for Indigenous inclusion in spaces of power—whether those spaces are multilateral climate negotiations or a funder's crafting of sustainability program requirements in the region.

Brazil-U.S. Dialogue on Sustainability and Climate Change

¹ "Localização e extensão das TIs", ISA, n.d, Accessed on December 14th, 2021 at https://pib.socioambiental.org/pt/Localiza%C3%A7%C3%A3o e extens%C3%A3o das TIs

Meeting Report

Indigenous territories cover more than one fifth of the world's land and often overlap with regions of significant biodiversity.² Indeed, roughly 25 percent of the Brazilian Amazon is considered Indigenous land.³ There is growing recognition that protecting the rights of Indigenous communities to their lands and resources not only increases the wellbeing of those communities, but also facilitates more sustainable stewardship of said lands and resources. This is particularly critical as Indigenous communities are often more vulnerable to the impact of climate change, given their location in areas likely to change significantly as the climate warms—what the United Nations calls "high risk environments." Despite the urgency and sustainability upside, the rhetoric on the need for greater engagement, financing, and partnership with Indigenous peoples in the Amazon on climate change and sustainability has not yet been matched by commensurate action.

On October 21, 2021, the Wilson Center, in partnership with Uma Concertação Pela Amazônia hosted a discussion on partnering with Indigenous communities to promote sustainable development and conservation.

This conversation was part of a larger initiative: The Brazil-U.S. Dialogue on Sustainability and Climate Change. The Dialogue convenes a diverse group of U.S. and Brazilian stakeholders—scientists, business leaders, civil society, and former government officials—for an open, bilateral debate on what is possible and what will be effective in terms of low-carbon development and environmental conservation in Brazil, and how the United States can be a partner in this effort.

Over the course of the October 21 session, three major policy recommendations emerged to better support and catalyze the active participation of Indigenous peoples as partners in the fight against climate change, which is as essential as it is often overlooked:

 There needs to be broad recognition of the right of Indigenous peoples to self determination—particularly in terms of support for their own decision-making —imbedded in policy discussions and financing instruments. Such support should also be reflected through the mutual development of robust governance

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² "Indigenous peoples' collective rights to lands, territories and resources", The United Nations Permanent Forum on Indigenous Issues, Accessed on December 14th, 2021, https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/04/Indigenous-Peoples-Collective-Rights-to-Lands-Territories-Resources.pdf

³ "Localização e extensão das TIs", ISA, n.d, Accessed on December 14th, 2021 at https://pib.socioambiental.org/pt/Localiza%C3%A7%C3%A3o e extens%C3%A3o das TIs

structures that meet the joint needs of Indigenous communities and international funders instead of merely the latter.

Indigenous communities have a right to their traditional lands; this is codified in the Brazilian Constitution as well as under international standards. There is also broad recognition within the international community that Indigenous peoples are important partners in the fight against climate change. During the 21st United Nations Climate Change Conference in Paris, for example, the Local Communities and Indigenous Peoples Platform (LCIPP) was established. LCIPP has expanded the space for Indigenous voices within the international climate change debate and called for the "exchange of experiences and sharing of best practices on mitigation and adaption in a holistic and integrated manner."

Notwithstanding some progress in terms of inclusion and agency, several speakers noted that Indigenous peoples often find that they need to prove their deservedness through lengthy application processes when it comes to securing financing for sustainable development and conservation projects. As one speaker noted, funding for the sustainable development of Indigenous lands should not be seen as a gift or favor when so much global wealth has been built on the backs and at the expense of Indigenous, Black and brown peoples. Moving forward, the mindset of funders must be reparative and focused on justice, respect, and sustainability, as opposed to looking at such issues in separate vacuums.

In particular, international funders, NGOs, and donor states need to develop clear mechanisms for cooperation with Indigenous communities outside of traditional country-to-country mechanisms. This first involves trusting Indigenous communities to receive funds and responsibly take care of their lands as they see fit: there must be a foundational level of trust that Indigenous peoples know how to manage their own lands in alignment with the principles of conservation and sustainability. Indigenous peoples are owners of their lands and they have a track record of effective stewardship that speaks for itself.

With trust as the foundation, Indigenous communities and international funders must come together to jointly build frameworks for dialogue, collaboration, and financing designed to provide accountability while also supporting Indigenous peoples in their own decision-making. Donor commitments have an important role in mobilizing action, but donors must also be accountable for their choices. There is a surprising lack of transparency in philanthropy compared to private business, and this hampers efforts to build enduring

⁴ "Chronology - Local Communities and Indigenous Peoples Platform (LCIPP)", United Nations Climate Change, November 2016, https://unfccc.int/topics/local-communities-and-indigenous-peoples-platform/the-big-picture/introduction-to-lcipp/chronology-local-communities-and-indigenous-peoples-platform-lcipp#eq-5

partnerships with Indigenous communities in the Amazon. Indigenous peoples should be meaningfully involved at all steps of the process, from informing donor commitments—whether at COP-26 or for specific projects—to designing accountability mechanisms and governance structures. Funders need to be particularly cautious of allowing their own strategic vision and priorities to supersede the priorities of the Indigenous peoples they are assisting.

2. Funders and international organizations need to ensure that financing for sustainable development is going to Indigenous organizations and Indigenous-led projects. This will require addressing fairly profound issues of access.

The process for accessing financing for reducing emissions associated with deforestation and land degradation in the Amazon is becoming more complex and substantial. This is a necessary evolution, but one that runs the risk of limiting funding access for Indigenous peoples. This is a critical point because financing has been one of the main bottlenecks limiting the transition towards a more sustainable, nature-based economy in the Amazon.

There is a credible need for higher ambition and more robust standards to tackle the urgent threat that climate change poses. The need for accountability often comes with the push for a jurisdictional approach that reduces some of the inherent issues with REDD+ and carbon markets at a project-level sale. (A more detailed discussion of these tradeoffs can be found in the July 26 meeting report of the Brazil-U.S. Dialogue.⁵) However, the drive towards a jurisdictional approach that is typically grounded in robust standards and a complicated application process can restrict the ability of Indigenous groups to inform state-level proposals at the beginning of the process as well as limit their access to financing on the back end, all of which forces Indigenous peoples to depend on the state or non-Indigenous non-governmental organizations (NGOs).

Public and private funders are often looking for large-scale investments, but many of the Indigenous-led conservation projects and sustainable start-ups in the Amazon region are small in scale. In the past, Brazil sought to resolve this gap by using the federal government and its various agencies to coordinate both the receipt and dispersal of aid. The Amazon Fund, for example, was administered by Brazil's National Development Bank (BNDES). Even there, however, meeting participants noted that Indigenous groups only gained access to Amazon Fund financing in the latter years of its existence before it was suspended. Now,

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⁵ "Meeting Report | The Road to COP-26: Session 1 of the Brazil-U.S. Dialogue on Sustainability and Climate Change", Brazil Institute, August 2021, https://www.wilsoncenter.org/publication/meeting-report-road-cop-26-session-1-brazil-us-dialogue-sustainability-and-climate

this model has stopped working altogether as Brazil's federal government under President Jair Bolsonaro no longer serves a mediator function between international funders and local Indigenous communities.

As a result, many of these larger financing mechanisms lack a clear path for engaging directly with Indigenous communities. Similar to the Amazon Fund, the LEAF Coalition relies on jurisdictional entities to help serve a coordinating function and ensure accountability, although it operates most often at the sub-national or state level. The challenge in this instance is that many state governments in the Legal Amazon lack the resources necessary to effectively mediate between Indigenous groups and funders. In fact, one of the meeting attendees noted that several large Indigenous organizations found out about the LEAF Coalition application at the very last minute, with no time to contribute to their states' proposals. Moving forward, providing effective access to Indigenous peoples under LEAF-like mechanisms will require capacity-building and technical assistance for Indigenous groups to assist with project design, business plans, and carbon emissions measurement, as well as capacity-building and technical assistance for state governments to serve as an effective coordinator and partner on the ground.

A common strategy for delivering funding to Indigenous organizations is to work with third-party entities—either in the public or private sector—to provide access to different types of financing that are normally difficult for Indigenous groups and their organizations to apply for directly. Meeting participants noted, for example, that the Climate Fund has proven inaccessible to Indigenous organizations in Brazil because the Coordination of the Indigenous Organizations of the Brazilian Amazon (COIAB) and other organizations must partner with third-party entities to receive its funding. As long as such entities are working in partnership with Indigenous organizations and respecting their right to self-determination, these relationships can serve as a funding bridge. However, Indigenous peoples should also have ownership over their own investment mechanisms and resources as part of the broader international financing landscape. Funds created and controlled by Indigenous peoples such as the Fundo Podáali⁶ can support broader goals of self-determination and socio-economic welfare and provide local communities with resources to bring local technologies to bear on the challenges they know so well. Efforts like Fundo Podáali should be encouraged and supported.

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⁶ For additional information, visit: https://www.fundopodaali.org.br/

The Podáali Fund

Podáali means "to donate without wanting anything in exchange" in the Arawak language of the Baniwa people of Northern Brazil. The Podáali Fund supports Indigenous self-determination and seeks to empower the local communities who have been managing Brazilian lands sustainably for thousands of years to continue to do so. The Coordination of the Indigenous Organizations of the Brazilian Amazon (COIAB) had the initial idea for such a Fund, which took over six years of planning and negotiating until its official inauguration in 2017. Podáali was established through a series of workshops between the Indigenous people of the Amazon and governmental and non-governmental partner institutions and donors. These consultations led to the creation of a governance structure that reflected Indigenous forms of organization and decision-making while also facilitating the funding of many smaller rural grassroots Indigenous projects, which would not have been reached by larger international funds. Current donors include the government of Norway, The Ford Foundation, Conservation International, and the Pawanka Fund, among others. A larger list of Indigenous-led funds can be found at International Funders for Indigenous Peoples (IFIP) website. The IFIP is the only global donor affinity group dedicated solely to Indigenous peoples around the world.

 International funders can and should also help address the non-financial barriers to greater Indigenous participation—including advocating for their inclusion in spaces of power.

The ground-breaking 1992 Earth Summit in Rio de Janeiro had no formal mechanism for Indigenous participation—the communities simply were not invited. Undeterred, Indigenous groups organized in parallel and managed to capture enough attention that one of their representatives was ultimately invited to give a 10-minute speech to the assembled delegates. Although there have been advancements since 1992 and there is broad recognition of the need for Indigenous inclusion, Indigenous peoples still unfortunately participate at the margins of international debates on climate change. At COP-26 in Glasgow, Indigenous groups faced significant barriers to attendance from limited access to a COVID-19 vaccine in their home territories to meeting credentialing challenges for Indigenous representatives. These "last-mile" issues involving historic inequities over who has access to spaces of power must be addressed to ensure that Indigenous inclusion is meaningful and impactful.

This is an area where governments such as that of the United States and funding organizations can play a substantial role in advocating on behalf of the inclusion of Indigenous peoples. Sometimes, this means considering the practical needs and barriers to participation such as flexible funding lines for travel to international conferences and/or support for local convenings. Other times, this means leveraging connections on behalf of

Indigenous organizations so that they can build their own relationships with key funders and advocacy stakeholders, as the Christensen Fund has committed to do. More broadly, it also means recognizing that Indigenous peoples have a right to an influential seat at the table and should be heeded not just on questions of human rights or conservation, but also on carbon markets frameworks and nature-based technological innovations. Full and substantive participation that does not relegate Indigenous representatives to the outermost zones of a COP conference hall is low-hanging fruit that international actors should urgently address.

About the Brazil-U.S. Dialogue on Sustainability and Climate Change

The Brazil-U.S. Dialogue is a multi-year initiative to foster stronger society-to-society collaboration between Brazil and the United States on Amazon deforestation and sustainable development. This includes the creation of a neutral forum for constructive dialogue that brings together many sectors of society and the facilitation of a discussion focused on what is possible and what will be effective in terms of low-carbon development and conservation in Brazil.





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