USAID

OPTIONAL SOCIAL IMPACT ASSESSMENT FRAMEWORK

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I. Introduction

USAID's programs, projects and activities assist communities in building greater resilience and, ultimately, becoming self-reliant. Agency decision-makers must balance the potential benefits of activities that aim to build resilience with the possibility that such efforts could have unintended adverse impacts on people and communities. To assist decision-makers in preventing or mitigating such impacts, USAID has a number of policies, guidelines, and vision statements that address issues faced by marginalized people and communities, including:

- Land, property and resource rights

- Human rights

- Environment

- Indigenous Peoples' rights

- Labor

- Health and Safety

- Inclusive Development

- Gender

The above guidelines enable USAID operating units (OUs) to conduct development in a responsible, sustainable and legally compliant manner. This Social Impact Assessment Framework builds upon these existing documents to assist OUs and implementing partners in balancing potential adverse impacts of development programming with the benefits of assisting communities to be more resilient. Such adverse impacts can include impacts to both the physical environment (which are addressed under ADS 204 and related environmental impact guidance), as well as impacts to the social environment including economic, political, and cultural well-being of people and their communities (addressed under this Framework). To assess the potential for adverse social impacts as a result of any development activity, a Social Impact Assessment (SIA) should be performed. The aim of such a SIA is to help USAID carry out project design in a participatory manner to ensure that potential impacts are identified, and mitigated. The Framework also provides guidance for relocating activities in the event that a community chooses not to move forward with an activity that has potential adverse impacts.

USAID's commitment to supporting inclusive, stable, and resilient societies is manifest in the guidance it provides for planning and implementing development programs. The documents listed above call for meaningful engagement with all program stakeholders from government, to communities, to individuals to ensure that USAID's investments benefit all members of society, particularly the marginalized and disenfranchised. This SIA guidance complements those efforts, by helping ensure that USAID programs not only improve well-being and foster inclusion, but also avoid doing harm through unintended adverse impacts. Managing the social, governance, fiduciary, and environmental risk inherent to any development activity improves outcomes, ensuring that the Agency's investments result in stronger, more resilient communities and self-reliant countries in keeping with our mission.

This Framework offers a practical guide to understanding the benefits of an SIA, conducting an SIA, and using the information obtained through SIA to design activities and refine them throughout the Program Cycle.

This Framework is an optional assessment as defined under ADS 201. However, in cases where Indigenous Peoples are identified as stakeholders to a USAID project or activity, the Agency's Policy on Promoting the Rights of Indigenous Peoples (PRO-IP) states that impacts of development programming on Indigenous Peoples *must* be assessed. This Framework is an important tool for OUs to fulfill that requirement.

Opposite page: BRAZIL: Brazil's Xingu Indian dancers celebrate.

II. What are Social Impacts?

Social impacts are "everything that affects people."[1] More specifically, they are changes from the baseline condition, as a result of a USAID action, to individuals and communities in the way they live, work, play, relate to one another, organize, and manage as members of their society. Those changes may be in people's way of life, culture, community, political systems, environment, health and well-being, personal and property rights, and fears and aspirations.

Impacts on individuals and communities may be reflected by changes to the status quo in important social constructs, institutions, or resources such as: livelihoods, land tenure and use, ecosystem services, access to natural resources, cultural resources and heritage, discrimination or prejudice within the community, socio-economics, food security, conflict and violence, worker and community health and safety, and labor and working conditions.

If an OU is interested in conducting an SIA, an important first step is to review the Agency's *Environmental Compliance Factsheet: Stakeholder Engagement in the Environmental and Social Impact Assessment Process* (USAID's "ESIA Guidance")[2] to identify the individuals and communities who may be impacted by any project or activity. This will assist the OU to prepare a plan for identifying the risks and opportunities of implementing a development activity. This is particularly helpful in determining whether the activity could have potential impacts on Indigenous Peoples' territories.[3] For a more in-depth understanding of how to design a culturally appropriate SIA for working with Indigenous Peoples, the Akwé: Kon Guidelines[4] are generally recognized to be the most legitimate set of SIA standards for assessing activities impacting Indigenous Peoples. Additional guidance for social impact assessment may be found at the International Association of Impact Assessors' document, *Social Impact Assessment: Guidance for assessing and managing social impacts of projects*[5] and the Centre for Good Governance's document, *A Comprehensive Guide For Social Impact Assessment.*[6]

Opposite page: KENYA: Northern Rangeland Trust in Kenya.

III. What are the Steps of a Social Impact Assessment?

This document is not an exhaustive or comprehensive guide to conducting an SIA. Rather, it provides an overview and recommendations for USAID OUs that are interested in carrying out an SIA. This document references lengthier, and more comprehensive SIA guides such as the International Association of Impact Assessments SIA guide, which has become an industry standard and the Akwé: Kon Guidelines for the Conduct of Cultural, Environmental and Social Impact Assessments that was developed by the Convention on Biodiversity by Indigenous Peoples themselves.

A rigorous SIA will include the following broad phases and steps:

1. **Activity/Project Concept:** Plan/develop concept for proposed project or activity.

2. **Context:** Understand the context in which planned activities would be carried out (desktop review, conversations with experts and potential stakeholders).

3. **Initial Screen:** Use screening tool (this questionnaire is attached in Annex I) and engagement with stakeholders to determine if possible adverse impacts exist and which populations are likely to experience impacts. This could be done as an initial SIA as part of an Initial Environmental Examination. **IF** (a) potential social impacts are identified **AND** (b) sufficient information is gathered to identify stakeholders, assess baseline condition, and analyze impacts—then continue to Step 7 below.

4. **Scoping/Identify Stakeholders:** Identify and map likely or actual stakeholder individuals and communities using the Agency's ESIA Guidance.

5. **Plan:** Make a plan for engagement including how to safely engage affected communities, how to inform communities of potential activities without raising expectations, and how to conduct consultations and/or inter-personal interviews. No community is monolithic, and specific plans should be made for engaging key sub-groups including women, youth, persons with disability, LGBTI, Indigenous Peoples, etc.

6. **Engagement:** Conduct consultations with affected communities, key-informant interviews, and conversations.

7. **Assess the Baseline Condition:** Gather data on demographics, socio-economics, community organization, socio-political structures, needs, values, etc.

8. **Predict/Analyze/Assess Impacts:** Evaluate the direct, indirect and cumulative impacts on the overall communities and sub-groups who may experience differentiated impacts.

9. **Avoid:** If engagement and scoping exercises indicate that social impacts will be significant and the community indicates that they do not want the project, or there is a high likelihood of any human rights violation, then the activity or project should be sited elsewhere or an alternate activity should be designed in collaboration with stakeholders.

10. **Mitigate:** If the community understands the potential social impacts and chooses to move forward, and there is no risk of a human rights violation, then OUs should collaborate with the community to develop a participatory plan for monitoring and mitigating social impacts (which can be included in the unit's Environmental Monitoring and Mitigation Plan (EMMP) and Monitoring, Evaluation, and Learning (MEL) plan.

11. **Enhance Benefits and Opportunities:** Analyze data to identify opportunities for increasing social cohesion, addressing marginalization, promoting resilience, and ensuring that the benefits of development programming are realized by all stakeholders.

12. **Ongoing Engagement and Monitoring (Collaborate/Learn/Adapt):** OUs should engage with stakeholders on a regular basis to work together to understand evolving risks, evaluate opportunities, and adapt project design and the EMMP in response.

Opposite page: PERU: The large bombonaje leaves in the Amazonian jungle are used to cover the roofs of the Yamino dwellings and to create hats, vases, purses and baskets.

Social impact assessment is a methodology, implemented in a manner that is commensurate to potential impact, to predict and assess the potential social impacts on individuals and communities, promote dialogue within those communities about the action, and propose changes to the action to avoid or reduce those impacts, while maximizing the benefits of the development intervention.
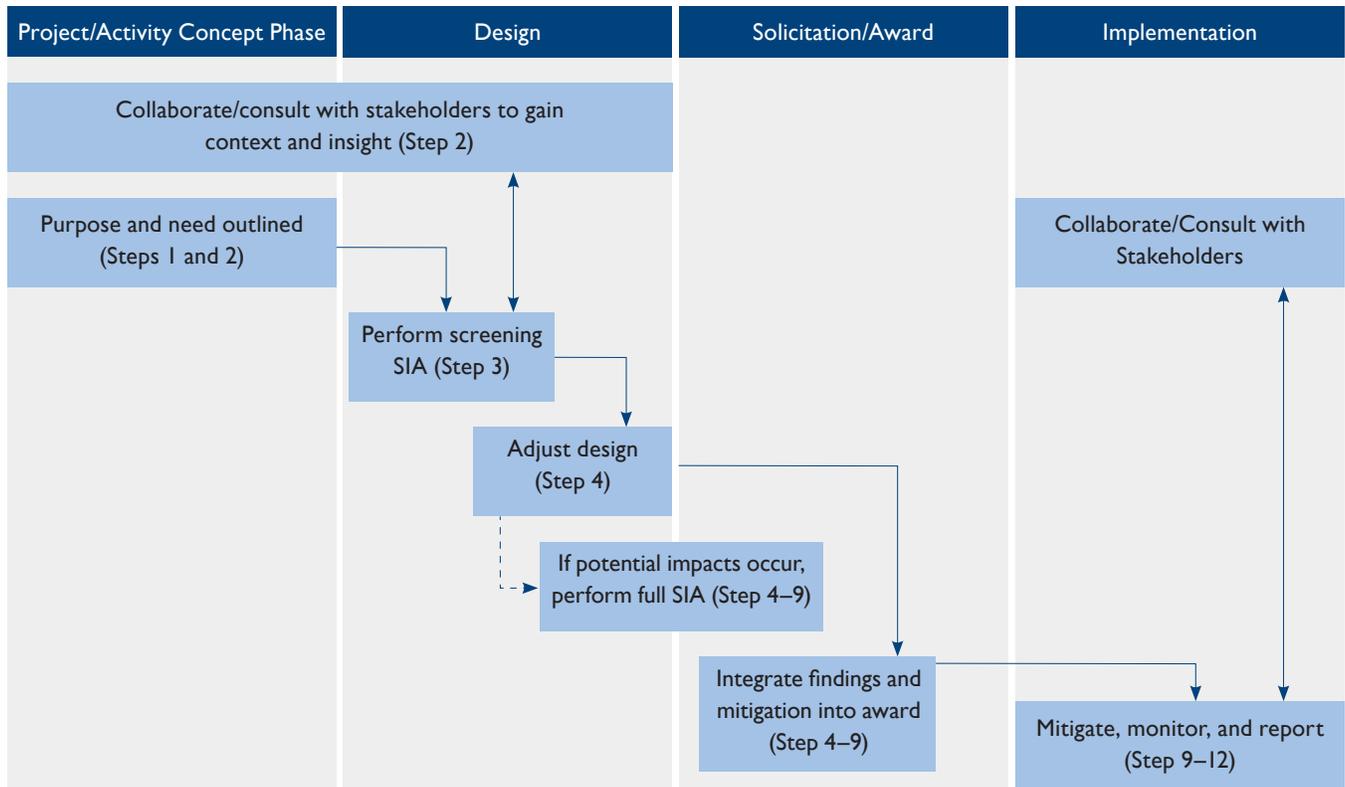
A meaningful SIA process is maintained over the life of the project and is a tool for **collaborating, learning, and adapting** that will guide OUs to build a feedback loop that includes the following components: (a) information gathered through ongoing engagement with stakeholder communities, (b) identification of potential risks of adverse impacts, (c) identification of opportunities for addressing marginalization, building greater social cohesion, and ensuring the benefits of development are shared equally across communities and societies, and (d) adjustments are made to project plans and implementation to prevent or mitigate against social impacts. SIA will include a plan for regular engagement with stakeholders across the Program Cycle through regular consultations with communities and conversations with key individual stakeholders.

An initial SIA screening should be done at the same time as the mission's initial environmental analysis at the activity or project level. Per the Agency's PRO-IP Policy, this is particularly important for every project that has a reasonable likelihood of impacting Indigenous Peoples or their territories. An initial SIA could be conducted at the same time that the mission is conducting its Initial Environmental Examination (IEE). If the initial SIA indicates that there are potential adverse social impacts, a more in-depth analysis could be conducted at the same time as a full Environmental Impact Assessment (EIA), if one is required. The fieldwork conducted to assess potential environmental impacts can easily be expanded to include a deeper assessment of the potential social and environmental impacts of USAID activities on communities and key groups such as Indigenous Peoples. If a full EIA will not be conducted, then a full SIA can and should still be carried out in any case where potential adverse social impacts have been identified.

Consultations are the foundation of a good SIA. Meaningful and early consultations with stakeholders are critical to understanding the potential risks that individuals and communities face as a result of the Agency's proposed action. Consultations can be conducted to inform the initial SIA, and they can be expanded to more people, or more communities with better informed questions to conduct a full SIA. The most effective SIAs are maintained over the life of a program to allow for collaborating, learning, and adapting based on ongoing assessments of the risk of social impacts. Accordingly, consultations can and should be conducted on a regular basis during project or activity implementation to inform the SIA. Missions and other OUs can use the USAID Indigenous Peoples' Consultation Handbook[7] (see Annex III) to guide consultations in a way that avoids raising expectations among stakeholders and to ensure that they are conducted in accordance with international standards. Consultations and the SIA should assess the differential impacts/risks/benefits between women and men, and different sub-groups (such as LGBTI persons, Indigenous Peoples, persons with disability, or other marginalized groups), as well as across generations.

Social Impact Process Flow

Project/Activity Concept Phase	Design	Solicitation/Award	Implementation

Collaborate/consult with stakeholders to gain context and insight (Step 2)

Purpose and need outlined (Steps 1 and 2)

Perform screening SIA (Step 3)

Adjust design (Step 4)

If potential impacts occur, perform full SIA (Step 4–9)

Integrate findings and mitigation into award (Step 4–9)

Collaborate/Consult with Stakeholders

Mitigate, monitor, and report (Step 9–12)

Understanding the activity and project context (Steps 1 and 2):

Social impact assessment begins at the concept phase of any proposed action with an evaluation of the purpose and need of a project, as well as an overview of the context in which that project will be implemented.

Both OU staff and contracted experts may consider applying an *Inclusive Development Analysis* (IDA)[10] (see Annex IV) to better understand the context. An IDA will help OUs to do relationship mapping of communities, assess the legal landscape in which stakeholders exist, identify drivers of marginalization of certain groups, and identify any security threats that communities may face. These contextual factors will help to shape SIA questions, and could indicate how social impacts may be experienced differently by different stakeholders, such as Indigenous Peoples.

Initial Screening (Step 3, may be done in conjunction with the IEE): For planning purposes, social impacts should be initially considered during the Country Development Cooperation Strategy (CDCS) phase of the Program Cycle. If the exact project location is not yet known, OUs should consider potential impacts in general, and leave more specific assessment to a point in the Program Cycle when specific locations and impacted communities are known (likely at the activity design phase, though location can also be determined during the implementation phase). At the CDCS phase, leadership should consider whether activities may have potential adverse social impacts and allocate sufficient funding and time to assess those impacts. This Framework begins with a screening process. During project design, a project design team begins with a preliminary screen using tools provided by the Agency (See attached questionnaire in Annex I).

This screening has several purposes: it identifies if adverse social impacts may occur and in which "thematic sector" the impacts have the greatest effect. This can assist the project team during the later phase of project design to develop a more detailed SIA.

Ideally, this preliminary screening includes some community consultation which would continue throughout the life of the project or activity. As noted above, consultations can also enable OUs to identify the drivers of marginalization and opportunities for building social cohesion, addressing marginalization, and ensuring that the benefits of development activities are realized by all sectors of society. See the Agency's Indigenous Peoples' Consultation Handbook (see Annex III) for additional guidance.

The results of the SIA screening may show that: 1) adverse impacts are unlikely, 2) that the potential impacts cannot be ascertained without additional information about the community or the project, or 3) that there will be adverse impacts to the project-affected community members.

- *IF* (a) less significant potential social impacts are identified[8] *AND* (b) sufficient information is gathered to identify stakeholders, assess baseline condition, and analyze impacts, then: OUs may develop, in consultation with the community and (if possible) social science experts, a plan to either avoid adverse impacts or mitigate them (as further described below). Such plan should also identify opportunities to ensure that relevant potential stakeholders realize benefits from development programming. The results of the evaluation and the plan to mitigate or avoid adverse impacts could be documented in the EMMP (pursuant to the Agency's 22 CFR 216 process)[9] as a means to integrate social and environmental risk management actions.

- **When there is not enough information to make a reasonable determination of risk or a significant risk is identified but additional information is needed to adequately address risks:** the project design team may perform further social impact analysis, as described below. A brief summary of this initial assessment should be included in the Project Appraisal Document (PAD), and updated when a full SIA is conducted. Alternately, it may note that a full SIA will be required during project or

activity implementation once a project site (and project stakeholders) are known.

- Project or activity documentation should note that adequate identification and management of adverse social impacts is an important means of ensuring project sustainability, deepening positive project outcomes, reducing project cost, and keeping a project timeline on track.

If an initial SIA screening is being conducted as part of an IEE, it is likely that the questions and consultations will be developed by OU staff. Staff are encouraged to review the Agency's Handbook for Consultations with Indigenous Peoples for guidance on conducting culturally appropriate consultations.

Stakeholder analysis, scoping and consultations (Steps 4, 5, and 6):

If significant social impacts are anticipated (*e.g.*, if resettlement is likely, or if communities may lose access to vital resources), or if a full Environmental Impact Assessment is being conducted, the OU should conduct a full SIA. In this case, the OU should contract one or more experts (social scientists, anthropologists, SIA experts, etc.) to assist with the SIA (See Draft Scope of Work in Annex II).

While the context and action are being reviewed, the team of experts should assess *potential stakeholders* and design a consultation plan. Unlike the screening stage, OUs should make every effort to identify actual stakeholders to the project. This step may have to wait until further in the Program Cycle when the actual site of the activity is known.

As described in USAID's ESIA Guide, assessing stakeholders includes a conscious effort to identify those people and communities affected by the project, including those that may be marginalized or disadvantaged, such as Indigenous People. OUs should work with experts to develop an engagement plan for the SIA including identification of stakeholders, stakeholder consultations, key-informant interviews, and other conversations with experts. The plan should include differentiated approaches to engagement with sub-sectors of the potentially impacted population, including separate or individual meetings and interviews for particular groups such as Indigenous Peoples, women, youth, persons with disability, the elderly, or LGBTI persons.

In accordance with the ESIA, scoping/identification of stakeholders generally occurs during concept design (CDCS or PAD phases of the Program Cycle) and must be done with community involvement, in a manner that is culturally appropriate and in consideration of the unique needs of vulnerable parts of that community. *Scoping includes:*

a. Meeting with the community and its diverse members, including community groups and one-on-one interviews (in a manner appropriate for the needs of the diverse members).

b. Engaging in community consultation by working to understand communities, populations, and individual roles in the community.

c. Identification of particularly vulnerable populations and their specific needs and perspectives.

d. Providing information about the project, including definition of project purpose and need, as well as any alternative project under consideration.

e. Collection of baseline data (biophysical, social, and economic) including the collection of data from other similar projects and the experiences caused by those projects.

As more fully described in the Agency's Consultation Handbook (see Annex III), consultations must be "informed," meaning that stakeholder communities must be given adequate information about a proposed activity in order to make informed judgements regarding any potential social impacts. Consultation should begin early in the project or activity design process and is critical for obtaining information that contributes to the decision-making process. For this reason, the activity or action should **not** be fully designed when consultations begin, so that individuals and communities can both provide information relevant to the project and also contribute to its design.

These consultations may not only assist in predicting the potential social impacts, but can also assist the action design team in developing a more sustainable activity and activity alternatives. It also can initiate the collaborative decision making that contributes to successful projects.

If contracted experts or OU staff find that the community is raising likely social impacts during the consultations, it may be appropriate to initiate a conversation about potential mitigation measures or alternative activities in your consultation. This will help to ensure that community members are part of developing such measures from the outset.

Where Indigenous Peoples are identified as project stakeholders, Section IV provides a useful guide for the social impacts that Indigenous Peoples are most concerned about (these impacts will also likely be of concern to other communities or marginalized groups). The Section can be used to develop SIA questions.

Assessing the baseline condition (Step 7):

During consultations and the action design, the baseline condition is assessed. This includes factors such as: demographics, socio-economics, community organization, socio-politics, and needs and values. Data from the baseline, including information gathered from community consultations, is assessed and community consultations continue. This data may be gathered from such sources as local experts, universities, ministries, and other available research and literature. Much of the baseline data on social constructs such as cultural practices, social cohesion, use of resources, location and condition of those resources, etc. may be collected through consultations with communities or it may be gathered as part of an Inclusive Development Analysis[10] (see Annex IV) discussed under Step 2 above.

In the case of an SIA done as part of an IEE, such baseline data should be collected if it is determined that social impacts are likely to occur. This determination may be made after the initial fieldwork is conducted. At such point, a more in-depth field visit may be necessary to obtain the necessary data. The mission may want to contract experts to undertake this process.

Predicting, analyzing, and assessing impacts (Step 8):

The team should then identify and investigate any predicted impacts by comparing the action to the existing baseline conditions. The impact assessment should evaluate the direct, indirect, and cumulative impacts of the action and any connected action or facility. Communities should be included in the assessment process and during the next step, the design and implementation of any mitigation measures and monitoring. Communities must be given complete information regarding potential project activities in order to accurately consider potential social impacts. For example, if an agriculture project is being considered but the specific crop is not discussed, then it would be impossible for a community to accurately consider the social and economic impacts of this activity. In such case, an SIA would have to be updated when more information about the activity is known.

It is critical that such assessments consider the differentiated impacts of the proposed activity on key sub-sectors of the population including women, youth, and the elderly. If Indigenous Peoples are likely to be impacted, OUs *must* consult the PRO-IP Policy for guidance on how to appropriately engage with such stakeholders and ensure that their rights are respected. An SIA expert should be contracted to carry out the fieldwork to establish the baseline for a full SIA.

Mitigation measures and monitoring (Steps 9, 10, 11, and 12):

OUs may develop, in consultation with the community and (if possible) social impact assessment experts, a plan to either avoid adverse impacts or mitigate them. Such plan should also identify opportunities to ensure that all relevant stakeholders realize benefits from development programming.

Most OUs may find it helpful to integrate plans to manage environmental and social impacts. Because social impacts are often related to or result from environmental impacts, this integration can be valuable to the Agency's process for evaluating environmental impacts. OUs should consider documenting social impacts together with environmental impacts in accordance with 22 CFR 216 as part of the Environmental Monitoring and Mitigation Plan (EMMP).[11]

The Mission Environmental Officer (MEO), Regional Environmental Officer (REO) and Bureau Environmental Officer (BEO) can assist in this process and in the identification of staff within USAID that have thematic sector expertise.

After a careful consideration of the potential impacts that are identified during the SIA, an OU should consider approaches for mitigating those impacts. If such impacts came up during consultations, and mitigation measures were discussed with affected communities, viable suggestions for mitigation should be documented in the EMMP. Mitigation measures include activities that modify an aspect of a project or activity, such as the location or other elements of the design (e.g., which crop is to be selected for an agriculture project). In some cases, the mitigation may need to include environmental rehabilitation or financial compensation.

Mitigation measures must be developed in collaboration with affected communities. If mitigation measures did not come up as part of the consultation during the SIA or initial SIA screening, it will be critical for additional consultations to be held to discuss possible mitigation measures, including alternative activities or alternative sites for proposed activities.

OUs should endeavor to avoid activities that will require resettlement of people and/or communities. If it is not possible to avoid resettlement, OUs should consult the Agency's Guide on Compulsory Displacement and Resettlement.[12]

The mitigation measures should follow the mitigation hierarchy (from most to least preferred):

1. **Avoid impacts:** The best way to address potential adverse social impacts is to avoid them by changing the activity design or relocating the activity to another site.

2. **Mitigate Impacts:** It is possible that when weighing the costs and benefits of social impacts during an informed consultation, communities will choose to proceed with a development activity and work with USAID to develop effective measures to mitigate those impacts. OUs should consult the Agency's Handbook for Consultations with Indigenous Peoples for guidance on implementing a consultation process that provides a meaningful opportunity for communities to provide such input.

3. **Rehabilitate:** In situations where social impacts are caused by environmental impacts and where a community chooses to proceed with the activity anyway, environmental degradation may result. It is important to discuss with communities *in advance* of a project or activity whether or not environmental degradation is possible, whether they would still like to proceed with such activity and what type of rehabilitation measures may be possible. Such discussion should be conducted through a meaningful consultation mechanism.

4. **Compensate:** In situations where impacts will result in loss of access to land, territories, natural resources, or livelihoods, and where communities determine through an informed consultation that they would still like to proceed with an activity or project, an OU may provide compensation for such actual loss or constructive loss (meaning that access is still available, but the resource has been degrading such that it is no longer able to be used). Compensation can take the form of a replacement (e.g., for land) or financial compensation. Calculations of such compensation are notoriously difficult, and should be done through a thorough consultative process with stakeholder communities so as to not aggravate perceived grievances over activity impacts.

All costs associated with mitigation measures should be included in any cost benefit analysis conducted during project design. Some mitigation measures may require a resettlement action plan (RAP)[13] which can be financially costly and result in significant social impacts. If a community has been adequately consulted pursuant to Agency guidelines and the determination is made to resettle, the RAP should be designed and implemented prior to the launch of the activity, in close collaboration with the affected community. In the case of Indigenous Peoples, it is critical to obtain the Free, Prior and Informed Consent of such communities before resettlement is considered.

Monitoring

Mitigation measures should be designed with the appropriate monitoring indicators to help OUs track the implementation of the mitigation measures, as well as its effectiveness in mitigating impacts. Monitoring will also help OUs to identify additional unforeseen impacts. Monitoring plans (EMMPs) and ideally Monitoring, Evaluation, and Learning (MEL) plans should track project and program development, and compare real impacts with projected ones. It should spell out (to the degree possible) whether additional steps should be taken to mitigate unanticipated impacts or impacts that are larger than anticipated.

OUs are encouraged to analyze SIA data to identify opportunities for increasing social cohesion, addressing marginalization, promoting resilience, and ensuring that the benefits of development programming are realized by all stakeholders. This information does not fit within the parameters of the EMMP; however, this data should be incorporated into program design and reflected in the objectives and indicators of the project within the Project Management Plan (PMP). Monitoring of the impact that the project has on social cohesion, marginalization, resilience, and equitable distribution of development benefits can be undertaken through the quarterly process of reviewing and reporting on the PMP.

EMMPs are generally updated on a quarterly basis and OUs are encouraged to use consultations and other direct forms of engagement to gather data necessary to update such EMMPs. Often, implementing partners are responsible for monitoring risks and mitigation measures over the life of the project. OUs are encouraged to accompany implementing partners during these monitoring visits to ensure that social impacts are properly managed. Such visits will also greatly advance the OU's ability to implement a "collaborate/learn/adapt" approach to project management, as consultations with communities will produce real-time information regarding social impacts that can be used to adjust the program design to avoid or mitigate the risk of adverse impacts.

IV. Will Other Development or Infrastructure Activities in the Project Area Impact the Affected Community?

An SIA should consider whether there are current and/or planned activities in the project area that may have an impact (positive or negative) on the stakeholders to the USAID project. The SIA should document how these projects are related to the USAID project and suggest opportunities for coordination (particularly as a means of mitigating the risk of adverse impacts of the non-USAID activity on project stakeholders). If USAID identifies significant potential adverse risks to project stakeholders of outside activities, USAID OUs may consider advocacy efforts with host governments to address potential harms. For projects funded by multilateral development banks (MDB), USAID should relay information regarding such risks to appropriate actors at USAID/Washington (through the regional bureaus). Regional bureau points of contact for MDB work may be in a position to advocate for mitigation measures to the relevant MDB or other U.S. Government interlocutors (e.g., Department of the Treasury).

Opposite page: COLOMBIA: Misak people recover traditional health practices to benefit the community.

V. Considerations Specific to Indigenous Peoples

When conducting a social impact assessment, it is critical to consider the types of issues that are particular to (if not unique to) Indigenous Peoples. This may arise in relation to unique domestic or international legal frameworks, land regulations and threats to customary/collective land use or tenure, overlapping land claims, threats to sacred sites or other cultural heritage, infringement on resource access, degradation of the natural environment, determination of compensation or benefit-sharing structures, clear understanding of Indigenous decision-making and leadership structures, resettlement in accordance with domestic and international law, etc.

If a project or activity is likely to impact Indigenous Peoples, OUs **must** consult the Agency's PRO-IP Policy. The Policy contains critical guidance for helping OUs to:

- Determine if project stakeholders meet the criteria defining Indigenous Peoples.

- Know when to seek expert guidance to make such determination.

- Recognize what types of impacts will require SIA and meaningful consultation with Indigenous Peoples—such as impacts on land, territories, natural resources, and cultural heritage, or any activity for which resettlement would be contemplated.

- Identify potential impacts through direct engagement with Indigenous Peoples.

- Conduct a meaningful consultation with Indigenous Peoples.

- Conduct a process for obtaining Free, Prior and Informed Consent of Indigenous Peoples.

According to the PRO-IP Policy, if Indigenous Peoples are stakeholders for a proposed activity, an OU must assess potential impacts through direct engagement with them. Indigenous Peoples are always going to be the greatest experts in identifying potential project impacts.

USAID OUs should establish a baseline condition for stakeholder Indigenous Peoples, to help monitor change over time. The Akwé: Kon Guidelines referred to above provide an excellent overview of the issues that Indigenous Peoples themselves deem most important to assess as part of that baseline. *USAID has adapted these baseline elements into a generic set of concerns that can inform the establishment of a baseline for Indigenous Peoples or other impacted communities.* Consultations with Indigenous Peoples and interpersonal interviews are important ways to obtain information for the baseline. OUs should consider working with a social scientist or experts in SIA to prepare the baseline.

These baseline elements are as follows:

- **Demographics.** How many people live in the community, and what are their age distribution and ethnic origins? How can various groups' population movements be characterized (pastoralists, agri-pastoralists, etc.)? Do any members of the population migrate seasonally for work, or have any recent conditions forced members to migrate longer-term for employment?

- **Attachment to the Land.** How long has the community occupied these lands? Have they been subject to involuntary resettlement, or have they been forced to become sedentary (e.g., forced to abandon a mobile lifestyle)? What type of housing do they live in? Do households have access to resources to improve their housing? Do they own additional assets (fixed or movable)?

- **Health.** What is the general health status of the community? Are there particular health problems or issues (endemic diseases, other challenges)? Is clean water available? Do members of the community rely on traditional medicine? Do they have access to government clinics? What is the rate of maternal/child mortality? What is the life expectancy?

Opposite page: COLOMBIA: Afro-Colombian farmer along the Munguidó river in rural Chocó, Colombia.

- **Employment.** Can members of the community support themselves through subsistence farming? Do they produce crops for trade? Is there a market for sale of excess crops? Are community members employed outside of the home? If so, in what areas? What trades/skills do they possess? What traditional education have members obtained? Have they obtained formal education as well? Do community members perceive that they are lacking any skills? If so, in what areas?

- **Services.** Does the community have access to medical, transport, waste disposal, water, or other government services? Do they have social spaces and dedicated recreational space?

- **Culture.** What are the key features of traditional culture and cultural or religious practices? Do these practices require access to land and resources? How often? Do men and women use these spaces differently? What are the traditional responsibilities of men and women? How does the community perceive equity and equality in their society?

- **Economic Networks.** To what extent is income distributed across the community? What are the traditional systems of distribution of goods and services based on reciprocity, barter, and exchange? How are natural resources shared, including resources that have been hunted, collected, or harvested? Are there traditional non-monetary systems of exchange such as hunting, barter, and other forms of trade, including labor exchange?

- **Asset Distribution.** How is land owned? Is it communally held? Are there formal titles for land? If not, what tenure arrangement exists? How are natural resources owned? Does the government own sub-surface mineral rights, or do communities? What other resources does the community own or use? Are usage rights formally titled? Do other groups have rights to use those resources?

- **Food.** Is the community food secure? What are the systems for producing food and medicine? Do men and women contribute equally? Does food or medicine production rely on access to land that is not formally titled?

- **Development Vision.** What are the views of the local community with respect to their future, and their aspirations? What is the community's definition of "development?" Does the community have an *hoja de vida* or a "development plan?"

All OUs must prepare a written assessment of potential impacts on Indigenous Peoples for any activity to which Indigenous Peoples are stakeholders. The specific types of impacts that concern Indigenous Peoples may be distinct from impacts on other groups. OUs and contractors performing SIAs should consider the following:[14]

- **Economic considerations.** Will any proposed activities have impacts on sacred sites and on lands and waters traditionally occupied or used by Indigenous and local communities? If so, the activity should ensure that impacted communities benefit from those impacts through payment for environmental services, job creation within safe and hazard-free working environments, viable revenue from the levying of appropriate fees, access to markets, and diversification of income-generating (economic) opportunities for small and medium-sized businesses.

- **Possible impacts on traditional systems of land tenure and other uses of natural resources.** Developments that particularly involve changes to traditional practices for food production, or involve the introduction of commercial cultivation and harvesting of a particular wild species (*e.g.*, to supply market demands for particular herbs, spices, medicinal plants, fish, fur, or leather) may lead to pressures to restructure traditional systems of land tenure or expropriate land, and to pressures on the sustainable use of biological diversity, in order to accommodate new scales of production. The ramifications of these kinds of changes can be far-reaching and need to be properly assessed, taking into account the value systems of Indigenous and local communities. Likely impacts associated with the cultivation and/or commercial harvesting of wild species should also be assessed and addressed.

- **Gender considerations.** What are the potential impacts of a proposed activity on women and other gender identities in the affected community with due regard to their roles as providers of food and nurturers of family, community decision-makers and heads of households, as well as custodians of biodiversity and holders of particular elements of (gender-specific) traditional knowledge, innovations and practices?

- **Generational considerations.** Will the proposed activity impact all generations within a community in the same way? Of particular concern are the impacts on opportunities for elders to pass on their knowledge to youth, or impacts that might render certain skills and traditional knowledge, innovations, and practices redundant.

- **Health and safety aspects.** The health and safety aspects of the proposed activity should be scrutinized. Safety aspects should include such risks as physical injury during construction, and health risks resulting from various forms of pollution, sexual exploitation, social disturbance, disruption to habitats of medicinal species, and use of chemicals, such as pesticides. Foreign workers should be screened for any infectious diseases for which local populations may have no immunity, or for which there is no evidence of infection within their communities.

- **Effects on social cohesion.** Are there other possible effects that the proposed activity might have on the affected community and its people as a whole? Will particular individuals or groups be unjustly advantaged or disadvantaged to the detriment of the community as a result of the development?

VI. Risks Associated with Security Personnel

If a proposed activity is going to provide any level of support or assistance to either formal or informal security personnel, the risks of such assistance must be very closely considered. There are clear regulations and guidance for vetting and evaluating assistance to government security personnel (referred to as "Leahy Vetting"[15]). For proposed activities that will provide assistance or support for non-government security personnel (*e.g.*, guards in an area of conservation or any other individual(s) who will be empowered to use force or coercion), OUs are strongly encouraged to assess the likelihood of adverse impacts and apply mitigation measures suggested in Annex I).

Opposite page: COLOMBIA: A Nasa man in Cauca, Colombia using a traditional corn mill in a culinary workshop designed to revive ancestral cooking traditions.

VII. SIA and Conflict Sensitivity

The key lesson of conflict sensitivity is that activities will become a part of the context in which they are operating; they will have an impact on the relationships among people in those contexts. Activities—whether simple or complex—will affect the relationships among groups of people living in that context. When organizations bring resources into contexts of scarcity, they interact with authorities, and they select or target project participants based on specific criteria. Each of these programmatic choices has the potential to exacerbate existing conflict dynamics. They also have the potential to build upon positive and connecting factors in society, which can strengthen existing points of cooperation and collaboration among those groups and mitigate conflict. These effects—negative or positive—affect a project's ability to achieve its aims and play a critical role in influencing conflict dynamics in a given context. A commitment to a conflict-sensitive approach can help officers better plan for how their activities will interact with conflict dynamics to ensure that they do not exacerbate underlying grievances, but instead support existing resiliencies.

Conflict sensitivity should be applied in all operational contexts, even those without overt violent conflict, but key concerns and entry points for planning and implementing a conflict sensitive project will be different in different types of contexts.

When activities are implemented in contexts of conflict or tension, the impacts of their programmatic choices can have far-reaching consequences. Fragile and conflict contexts are complex and highly sensitive. Communities have a heightened awareness of the distribution of resources coming into their context, as well as the roles and responsibilities of the people involved in the distribution of those resources.

KEY STEPS TO CONFLICT SENSITIVITY

Step 1: Understand the Context

Example: Conduct a conflict assessment, looking at issues of inequality, grievances, and marginalization and understanding the general history of conflict in the activity implementation area.

Step 2: Interaction Between Aid and the Context

Example: Resources can have distributional effects (e.g., targeting aid to one group while excluding another) or legitimization effects (e.g., aid can legitimize a group or leader by working with them).

Example: Ethical messaging—how organizations interact with communities—can alienate people (e.g., security protocols, driving expensive SUVs) and promote tension or even conflict.

Step 3: Act to Minimize Negative Impact and Maximize Positive Impacts

Example: Ensure that aid resources and benefits are equally distributed across ethnic groups, urban/rural, gender, age, and other relevant demographics.

Example: Ensure that local partners are considered locally legitimate.

Opposite page: COLOMBIA: USAID's programs in Colombia aim to empower women and promote socio-economic inclusion.

When integrating conflict sensitivity in SIA three broad steps should be considered: Understanding the context, the interaction between the activity and the context, and how to minimize negative impacts and maximize positive impacts.

Step 1: Understanding Context

The first step is being aware of the context in which a potential activity may work. In situations where tensions or conflicts are already known to exist, OUs are also encouraged to apply the Conflict Assessment Framework to identify drivers of conflict, inform project design, and ensure that OU programming does not exacerbate existing tensions.[16] This information could be used to complement other analyses and inform the project design by minimizing potential negative effects of conflict on Indigenous Peoples' communities and ideally contribute to local capacities for peace. In areas the potential and history of conflict is not as acute and SIA should assess the general context in the area affected by the activity. Specifically, the assessment should understand the various identity groups within an activity area, what has been the history of conflict and tensions? Who has played a major role in those tensions? What role do national institutions and local authorities and various actors play in exacerbating or reducing those tensions?

Step 2: Interaction Between Aid and The Context

One risk often associated with development activities is the risk of conflict that can arise from misaligned expectations or misunderstanding of donor-funded development activities. It is critical that consultations with communities provide for a two-way flow of information to ensure that communities understand the proposed activities—and the likelihood that they will be implemented. It is critical to explain the context for a proposed activity when conducting an SIA in order to avoid heightened expectations associated with the proposed activity.

Another is reflecting on the potential for implicit messaging throughout the activity that could exacerbate tensions, such as espousing certain values, lacking respect for certain practices, or giving the perception of favoritism to a certain group.

Another major consideration is how activity resources will be distributed. Resources, and resource allocation can exacerbate existing tensions by reinforcing grievance narratives. Understanding the history of tensions and which identity groups are in the activity area, and what role local institutions and authorities have played is key in making these allocation decisions. Remember, even the placement of a well is a political act because certain groups or households will benefit while others will not. Keeping in mind existing tensions, finding creative participatory and inclusive processes to distribute resources can be a key way to reduce potential impacts.

Land issues give rise to other conflict risks. Insecure tenure rights have contributed to high-levels of conflict between Indigenous and non-Indigenous Peoples, including incidents of displacement, which has further contributed to impoverishment, joblessness, homelessness, food insecurity, increased morbidity, and community disarticulation. It is critical to examine land tenure rights and security when considering any activity that requires land (e.g., agriculture, conservation, or infrastructure programs).

Conservation projects have often been marred by violence towards or expulsion of Indigenous Peoples from their territories. Development efforts like large infrastructure, agriculture and resource extraction projects also have devastating impacts on the lives of Indigenous Peoples' communities. Inadequate due diligence processes and/or regulatory frameworks for assessing legitimate land tenure can often lead to the assumption that barren lands are free to be sold or licensed for development, when in fact, they are Indigenous Peoples' territories. These conflicts can be avoided with a comprehensive SIA process.

Step 3: Act to Minimize Negative Impact and Maximize Positive Impacts

Finally, an SIA should give a series of recommendations to reduce the potential social risks, including those that will exacerbate existing tensions. This will include avoiding reinforcing existing grievances while supporting the equitable distribution of activities, resources, and benefits. Recommendations should explicitly avoid the potential to exacerbate existing grievances, and proactively look for opportunities to bridge divides between communities, foster greater cooperation, and seek common ground between identity groups when possible.

SIA is a critical tool for identifying the risk of creating or exacerbating conflict. Understanding social, cultural, environmental, and legal issues[17] helps to ensure that activities safeguard against the risk of adverse impacts and hopefully work to build and reinforce peace whenever possible.

VIII. A Note on Human Rights Considerations

OUs may wish to consider conducting a Human Rights Impact Assessment (HRIA) to better determine whether there are ongoing rights violations being perpetrated against project stakeholders, and whether the proposed activity could infringe upon any human rights. In addition, an HRIA can identify who is responsible for respecting (which companies) or protecting (which state entities are the duty-bearers) human rights, and what grievance mechanisms are available to stakeholders for redress of existing or potential rights violations. A standalone HRIA is the best way to analyze the human rights legal framework and to understand the likelihood of human rights risks. However, it is also possible to combine such human rights considerations in an SIA.

As noted in Section III, Step 1 and 2 above, an Inclusive Development Analysis (IDA) (see Annex IV) can be used as a guide for mapping the legal context of a given project site and any project stakeholders. The results of the IDA can be used to develop questions for a scoping exercise or a full SIA to help understand what human rights need to be considered in connection with the proposed activity, whether there is a risk that such human rights could be violated, and how to avoid or mitigate such risks. The attached questionnaire includes a range of questions that can help to determine if there are human rights risks (Annex III).

Opposite page: KENYA: Herders with their cows in Laikipia, Kenya.

IX. Roles and Responsibilities

a. USAID Experts (on topics such as land tenure, resettlement, gender, LGBTI, elderly, etc.) serve as resources for projects that may have more significant social impacts or that are being designed to create social integration.

b. MEO, REA, BEO: Serve as the backstop during the project design process. They ensure that the evaluation for adverse social impacts has been performed in a manner commensurate with impact significance. They refer the USAID staff to the experts referenced above.

c. Activity or Project Manager: Responsible for ensuring the programs, projects, or activities under their cognizance are socially inclusive and have no significant adverse social impacts.

d. Evaluation Team of Social Scientists

e. OU

Opposite page: PANAMA: Comunidad Emberá-Wounaan.

Endnotes to Chapters I–IX

[1] International Association of Impact Assessment, "Social Impact Assessment, Guidance for Assessing and Managing Social Impacts of Projects," p. vii. 2015. Available at: https://www.iaia.org/uploads/pdf/SIA_Guidance_Document_IAIA.pdf.

[2] Available at: https://www.usaid.gov/environmental-procedures/environmental-compliance-esdm-program-cycle/social-impact-assessment/pdf.

[3] See the Agency's Policy on Promoting the Rights of Indigenous Peoples (PRO-IP) for comprehensive criteria and guidance for identifying Indigenous Peoples. Available at: https://www.usaid.gov/indigenous-peoples.

[4] Convention on Biological Diversity, "The Akwé: Kon Voluntary Guidelines for the Conduct of Cultural, Environmental and Social Impact Assessments Regarding Developments Proposed to Take Place on, or which are Likely to Impact on, Sacred Sites and on Lands and Waters Traditionally Occupied or Used by Indigenous and Local Communities." 2004. Available at: https://www.cbd.int/doc/publications/akwe-brochure-en.pdf.

[5] Available at: https://www.iaia.org/uploads/pdf/SIA_Guidance_Document_IAIA.pdf.

[6] Available at: http://unpan1.un.org/intradoc/groups/public/documents/cgg/unpan026197.pdf.

[7] Available at: https://www.usaid.gov/indigenous-peoples.

[8] Impacts that do not include relocation of any members of an impacted community or the loss of access (constructive or actual) to any traditional territories, natural resources, or culturally significant locations.

[9] Available at: https://www.usaid.gov/our_work/environment/compliance/22cfr216.

[10] Available at: https://usaidlearninglab.org/library/suggested-approaches-integrating-inclusive-development-across-program-cycle-and-mission.

[11] Available at: https://www.usaid.gov/environmental-procedures/environmental-compliance-esdm-program-cycle/mitigation-monitoring-reporting.

[12] See USAID's Guide on Compulsory Displacement and Resettlement at https://www.land-links.org/wp-content/uploads/2016/09/USAID_Land_Tenure_Guidelines_CDR.pdf.

[13] Ibid.

[14] This discussion of impacts has been adapted from the Akwé: Kon Guidelines at pages 19–20.

[15] Available at: https://www.usaid.gov/sites/default/files/documents/1876/200sbs.pdf.

[16] Available at: https://pdf.usaid.gov/pdf_docs/pnady739.pdf.

[17] The USAID Resident Legal Officer (RLO) should be consulted on all legal matters.

Annex I. Screening Tool: USAID Social Impact Assessment Table

Project Title: _____

Completed By: _____

Date: _____

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
Social Impacts				
1. Will actions require temporary or permanent human resettlement?				_If yes:_
				Has the community been consulted with respect to resettlement and do they agree to be resettled?
				Has the community been consulted on the likely impacts from resettlement?
				Is adequate replacement land available?
				Does resettlement area(s) have adequate waste disposal to accommodate increased population?
				Will actions affect any susceptible populations that have been identified—_i.e.,_ involved workers, non-involved workers, and the public (including minority and low-income communities, as appropriate)?
				Will actions result in construction on or near any other natural feature that could affect the safety of the public, or the environmental impacts of the action?
				Will actions affect the economy of the community in ways that result in impacts to its character, or to the physical environment?
				Will water availability be adequate in resettlement area(s)?
				Will resettlement area(s) be vulnerable to seasonal weather variation?
				Will men and women be impacted by resettlement differently?
2. Will actions have the potential to cause social issues or exacerbate those already existing? (For example, through increased inequity or increased migration to an area.)				

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
3. Are there cultural or historic sites located at or near the site?				*If yes:*
				What is the distance from these?
				What is the plan for avoiding disturbance or notifying authorities?
4. Will actions affect sensitive receptors of visual, auditory, traffic, or other impacts, such as schools, cultural institutions, churches, and residences; or affect any practice of religion (e.g., by impeding access to a place of worship)?				
5. Are there unique ethnic or traditional cultures or values present at or associated with the site?				*If yes:*
				What is the applicable preservation plan?
6. Will any villages or towns be directly affected by the project? Are any such settlements located within a 5-km radius of the project site/sites?				*If yes:*
				What is the applicable preservation plan?
7. Are any dispersed rural households located on the site or adjacent to it (within a 1-km radius)?				*If yes:*
				What is the applicable preservation plan?
8. How do impacts vary between gender? Will the activity disproportionately impact one gender versus the other?				
9. Are there "winners and losers" in the sense that some communities or groups will realize benefits from the project that others will not?				*If yes:*
				What is the plan for mitigating disparate impacts?

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
10. Are there other social dynamics that could be impacted by the activity—such as intergenerational relationships, bartering or trade relationships, relations between customary leaders and formal government actors, etc.? Will any balance of power be changed?				*If yes:*
				What is the plan for mitigating impacts?
11. If the project involves any economic impact (e.g., through agriculture, microfinance, income generating activities, etc.), will any existing local economic interests be adversely impacted?				*If yes:*
				What is the plan for mitigating impacts?
12. Will actions, e.g., construction, refurbishment, demolition, or blasting, result in increased noise or light pollution that could adversely affect the natural or human environment?				
13. Will actions affect air, soil, or water quality? If so, will they cause impacts (positive or negative) on public health or well-being?				
14. Will actions attract new people to the area in search of employment or other opportunities?				*If yes:*
				Are there sufficient medical/clinic resources to ensure that new people to the area are treated for infections to avoid the spread of diseases that may be new or threatening to the resident population?

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
Indigenous Peoples				
1. Will pastoralists, Indigenous Peoples, or other local people be affected? For example, via the action, will their lands no longer be usable in traditional, customary ways? Will their land or natural resource rights (including customary or temporary tenure systems) be infringed upon in any way?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
2. Will there be any impacts on collectively-held lands such as grazing land? Will any change be made to the way land is held (e.g, collective vs. individual title?)?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
3. Will any proposed activities have impacts on sacred sites and on lands and waters traditionally occupied or used by Indigenous and local communities?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
4. Will access to or use of such sites be restricted or eliminated?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
5. Will the activity cause any Indigenous territories or resources—or lands or resources used by indigenous peoples—to be expropriated?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
6. Will changes affect traditional practices for food production? Will the activity lead to commercial cultivation? Will the activity involve harvesting of a particular wild species (e.g., to supply market demands for particular herbs, spices, medicinal plants, fish, fur, or leather)?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
7. Will there be potential impacts on women in the affected community? If so, what would they be, especially in terms of their role as providers of food and nurturers of family, community decision-makers, and heads of households, as well as custodians of biodiversity and holders of particular elements of (gender-specific) traditional knowledge, innovations, and practices?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
8. Will the proposed activity impact all generations within a community in the same way?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
9. Are there any risks of physical injury during construction, or health risks resulting from various forms of pollution, sexual exploitation, social disturbance, disruption to habitats of medicinal species, and use of chemicals, such as pesticides?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
10. Will foreign workers travel to Indigenous territory as a result of the activity? Have they been or will they be screened for any infectious diseases for which local populations may have no immunity, or for which there is no evidence of infection within their communities?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
11. Are there other possible effects that the proposed activity might have on the affected community and its people as a whole? Will particular individuals or groups be unjustly advantaged or disadvantaged to the detriment of the community as a result of the development?				*If yes:*
				If Indigenous territory is expropriated or if access to land or resources is significantly impacted, AND an alternative site could not be identified, has FPIC been obtained for use of land or resources belonging to or used by the Indigenous Peoples who are stakeholders?
Land Use				
1. Will actions require any kind of land use change?				*If yes:*
				For what purpose?
				Will the change be permanent or temporary?
2. Will actions convert fallow (inactive) land to agricultural land?				
3. Will actions convert forest land to other uses?				
4. Will actions convert land to commercial, industrial, or residential uses?				*If yes:*
				For what purpose?
5. Will actions potentially disturb soil contaminated with toxic or hazardous materials?				
6. Will actions include the use or promotion of genetically modified organisms (GMOs)?				
7. Will actions result in natural resource extraction? (For example, granite, limestone, coal, lignite, oil, or gas)				
8. Will actions alter the viewshed of area residents or others?				

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
9. Are there known geological hazards, e.g., faults, landslides, or unstable soil structure, which could affect the activity?				*If yes:*
				How will the project ensure the integrity of any structural components and associated equipment?
10. Will the site require grading, trenching, or excavation? Will actions generate borrow pits?				*If yes:*
				How will these be managed during implementation and closure?
11. Will actions impact or be impacted by the presence of prime or unique farmland?				
12. Will actions result in any land clearing? (For example, removal of large trees, other vegetation, destruction of habitat, harm to fauna)				
13. Will actions involve construction or use of a facility on or near saturated soils, wetland vegetation, or other evidence of a wetland?				
14. Will actions disturb a well-established rural community, or rural land use?				
15. Will actions have a disproportionate impact on one gender versus another?				
16. Will actions change the value of the land in question and adjacent parcels?				*If yes:*
				Is land tenure secure for the beneficiaries or those impacted?
				Do laws regarding land tenure contain contradictions that elites could exploit to gain tenure, use rights, or cash payments (ex. carbon credits)?
17. Will actions likely increase tensions/grievances over land or related resources, both internally and with external actors/groups?				
18. Will actions undermine land holders'/users' claim/use of the land and resources?				

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
19. Will actions result in a change of land title from collective to individual?				
20. Will actions result in changes to use of land from collective uses to individual?				
21. Will actions involve the construction of new structures?				*If yes:*
				Will sourcing materials have negative impacts on biodiversity or contribute to deforestation in protected areas?
				Increase impermeable surface area?
				Negatively affect biodiversity or displace local wildlife populations?
				Contribute to erosion?
				Generate additional solid waste?
Risks Relating to Enforcement Personnel				
1. Will anyone supported by the project have access to a firearm?				*If yes:*
				Have you developed mitigation measures to guard against excessive use of force?
				Have you vetted the enforcement personnel?
				Have you developed mitigation measures to guard against human rights violations?
				Will you also provide human rights training to any such enforcement personnel?
				Have you established a grievance mechanism?
				Have you ensured that people living near or directly/indirectly affected by the project have access/information regarding the grievance mechanism?

Question	Yes	No	Don't Know	Explanation and/or Response to Additional Question if Applicable
2. Will anyone be empowered to use force or detainment against a person who is living near or directly/indirectly affected by the project?				*If yes:*
				Have you developed mitigation measures to guard against excessive use of force?
				Have you vetted the enforcement personnel?
				Have you developed mitigation measures to guard against human rights violations?
				Will you also provide human rights training to any such enforcement personnel?
				Have you established a grievance mechanism?
				Have you ensured that people living near or directly/indirectly affected by the project have access/information regarding the grievance mechanism?
3. Will anyone be in a position to use coercion, extortion, or any other pressure against a person who is living near or directly/indirectly affected by the project?				*If yes:*
				Have you developed mitigation measures to guard against excessive use of force?
				Have you vetted the enforcement personnel?
				Have you developed mitigation measures to guard against human rights violations?
				Will you also provide human rights training to any such enforcement personnel?
				Have you established a grievance mechanism?
				Have you ensured that people living near or directly/indirectly affected by the project have access/information regarding the grievance mechanism?

Please note that often environmental impacts will be closely linked with social impacts. For this reason, please add the environmental sectors that are appropriate for the context in which you are working. See the full USAID EIA checklist for a complete list of environmental sectors. In addition, the USAID Sector Environmental Guidelines (SEGs) might also be a useful resource.

Annex II. Sample Social Impact Assessment (SIA) Scope of Work

1. Background

The purpose of a Social Impact Assessment (SIA) is to provide the Agency, host country decision-makers, project implementers, and other stakeholders with a robust understanding of social risks and social impacts of a proposed program / project / activity. It includes programming alternatives which would avoid or minimize adverse effects, as well as recommendations for establishing a project-specific impact management plan. An SIA is an integral part of the process to ensure that the expected benefits can be weighed against any adverse impacts upon human beings, their well-being, and their way of life.

1.1 Relationship to Environmental Compliance

As part of its mission, USAID systematically assesses, addresses, and manages environmental risk and impact through environmental safeguarding procedures, regulatory requirements, and analyses. This effort is operationalized through compliance with 22 CFR 216 and the Foreign Assistance Act (FAA) Sections 117/118/119. These regulatory requirements and other executive order and policy objectives constitute USAID's pre-implementation environmental impact assessment (EIA) process.

For additional information regarding USAID environmental compliance, see:

https://www.usaid.gov/our_work/environment/compliance/summary-216

http://www.usaidgems.org/lawsRegsPolicies/faa.htm

The output of the USAID EIA process includes numerous analyses and tools, which generally consider social impact assessment embedded within the organizing focus on the biological, climatic, and physical environment. Specific outputs include, but are not limited to:

- Initial Environmental Examinations (IEEs)

- Environmental Assessments (EAs)

- FAA 118/119 Analysis

- Environmental Mitigation and Monitoring Plan (EMMP)

In addition, USAID has a range of social policies (see Supplement A). In numerous ways, these social policies intersect and combine to represent a mandate for understanding social context, including social risks and social impacts across USAID programming. This set of policies, however, does not represent a formal system or a regulatory structure in relation to identifying and managing social risks and social impacts associated with programming.

1.2 Defining Social Risk and Social Impact

Social risk and social impact are interconnected. In addition, USAID recognizes that social risks and social impacts exist within all development programs/projects/activities. The risk represents the social issues that surface in relation to program design and implementation. The impact represents the effect those social issues have on the direct and indirect beneficiaries of the program. Social risks can result in positive and negative effects being experienced. The goal in identifying and managing social risks and social impacts is to be fully cognizant of the risks and impacts and ensure that the positive outweighs the negative.

Opposite page: PAKISTAN: The Bulbulik Heritage Center passes on the Wakhi language to new generations through music.

Social risks refer to the possibility that a program/project/activity might:

- Create inequity and/or social conflict

- Reinforce inequity and/or social conflict

- Deepen inequity and/or social conflict

- Lack support from beneficiaries

- Contradict the aims of beneficiaries

- Raise false expectations for beneficiaries

Social impacts relate to changes to one or more of an Indigenous People's:

- Way of life

- Culture

- Community

- Political system

- Environment

- Health and well-being

- Personal and property rights

- Fear and aspirations

1.3 Program / Project / Activity Description

This section would include a description of the program, project, or activity that is being assessed for social impacts. The description should be detailed enough to make clear the type and range of subject matter expertise needed across the SIA team.

Possible points of discussion:
Is the intention that an SIA would align to the objectives and/or intermediate results of a project? The development objectives of a mission? Broad technical areas or sectors that the SIA team would determine?

This section would need to be presented accordingly. Relatedly, the report outline is likely tied to either this point of discussion or section 1.2.

2. Statement of Work

As described herein, an SIA is based on synthesis, mapping, and analysis of existing information, combined with field work to assess the country and project context. In-country work consists of consultations with a range of stakeholders (including USAID, potential project beneficiaries, and technical experts) and visits to a range of sites (including communities, facilities, and project implementation sites).

2.1 Pre-field Work Actions

- Conduct literature review with focus on country-specific demographic, geopolitical, and socio-economic factors broadly and per project design and SIA methodology

- Develop list of projects and active donors to begin assessing the situation in-country, including past project successes, challenges, and lessons learned

- Organize logistics and team responsibilities, including weekly planning meetings

- Map stakeholders, including organizing them by type, to ensure the schedule for consultations with stakeholders is appropriately comprehensive

- Determine the types of relevant site visits (e.g., communities, facilities, and project implementation sites) and prepare a schedule

- Ensure the SIA is being undertaken in sound methodological ways and in accordance with the relevant USAID and country-specific ethical standards

- Prepare and submit the draft work plan

- Receive comments and revise the work plan as needed

2.2 Field Work Activities

- Conduct in-brief meetings with USAID, including separate meetings with the program office at USAID and the relevant USAID technical teams

- Meet with stakeholders to understand their views, including individual interviews and possibly focus group discussions

- Conduct site visits to observe and assess social risks and social impacts

- Conduct exit briefing with USAID, including informal presentation of preliminary findings for the SIA

2.3 Preparation of the Social Impact Assessment (SIA)

- Analyze data, including a focus on triangulating across different sources

- Refine the report outline to align to the project and prepare the draft report

- Submit the draft report for review by USAID and other in-country stakeholders

- Receive comments and revise the report as needed

3. Schedule and Logistics

The SIA is expected to last 5–6 months from the date of contract signing to submission of the final SIA report. Suggested time allocations are summarized below. In addition, as exemplified in Table 1, the SIA team will be expected to follow a week-by-week schedule.

- Desk review and preparations (5–6 weeks)

- In-country field work (2–3 weeks)

- Produce the draft report (3–4 weeks)

- Review of the draft report (3–4 weeks)

- Produce the final report (3–4 weeks)

Table 1: Weekly Activities and Milestones

Week	Activity/Milestone	Comments
Week 1		
Week 2		
Week 3		
…		
…		
…		

4. Deliverables

The following are the deliverables for this task:

Deliverable 1. Draft work plan and schedule submitted within 10–12 working days of the team lead's start date.

Deliverable 2. Exit briefing, and associated media such as PowerPoint, hand-outs, etc., prior to the SIA team's departure from the country or at a time requested if the team is locally based.

Deliverable 3. SIA draft report, conforming to all requirements specified in this SOW and the report outline provided in Annex II, Supplement B, submitted 15–20 working days after the conclusion of in-country work.

Deliverable 4. SIA final report incorporating all comments submitted within 10–15 working days of the receipt of all reviewer comments on the draft SIA report.

5. Roles during the SIA Process

USAID acknowledges that mission engagement is required for the SIA team to be successful. To this end, the mission is responsible for arranging the following prior to the SIA team's arrival in-country:

- In-briefing meetings with technical offices, including notifying relevant mission offices and ensuring their direct participation.

- Separate, scheduled meetings with the front and program office.

- Scheduling of the exit-brief presentation.

Such support includes providing the SIA team with the following:

- A list of key USAID documents (mission-wide activity descriptions, reports, and evaluations) to review, with links or copies of the documents;

- A list of USAID programs for each technical team with brief descriptions, A/COR (and contact information), implementing partner (and key point of contact) and maps, ideally a country map showing the geographic location of all programs;

- A list of relevant donor projects as available;

- A list of potential stakeholders (with contact information);

- Assistance to the team in making initial contact to arrange interviews, particularly to host country government stakeholders for whom USAID mission outreach is often *required*;

- Preparation of letters of introduction, as needed;

- Key criteria to support SIA team identification of potential site visits;

- Logistics support for site visits, *i.e.*, suggestions for lodging, in-country air travel, rental car agencies, and logistics specialists; and

- Review and feedback on the workplan and draft SIA report.

USAID acknowledges that its support must be in balance with affording the SIA team some independence during the SIA process. A collaborative and transparent approach is an important part of ensuring a thorough investigation of social risks and social impacts.

6. Staffing and Estimated Effort

The SIA team shall include a Team Leader, with the following qualifications:

- Post-graduate qualifications (master's level degree or higher) in the social sciences, public policy, development studies, or a closely related field;

- Expertise in SIA methodology and specifically in leading a team of SIA/subject matter experts in identifying and assessing social risks and social impacts;

- Experience in the geographical region and the specific country;

- Knowledge of USAID's strategic planning process, both broadly and as related to social safeguards and social policies;

- Experience with stakeholder consultations, coordinating analyses, and leading teams;

- Exceptional organizational, analytical, writing, and presentation skills; and

- Fluency in English and preferably the language spoken in the country.

In addition to the Team Leader, 2–3 subject matter experts are suggested. Each subject matter expert should have familiarity with the aim of an SIA, the methods used to undertake an SIA, and experience in the geographical region and the specific country. In addition, the subject matter experts collectively should cover expertise in these areas:

The bulleted list of subject matter expertise would be SIA-specific and aligned to the subject matter of the project (e.g., agriculture, trade, biodiversity, education, women's empowerment, HIV/AIDS prevention, entrepreneurship and innovation, democracy and governance, etc.)

The suggested level of effort (LOE) for this SIA should be denoted in Table 2.

Table 2: Suggested Level of Effort Allocation for Team

Team Member	Level of Effort (LOE) in Days		
	Design / Planning	In-Country Fieldwork	Analysis / Reporting
Team Lead	15	12–18	15
Subject Matter Expert 1 [state expertise]	10	12–18	10
Subject Matter Expert 2 [state expertise]	10	12–18	10
Subject Matter Expert 3 [state expertise]	10	12–18	10
Support staff, including research assistance	5	5	8
Technical quality assurance/quality control	5	0	5
Copy-editing, formatting, and branding	5	0	5

The LOE allocation should bear in mind the team composition and ensure appropriate alignment to the subject matter of the project.

Annex II, Supplement A. Assorted USAID Social Policies

- Disability Policy Paper (1997)

- Gender Equality and Female Empowerment Policy (2012)

- ADS Chapter 205, Integrating Gender Equality and Female Empowerment in USAID's Program Cycle (Effective date 2012; partially revised 2013.)

- Global Health Vision FY 2012–2016

- Maternal Health Vision Action Plan (2014)

- Strategy on Democracy Human Rights and Governance (2013)

- LGBT Vision for Action: Promoting and Supporting the Inclusion of Lesbian, Gay, Bisexual, and Transgender Individuals (2014)

- Youth Policy: Youth in Development: Recognizing the Demographic Opportunity (2012)

- Guidelines on Compulsory Displacement and Resettlement in USAID Programming (2016)

- USAID's Policy on Promoting the Rights of Indigenous Peoples (PRO-IP)

Annex II, Supplement B. SIA Report Outline

Cover Sheet and Approvals
Executive Summary

Introduction
Background and Purpose
Methodology and Approach
Country and Socio-Demographic Context
Project Description and Objectives

Findings
Defining Social Risks and Social Impacts
Social Risks and Social Impacts
[Grouped by areas or categories of impact, as discussed on page 44 of this document.]

Analysis
Relationship to Environmental Impacts
Political and Policy Considerations

Recommendations
Programming Options and Alternatives
Impact Management Plan

References and Resources Consulted
Appendices
  Scope of Work
  SIA Team Bios

XX		
Outcome	**Social Risk**	**Social Impact**

Possible point of discussion:

Similar to the EA report outline, presenting findings in table form would be useful and efficient. At this stage, there are numerous options for how such a table could be structured in an SIA report.

This broad outline is comparable to an outline for a USAID technical or evaluation report, with a 50-page limit in mind. When drafting the EA report, make sure its structure is relevantly aligned to the intended audience of the SIA report.

Annex III. Consultation Handbook

Background

USAID's Policy on Promoting the Rights of Indigenous Peoples (PRO-IP) lays out principles and approaches for programming with Indigenous Peoples' communities, and recommends meaningful consultation when a project is likely to impact Indigenous Peoples. This Consultation Handbook aims to complement that guidance and provide a framework for effective consultation, consistent with international best practices and human rights norms.

Who are Indigenous Peoples?

Indigenous Peoples are known by different names in different places. The terms "hill people," "aboriginal," "First Nations," "scheduled tribes," "natives," "ethnic minorities," "agro-pastoralists," and "pastoralists" all describe Indigenous Peoples. To accommodate this diversity, USAID endeavors to align our development practices with appropriate international standards and best practices for identifying Indigenous Peoples. The criteria used by USAID to identify Indigenous Peoples are:

a. self-identification as a distinct social and cultural group;

b. recognition of this identity by others;

c. historical continuity with pre-colonial and/or pre-settler societies;

d. collective attachment to territories and their natural resources;

e. customary social, economic, or governance institutions that are distinct;

f. distinct language or dialect; and/or

g. resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities.

Not all Indigenous Peoples share all of these characteristics. USAID recognizes that Indigenous Peoples and communities can be, and often are, present in locations that are not their traditional territories, because of forced resettlement and displacement and voluntary migration to urban areas. Similarly, the Agency also recognizes that Indigenous Peoples might not speak distinct or traditional languages, because governments might have outlawed them at some point, or education in a dominant or official national language might have overwhelmed them. Where any combination of several of these characteristics applies, USAID should presume the presence of Indigenous Peoples. Where information is inconsistent or uncertain, OUs must consult with the USAID Senior Advisor for Indigenous Peoples' Issues for guidance and a determination as to whether further evidence, examination, or analysis is required.

USAID's work with Indigenous Peoples must be done with sensitivity to the historical and political dynamics in a given region and country. In cases where host countries do not recognize Indigenous Peoples or their rights, but where there are groups that meet the above criteria, USAID should conduct deeper analysis to determine whether the USAID Policy on Promoting the Rights of Indigenous Peoples (PRO-IP) should be applied.

Understanding Indigenous social, cultural, environmental, and legal issues helps to deepen the impact of USAID programming, limits the risk of unintended adverse impacts, and mitigates against the risk of conflict that can arise from misaligned expectations or misunderstanding of donor-funded development activities. Every effort should be made to identify whether Indigenous Peoples are project stakeholders and to understand Indigenous Peoples' development priorities. In addition to this Guide, practitioners should review safeguards that reflect international best practices, including the IFC Performance Standard 7 and the Akwé: Kon Guidelines for the conduct of cultural, environmental, and social impact assessments.

Opposite page: ECUADOR: A Cofan leader in Ecuador.

Who are project stakeholders?

- Project stakeholders include any individuals, organizations, parties, or entities that may have an interest in the outcome of a project; this interest can be positive or negative. The World Bank defines stakeholders as, "those affected by the outcome (negatively or positively) or those who can affect the outcome of a proposed intervention."

- USAID's Environmental Compliance Factsheet (USAID's "ESIA Guide") provides a step-by-step guide, including stakeholder (a) identification, (b) analysis, (c) mapping and (d) prioritization.

What are the benefits of consulting with Indigenous stakeholders throughout the Program Cycle?

- Builds trust, mutual respect, open communication, and understanding about all stakeholders in the development enterprise.

- Democratizes development to be more participatory, inclusive, transparent, and accountable.

- Allows the project design and implementation process to benefit from Indigenous knowledge and practices that complement and advance USAID's development goals.

- Creates an opportunity for donors and implementers to understand Indigenous Peoples' own development priorities. Aligning USAID programs with such priorities will result in better local ownership of project activities and greater sustainability that will deepen project impact.

- Helps OUs to identify, prevent, and mitigate risks to USAID investments, including risks of project failure or cancellation due to community backlash. It can also minimize the likelihood of local conflicts and other risk resulting from grievances.

- Helps USAID to avoid reputational risk that could undermine the Agency's position as a trusted development partner.

How do I know if I need to engage in consultations?

If the answer to one or more of the following questions is yes, USAID officers are strongly encouraged to engage in consultations:

1. Do Indigenous Peoples (as defined above) live near, in, or around the project site or catchment area?

2. Do Indigenous Peoples use the project location for any reason (e.g., do they access water or other natural resources on the project site or catchment area, or enter the territory for cultural practices)?

3. Are Indigenous Peoples project stakeholders? In other words, are Indigenous Peoples in a position to impact or be impacted by the outcome of a project, whether positively or negatively?

4. Are there potential adverse impacts associated with the anticipated project that would take place on or near the territory inhabited by Indigenous Peoples?

5. Will Indigenous Peoples be specifically targeted by this activity, or be among the marginalized people who should be empowered/included through this activity?

6. Will there be an environmental impact assessment conducted on/near the territory inhabited by Indigenous Peoples? If one was already conducted, does it identify any potential or likely impacts on Indigenous Peoples or territories?

7. Are there currently any conflicts, lawsuits, or other protests related to the title, occupation, or use of this territory?

8. Has work in this territory triggered the application of an Indigenous Peoples' safeguard from another bilateral development organization or multilateral development bank, or have such institutions ever issued an official waiver of such safeguards in relation to the same territory?

9. Did Indigenous Peoples previously live on the territory where the contemplated project will be implemented?

10. If Indigenous Peoples previously lived on the territory, were they forcibly removed, to the knowledge of any members of the community or surrounding communities?

How does consultation differ from initial conversations with Indigenous Peoples or less formal engagement?

- Both less formal engagement (such as conversations or interviews) and consultation help to maximize the voices of Indigenous Peoples and minimize adverse impacts.

- For consultation to be meaningful, it must provide Indigenous Peoples with a genuine opportunity to influence the outcome of the program design process. To achieve this, Indigenous Peoples should be considered partners in the planning and decision-making process.

- A meaningful consultation will engage Indigenous Peoples in a culturally and linguistically appropriate manner while respecting their decision-making and governance structures, norms, and timelines.

- Consultations should be centered on the human rights of Indigenous Peoples, including the right to self-determination, and FPIC in instances where significant adverse impacts are likely. Throughout the consultation process, USAID missions should pay special attention to:

  - Protecting human rights, including economic, social, and cultural rights;

  - Identification, avoidance, and mitigation of potential adverse impacts to lands or natural resources; and

  - Respect for Indigenous Peoples' sovereignty and right to self-determination

Are consultations conducted as a stand-alone undertaking, or should they be woven in to other processes?

- **Consultations** may be conducted as a stand-alone effort using this guidance, or they may be used as a primary tool or approach for a broader type of assessment. By using consultations to inform a broader assessment, the OU may have an easier time of shaping the consultations and organizing results into a format that is easily used

by USAID officers and implementing partners. Note, however, that the assessments proposed below may not serve the needs of an OU, in which case, a stand-alone series of consultations would be advised.

- **Inclusive Development Analysis:**[1] The Agency's Inclusive Development Analysis[1] (see Annex IV) can help OUs to understand the dynamics that exist between Indigenous Peoples and the majority population, as well as dynamics within and among Indigenous Peoples' communities, and how they are impacted by legal or cultural structures. This analysis can combine desktop research and data analysis with engagements such as informant interviews, focus group discussions, conversations, and consultations. Consultations may be used to inform the IDA (see Annex IV), and may also be informed by the IDA. Mapping of domestic/international laws/regulations, organizations, leaders, relevant politicians, political parties, movements, and companies with links to Indigenous Peoples' territories or Indigenous laborers should be captured in the IDA, and should inform all other engagements.

- **Social Impact Assessment (SIA):** It is good practice to conduct an SIA during the Program Cycle before completing an activity design in order to understand the potential impacts (negative or positive) that an activity may have on Indigenous stakeholders. SIA includes the processes of analyzing, monitoring, and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. Consultations with Indigenous Peoples should be conducted in order to inform the impact assessment and to identify potential risk mitigation measures—particularly those based on Indigenous knowledge. Such consultations may be geared towards determining risk, and therefore may not be sufficient for gathering information relating to community.

USAID does not have a standard framework for designing and implementing SIAs. In conjunction with the Policy on Promoting the Rights of Indigenous Peoples (PRO-IP), OUs should apply the guidance set forth in USAID's ESIA Guide to identify Indigenous stakeholders, along with the SIA guidance set forth in this toolkit. USAID's guidance can be complemented by more comprehensive SIA guidance that specifically targets Indigenous Peoples, such as the Akwé: Kon Guidelines.[2] Missions should consider implementing an SIA alongside an environmental impact assessment (EIA) or an Initial Environmental Examination (IEE) for any project with a reasonable likelihood of impacting Indigenous People or their territories.

What are USAID's essential elements of adequate consultation?

1. Identification of Indigenous Peoples in accordance with USAID's Policy on Promoting the Rights of Indigenous Peoples (PRO-IP);

2. Communication with stakeholders early and often throughout the process;

3. Good faith consultation through representative institutions and in accordance with traditional decision-making mechanisms;

4. Meaningful opportunities for stakeholders to influence the planning and development process; and

5. Recognition that Indigenous Peoples are not monolithic groups, but rather, include a diversity of stakeholders. Consultations should account for this diversity.

When in the Program Cycle should USAID conduct consultations with Indigenous Peoples?

Early and Often. Consultations should occur early and often in the USAID Program Cycle in order to identify new opportunities to advance development objectives and deepen cross-sectoral results. If the mission intends to implement a program in an area where there are known ethnic minorities, pastoralists, or other likely Indigenous Peoples, the mission should use the above definition to determine if Indigenous Peoples are present in that area.

As soon as such determination is made, initial contact and consultation should be conducted to inform the CDCS, PAD, or Project design. Such consultations are also an opportunity to develop communication channels that should be maintained over the life of the project.

RDCS or CDCS Stage. As soon as the geographic area of the OU's programming is known, a determination should be made as to whether or not Indigenous Peoples live there. If the CDCS will target a geographic region that includes Indigenous Peoples, the OU should conduct consultations to understand the development priorities and plans of the Indigenous Peoples' communities. These priorities should help to inform the mission's strategy. These consultations could be conducted as part of an IDA (see Annex IV) which will help the mission to structure consultations and report on results in a way that can be easily used to help OUs develop their strategies.

PAD Stage. If the mission knows which broad region or province will be targeted, but does not yet know the specific municipalities or communities, it could still be important to conduct an initial round of consultations with Indigenous Peoples from the region. This initial round would be used to gather information about peoples in the region, how to best engage with them, and general development priorities. This information could be used in conducting more in-depth consultations at the project design stage and could be done as part of an Inclusive Development Analysis (see Annex IV) or as part of an SIA. If specific communities are known, the mission should engage in more in-depth consultations to identify development priorities and discuss potential activities the mission may support.

Project Design. Many missions are concerned that consultations with Indigenous Peoples in the project design phase could violate procurement regulations. The Office of Acquisition and Assistance has determined that it is not only permissible, but encouraged to consult with Indigenous Peoples in the design of scopes of work (SOW) or project descriptions (PDs) for activities that are likely to impact them—as long as there is no likelihood that the Indigenous Peoples consulted would also be potential applicants for a later procurement.

CONSIDER MAKING AN INDIGENOUS PEOPLES CONSULTATION PLAN

A consultation plan can be an important tool in maintaining meaningful, ongoing engagement with Indigenous Peoples throughout the Program Cycle. The consultation plan itself should reflect an agreement between USAID and the Indigenous Peoples' communities involved, and should be an iterative, living document that is adapted based on meaningful consultation. A consultation plan may contain the following:

- Plan for informal engagement at the CDCS level, before a specific PAD or activity takes shape;

- Identification of the potential activity area, including where project activities will be carried out and what systems will be impacted in and beyond the activity site;

- Identification of Indigenous groups likely to be stakeholders, and a list of possible direct and indirect potential impacts, including considerations for impacts on Indigenous lands, systems, and regional impacts, political and conflict dynamics, legal and regulatory impacts, and others;

- Plan to conduct an SIA (based on consultations), if possible as part of the project IEE or EIA; and

- Identification of the parties that will facilitate or mediate the consultation process—will USAID do it? Will implementing partners do it? Or will a third party be contracted to do it?

Keep in mind some of the following considerations:

- How will the mission ensure inclusion or participation?

- What role will the facilitator play?

- How will this process work through and with traditional decision-making institutions in the community?

- How will timelines be set so as to avoid undermining FPIC?

Consultations can be conducted as a stand-alone effort using this guidance, or they may be conducted as part of an IDA (see Annex IV) that is more narrowly targeted to understand the dynamics of working with Indigenous Peoples in a particular sector and place (if an IDA was conducted at the CDCS or PAD level, this could serve as an update). Similarly, consultations could be conducted as part of a SIA. If an SIA was conducted at the PAD level, but before the exact project location is known, consultations should be conducted to update the SIA.

A Note on Project Co-Creation. More and more missions are engaging in processes of co-creation with Indigenous Peoples who are stakeholders of USAID projects. Co-creation is a design approach that brings people together to collectively produce a mutually-valued outcome, using a participatory process that assumes some degree of shared power and decision-making. It is a time-limited process that focuses on generating a specific outcome. Co-creation is a technique that can be used at various points throughout the Program Cycle. A co-creation process goes beyond consultation to inform project design. Indigenous Peoples will be partners in the design, and perhaps even in implementation, of a project that will impact them. Consultation is an important initial step toward understanding how to partner with communities for a co-creation process.

Project Implementation. After a project has been awarded, and when specific project locations have been identified, it is critical for USAID and the successful applicant to engage Indigenous Peoples in additional consultation to inform them of the specific details of the project, obtain their guidance/input on specific activities, and ensure they agree with activities that will be conducted in their territories.

Consultations conducted as part of an SIA process continue over the life of a project to ensure that USAID and implementing partners can determine whether any mitigation measures are being effective and to be aware of the potential for unanticipated adverse impacts as they arise. Such consultations could be used as an important mechanism for USAID and the partner to maintain strong relations with affected communities over the life of the project.

Project Monitoring and Grievance Management. Consultations with Indigenous Peoples should be ongoing as part of project monitoring activities, including as a means to help adjust or re-align project objectives and activities over the course of implementation. Projects may also provide methods of grievance redress for individuals and communities who are project stakeholders to raise questions, concerns and problems, and receive a prompt response.

When should a USAID officer obtain the Free, Prior and Informed Consent (FPIC) of Indigenous Peoples to implement a project or activity?

- **Host Country Laws:** USAID officers should review the laws of the host country to determine if there is a requirement to obtain FPIC of Indigenous Peoples who are impacted by a project or activity. If such a requirement exists, then USAID officers must do so. This guidance is intended to assist missions in carrying out such requirements.

- **Rulings of Regional Human Rights Courts:** USAID should conduct an assessment of rulings by regional human rights courts to determine whether or not the court has previously held that Indigenous Peoples have the right to FPIC. If such a decision has been made, missions should then determine if the finding could be construed to entitle Indigenous Peoples who may be impacted by USAID programming to FPIC; this will likely be the case in Latin America and Africa.

- **ILO Convention 169:** If the host country has signed on to ILO 169, then the state is under an obligation to obtain the FPIC of Indigenous Peoples prior to engaging in an activity that could impact them, their territories, or their resources. Such countries may have domestic legislation that extends the obligation to obtain FPIC to non-state activities as well. It is also important to note that Indigenous Peoples in such countries may assume that all activities that will impact them or their territories require a social license obtained through FPIC processes.

- **When Indigenous Peoples have been identified pursuant to the USAID criteria, are project stakeholders, and are likely to be significantly impacted by the planned USAID project:** In instances where neither host country laws, regional courts, nor ILO Convention 169 creates a legal obligation to obtain FPIC, USAID missions will still have a strong interest in mitigating risks to investments by obtaining FPIC from Indigenous Peoples who will be significantly adversely impacted by planned programming.

What principles or international standards should be observed for obtaining FPIC?

- FPIC represents a higher threshold than simply partnering with communities, and ensures that Indigenous sovereignty is respected when there is potential for adverse impact. The UN Development Group (UNDG) Guidelines on Indigenous Peoples' Issues[3] provides the following "Elements of Free, Prior and Informed Consent" (UNDG 2008: p. 28):

  - **Free:** should imply no coercion, intimidation, or manipulation;

  - **Prior:** should imply consent has been sought sufficiently in advance of any authorization or commencement of activities and respect time requirements of Indigenous consultation/consensus processes;

  - **Informed:** should imply that information is provided that covers (at least) the following aspects: a. The nature, size, pace, reversibility, and scope of any proposed project or activity; b. The reason/s or purpose of the project and/or activity; c. The duration of the above; d. The locality of areas that will be affected; e. A preliminary assessment of the likely economic, social, cultural, and environmental impact, including potential risks and fair and equitable benefit sharing in a context that respects the precautionary principle; f. Personnel likely to be involved in the execution of the proposed project (including Indigenous Peoples, private sector staff, research institutions, government employees and others); and g. Procedures that the project may entail.

- **Consent:** Consultation and participation are crucial components of a consent process. Consultation should be undertaken in good faith. The parties should establish a dialogue allowing them to find appropriate solutions in an atmosphere of mutual respect in good faith, and full and equitable participation. Consultation requires time and an effective system for communicating among interest holders. Indigenous Peoples should be able to participate through their own freely-chosen representatives and customary or other institutions. The inclusion of a gender perspective and the participation of Indigenous women is essential, as well as participation of children and youth as appropriate. This process may include the option of withholding consent. Consent to any agreement should be interpreted as an indication that Indigenous Peoples have reasonably understood it.

Annex III, Supplement A: What international standards or principles should be observed when conducting consultations with Indigenous Peoples?

The below sections have been largely borrowed directly from existing source materials to illustrate the type of information that needs to be included in an annex to better guide our missions in undertaking meaningful consultations. A revised annex with original text drafted by USAID to address these points is forthcoming.

1. Basic principles of engagement with Indigenous Peoples

The following guidance is drawn from *Indigenous & Tribal peoples' Rights in Practice: A Guide to ILO Convention 169*, International Labor Organization, 2009

"With regards to the consultation process, the Convention provides a series of qualitative elements. Consultations with Indigenous Peoples shall be carried out:

- **Through representative institutions.** Prior to undertaking any consultations, the concerned communities have to identify the institutions that meet these requirements (see also section 4 on the respect for Indigenous institutions). With regards to determining representativeness, the ILO supervisory bodies have underlined that "the important thing is that they should be the result of a process carried out by the Indigenous Peoples themselves".) While acknowledging that this can be a difficult task in many circumstances, the ILO supervisory bodies further stressed that "if an appropriate consultation process is not developed with the Indigenous and tribal institutions or organizations that are truly representative of the communities affected, the resulting consultations will not comply with the requirements of the Convention".)

- **By supporting the development of Indigenous Peoples' own institutions and initiatives and also, where appropriate, providing these with the necessary resources.** This is particularly important given the fact that the legitimacy, capacity and resource base of most Indigenous Peoples' governance institutions have been undermined in discriminatory historical processes and there is thus an asymmetry in the relationship between Indigenous Peoples and the states.

- **In good faith and in a form appropriate to the circumstances.** This means that consultations should take place in a climate of mutual trust. In general, Governments need to recognize representative organizations, endeavor to reach an agreement, conduct genuine and constructive negotiations, avoid unjustified delays, comply with the agreements reached, and apply them in good faith. Governments also need to ensure Indigenous Peoples have all relevant information and that it can be fully understood by them. Sufficient time must be given to allow Indigenous Peoples to engage their own decision-making processes and participate effectively in decisions taken in a manner consistent with their cultural and social traditions.)

- **Through appropriate procedures.** Procedures are considered appropriate if they create favorable conditions for achieving agreement or consent to the proposed measures, independent of the result obtained.) General public hearing processes would not normally be sufficient. "The form and content of the consultation procedures and mechanisms need to allow the full expression of the viewpoints of the peoples concerned, in a timely manner and based on their full understanding of the issues involved, so they may be able to affect the outcome and a consensus could be achieved, and be undertaken in a manner that is acceptable to all parties.")

- **With a view to achieving agreement or consent.** In accordance with Article 6 of Convention No. 169, the objective of the consultation is to achieve agreement or consent. In other words, agreement or consent needs to be a goal of the parties, and genuine efforts need to be made to reach an agreement or achieve consent.

- **Periodic evaluation of the operation of the consultation mechanisms.** There should be a periodic evaluation of the operation of the consultation mechanisms, with the participation of the peoples concerned, with a view to continue to improve their effectiveness.)"

2. Helpful guidelines for conducting effective consultations

The following sections have been adapted from the *Consultation with Indian Tribes in the Section 106 Review Process: A Handbook*, Advisory Council on Historic Preservation, 2012 in order to better address the context of Indigenous Peoples in the countries where USAID works.

PRINCIPLES AND TIPS FOR SUCCESSFUL CONSULTATION

The key to success in any consultation relationship is building trust, having common goals, and remaining flexible. There is no "one size fits all" model for consultation with Indigenous Peoples—all groups are unique, and different undertakings present different challenges. There are, however, central principles that should be kept in mind when conducting consultations.

Respect is Essential

- Be respectful of Indigenous sovereignty

- Become aware of Indigenous conventions and protocols and follow them; respect their customs.

- Dress respectfully. Do not wear shorts, short skirts, sleeveless shirts, or shirts with plunging necklines to meetings. Check with your Indigenous contact as to appropriate dress for site visits or Indigenous events.

- Do not take photographs without obtaining permission first.

- Behavior you may perceive as normal may be insulting or offensive to others. For example, some peoples consider pointing one's finger to be offensive, and consider a gentle handshake a sign of respect instead of a sign of weakness. Consider Indigenous perspectives and values. When in doubt, ask respectfully.

- Indigenous leaders have many duties; be aware of this fact and do not demand that everyone adhere to your deadline. Instead, explain why your deadline exists, who set it, and why it is important. Above all, strive to be as flexible as possible. Look for ways to work cooperatively, because this is your undertaking and consultation is your responsibility.

- Be sensitive to time and costs. An Indigenous Peoples' community's lack of human and financial resources may impede its representatives' ability to respond quickly or travel to meetings. Make an effort to facilitate and support consultation with available agency resources.

- Do not voice your opinion on what is best for the community; that is for Indigenous leaders to determine.

- Be mindful of the significance of history. The of government or prior donor relations with Indigenous Peoples may color current perceptions and attitudes and cause distrust or suspicion. Take the time to learn about the unique history of the Indigenous Peoples you are consulting with.

Communication is Key

- Communicate with Indigenous representatives directly whenever possible—do not rely solely on emails. Follow up written correspondence with a phone call or in person. Create documentation of your communications, such as notes on the content of discussions, keep phone logs, etc.

- Do not expect quick answers. Indigenous officials may need time to consult with others, including community councils or the head of the Indigenous government. Make sure you understand the timelines for Indigenous decision-making

- Do not assume silence means concurrence; it could signal disagreement. Always verify views with the official Indigenous representative.

- Always ask Indigenous representatives about their preferred way of doing business and any specific tribal protocols for meetings. Be aware that the cultural norms of Indigenous citizens may be different from yours, and that each group has a unique culture and heritage.

- Do not assume everyone is the same. For example, traditional cultural authorities may sometimes have perspectives that differ from those of their Indigenous governments. It is important to listen to all consultation participants, but also to be sure that you understand the position of the Indigenous leadership on every issue.

- Develop points of contact through the Indigenous government/leadership structure. Do research ahead of time to find out whom you will be consulting with and their positions (if relevant), then make the effort to get to know them. Indigenous governments may consist of elected leadership, traditional leaders, and Indigenous administration (program managers, administrators, and staff).

- Be mindful of appropriate behaviors—be sure to demonstrate respect to Indigenous leaders just as you would to a leader of a foreign nation. Always show deference toward Indigenous elders and allow them plenty of time to speak first. Do not interrupt or raise your voice. Learn by observation and by talking to others. Again, when in doubt, ask respectfully.

Consultation: Early and Often

- Make sure you identify and initiate consultation with Indigenous Peoples' communities at the start of the planning process for your agency's undertaking.

- Suggest a process for consultation and discuss it with the community. Collaborate in a way that accommodates Indigenous protocols and schedules.

- Consider establishing a on-going working group that can provide continuity for future undertakings by your agency

- Focus on partnerships rather than on project-by-project coordination.

- Remember to document all correspondence, follow-up telephone calls, consultation meetings and visits to project sites. Be sure to include the content of your communications in your documentation.

- Find out if Indigenous leadership wants to receive additional copies of all the consultation materials and documentation that you are providing to the community's designated representative as part of your consultation.

- Ask Indigenous representatives to keep you up-to-date on any changes to postal or email addresses and contact information for new leadership.

Effective Meetings are a Primary Component of Successful Consultation

- Develop an understanding of the community's decision-making process and get to know its decision makers.

- Offer to go on-site with traditional authorities. Some people may be uncomfortable relying solely on maps, and site visits may stimulate consideration of alternatives.

- Do not create expectations or make commitments that you are unable or unwilling to fulfill.

- Do not set your own meeting agenda without consulting with Indigenous representatives to learn what they expect the process and substance to be. Indigenous groups may have their own ways of conducting meetings

- Inform representatives in advance of the meeting's goal and what needs to be accomplished in the time you have, so that participants can stay focused. Like you, Indigenous representatives are there to work and accomplish results.

- Give plenty of notice beforehand so that Indigenous representatives have adequate time to prepare. Provide participants with maps, hotel information, a list of all attendees, an agenda, and most importantly, complete project documentation.

3. Issues that Indigenous Peoples have identified as critical to assess and monitor over the life of a project (through SIA and related consultations)

The Akwé: Kon Guidelines are "voluntary guidelines for the conduct of cultural, environmental and social impact assessments regarding developments proposed to take place on, or which are likely to impact on, sacred sites and on lands and waters traditionally occupied or used by Indigenous and local communities."[2] The Guidelines were developed with Indigenous Peoples and reflect their priorities for successful engagement in the SIA process. It is important to consider the issues that they identified as most important to monitor over the lifetime of a project to help shape consultations, IDAs (see Annex IV) or SIAs that USAID and its implementing partners plan and conduct. These considerations can be combined with questions that are more geared towards understanding the development priorities of an Indigenous Peoples' community and identifying opportunities for inclusion of Indigenous knowledge and other resources into program design.

BASELINE STUDIES

In the conduct of baseline studies, the following areas should, inter alia, be addressed:

a. Demographic factors (number and age structure of population, ethnic grouping, population distribution and movement—including seasonal movements);

b. Housing and human settlements, including involuntary resettlement, expulsion of Indigenous Peoples from lands and involuntary sedentarization of mobile peoples;

c. Health status of the community (particular health problems/issues—availability of clean water—infectious and endemic diseases, nutritional deficiencies, life expectancy, use of traditional medicine, etc;

d. Levels of employment, areas of employment, skills (particularly traditional skills), education levels (including levels attained through informal and formal education processes), training, capacity-building requirements;

e. Level of infrastructure and services (medical services, transport, waste disposal, water supply, social amenities (or lack of) for recreation, etc.); Integration of Cultural, Environmental and Social Impact Assessments;

f. Level and distribution of income (including traditional systems of distribution of goods and services based on reciprocity, barter and exchange);

g. Asset distribution (e.g. land tenure arrangements, natural resource rights, ownership of other assets in terms of who has rights to income and other benefits);

h. Traditional systems of production (food, medicine, artifacts), including gender roles in such systems; and

i. Views of Indigenous and local communities regarding their future and ways to bring about future aspirations.

In particular, in relation to subsistence-based Indigenous and local communities, the following additional social factors should also be taken into consideration, including impacts thereon:

a. Traditional non-monetary systems of exchange such as hunting, barter and other forms of trade, including labor exchange;

b. Related economic and social relations;

c. Importance of gender roles and relations;

d. Traditional responsibilities and concepts of equity and equality in society; and

e. Traditional systems of sharing natural resources, including resources that have been hunted, collected or harvested.

ECONOMIC CONSIDERATIONS

Proposed developments on sacred sites and on lands and waters traditionally occupied or used by Indigenous and local communities should ensure that tangible benefits accrue to such communities, such as payment for environmental services, job creation within safe and hazard-free working environments, viable revenue from the levying of appropriate fees, access to markets and diversification

of income-generating (economic) opportunities for small and medium-sized businesses. In accordance with national legislation or relevant national regulations, Indigenous and local communities should be involved in the financial auditing processes of the developments in which they participate to ensure that the resources invested are used effectively.

POSSIBLE IMPACTS ON TRADITIONAL SYSTEMS OF LAND TENURE AND OTHER USES OF NATURAL RESOURCES

Developments that particularly involve changes to traditional practices for food production, or involve the introduction of commercial cultivation and harvesting of a particular wild species (e.g. to supply market demands for particular herbs, spices, medicinal plants, fish, fur or leather) may lead to pressures to restructure traditional systems of land tenure or expropriate land, and to pressures on the sustainable use of biological diversity, in order to accommodate new scales of production. The ramifications of these kinds of changes can be far-reaching and need to be properly assessed, taking into account the value systems of Indigenous and local communities. Likely impacts associated with the cultivation and/or commercial harvesting of wild species should also be assessed and addressed.

GENDER CONSIDERATIONS

In social impact assessments, there is a particular need to examine the potential impacts of a proposed development on women in the affected community with due regard to their role as providers of food and nurturers of family, community decision-makers and heads of households, as well as custodians of biodiversity and holders of particular elements of (gender-specific) traditional knowledge, innovations and practices.

GENERATIONAL CONSIDERATIONS

In any social impact assessment, the potential impact of a proposed development on all generations within a community should be examined. Of particular concern are the impacts that may potentially interfere with opportunities for elders to pass on their knowledge to youth, or which might render certain skills and traditional knowledge, innovations and practices redundant.

HEALTH AND SAFETY ASPECTS

In the impact assessment process, the health and safety aspects of the proposed development should be scrutinized. Safety aspects should include such risks as physical injury during construction, and health risks resulting from various forms of pollution, sexual exploitation, social disturbance, disruption to habitats of medicinal species, and use of chemicals, such as pesticides. Foreign workers should be screened for any infectious diseases for which local populations may have no immunity, or for which there is no evidence of infection within their communities.

EFFECTS ON SOCIAL COHESION

The impact assessment process should take into consideration the possible effects that a proposed development might have on the affected community and its people as a whole by ensuring that particular individuals or groups are not unjustly advantaged or disadvantaged to the detriment of the community as a result of the development.

4. Identifying who has legitimate claims to land or legal title for purposes of conducting consultations or obtaining FPIC

Determining whether and which stakeholders have legitimate claims to land is often a sensitive and difficult task. For the purpose of identifying Indigenous Peoples with whom USAID should consult, it is helpful to review guidance issued by the International Council on Mining and Metals (ICMM), which has invested significant resources in understanding these issues to mitigate and prevent the conflicts that arise when their private sector members get it wrong. The large scale of mining investments often warrants more extensive analysis. USAID officers must use their discretion in determining the adequate level of due diligence that will limit USAID's financial and reputational risk.

The following section is taken directly from Chapter 3, "Laying the Ground Work" in the ICMM's *Good Practice Guide on Indigenous Peoples and Mining*:

ASCERTAINING CUSTOMARY LAND OWNERSHIP AND USE

Where there is a legal regime that recognizes customary ownership in some form of rights over land, it may be possible to ascertain relatively quickly which Indigenous groups, if any, have a connection to the land on which exploration or mining is proposed, as the claims of these groups may already have been recorded and recognized. In many instances, however, there will not be a readily accessible source of information about who has, or who has claimed, title or usage rights over the land. It will be important, therefore, to carry out an appropriate due diligence process that would include a review of recent court decisions in order to fully understand the status of land ownership and claims and for this purpose, companies are likely to find that they will need to obtain local expert advice.

In some Indigenous societies, Indigenous Peoples occupying and using the land may not be the Indigenous owners. However, both classes of people have traditional rights and responsibilities that need to be recognized and taken into account. Some questions that will assist companies to determine whether Indigenous Peoples are connected to an area are:

- Do Indigenous Peoples currently inhabit the land?

- Is the land used by Indigenous Peoples to support traditional livelihoods (e.g. nomadic grazing, harvesting, fishing, hunting, utilization of forest resources)?

- Is the land accessed (or avoided) for cultural purposes, or has it been in the past (e.g. religious ceremonies, festivals)?

- Is there evidence that Indigenous Peoples have inhabited or used the land in the past?

After initial engagement with local community representatives, guidance should be sought as to which national, regional and local representative organizations may assist in collecting relevant information. Other suggested actions are to:

- consult with representatives of government agencies, international organizations and NGOs, and local or international researchers that are working, or have worked in the area

- undertake desktop research to ascertain if any historical, anthropological or archaeological studies of the area have been undertaken

- seek the advice of any other companies or organizations that already have a presence in or near the area.

A social mapping study (see below) may also clarify the situation in relation to traditional ownership and use.

DEALING WITH COMPETING, OVERLAPPING AND ADJOINING CLAIMS

Sometimes, more than one group may claim customary ownership over an area, or part of an area, or there may be disputes between groups over boundaries. These issues are most likely to arise where there has been intermingling of groups as a result of displacement and internal migration, or people have moved away from their traditional lands to new areas.

It can be tempting for companies in these circumstances to favor whichever group is more co-operative and supportive of mining, but this path is fraught with difficulties. Such a response could result in a group that potentially has a legitimate claim to an area being excluded from discussions and negotiations, which might develop into a dispute between the company and that group. Reacting in this way is also likely to cause or exacerbate tension between the relevant groups themselves and intensify opposition to mining from those who have been excluded.

Good practice in these cases is to adopt an inclusive approach and assume that claims from different groups are valid until shown otherwise. Also, where there are conflicts and disagreements between groups, companies should look for opportunities to assist groups to resolve their differences (e.g. by helping to identify a mediator, or perhaps offering to fund one) rather than leaving it to "the law" to run its course.

Another situation that may arise is where a project and related infrastructure (such as pipelines and railways) crosses over the land of different traditional owner groups, or otherwise impacts on these lands (as in the case of a watershed, for example). In these cases, good practice is for companies to be consistent and transparent in their dealings with all impacted groups.

DEALING WITH DISCONNECTION

In some countries, sections of the Indigenous population have become disconnected, both materially and culturally, from their traditional lands as a result of expropriation, discrimination, economic exploitation, migration and the wider impacts of social and economic change. One consequence is that there may be Indigenous groups living in the vicinity of an area of interest to a mining company who may not necessarily be regarded as the traditional owners of this land, but who might nonetheless be considered "local." This can arise, for example, where a group has migrated from one part of the country to another, in response to the loss of their traditional lands, or where they have been relocated into a government-controlled settlement or a mission.

If these groups live on land that is, or is likely to be, affected by mining or are reliant on it for their livelihoods, their support should still be sought and they are entitled to be compensated fairly for any loss of access, use or amenity. Dispossessed Indigenous Peoples are often in considerable distress, having lost their connection to their traditional land. These groups will have distinct opinions on how they would like to be considered in any project design, particularly around impact management and benefit-sharing arrangements.

The reverse situation can apply where the traditional/customary owners of the land where the mining project is to take place have themselves been displaced and now live away from their lands. These groups also need to be engaged with and their concerns and aspirations taken into account, particularly where they still maintain some connection to the land.

5. Additional Resource

a. *Respecting Free, Prior and Informed Consent: Practical Guidance for Governments, companies, NGOs, indigenous peoples and local communities in relation to land acquisition.* Food and Agriculture Organization of the United Nations, 2014. This guide is intended to support use of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of national Food Security. Although this appears to be a guide for determining land tenure, it is much more broadly applicable for identifying who should be included in consultation and FPIC processes and how they should be engaged. The guide can be found here:

Of particular relevance are the following chapters:

i. Identifying rights-holders (p. 16)

ii. Mapping claims to and uses of land (p. 20)

iii. Identifying decision-making institutions and representatives (p. 25)

iv. Carrying out iterative consultations and information-sharing (p. 28)

v. Reaching agreement and making it effective (p. 34)

Endnotes to Annex III

[1] Annex IV. And USAID's Additional Help for ADS 201.

[2] Akwé: Kon Guidelines, Secretariat for the
   Convention on Biological Diversity, available at:
   https://www.cbd.int/doc/publications/akwe-brochure-en.pdf.

[3] Available at: https://undg.org/document/the-united-nations-
   development-groups-guidelines-on-indigenous-peoples-issues/.

Annex IV. Inclusive Development Analysis[*]

Inclusive Development Analysis is one of the most important tools for including marginalized groups across the program cycle. This section outlines what Inclusive Development Analysis is, how it is related to Gender Analysis, when to conduct an analysis, and promising practices to consider when conducting the analysis.

The Standard Inclusive Development Analysis has been modified to more directly address Indigenous Peoples issues by providing guidance on identification of Indigenous Peoples and guidance for identifying vulnerabilities that are common among Indigenous Peoples such as security of collective land title or existence of national laws on Free, Prior and Informed Consent (FPIC). This analysis also provides guidance on understanding the impact of a determination that a group is or is not Indigenous (including the legal and political landscape and incentives for recognition or non-recognition). This Analysis will also assist in mapping the social and political structures within an Indigenous Peoples' community, which are critically important in identifying the legitimate representatives of an Indigenous Peoples' community and their traditional decision-making structures or processes. The Analysis also offers a conflict sensitive approach that can take into account the drivers of conflicts involving Indigenous Peoples.

A. What is Inclusive Development Analysis?

1. Inclusive Development Analysis is an analytic tool that helps to map the context in which marginalized people exist by: 1) identifying, understanding, and explaining gaps that exist between persons of marginalized groups and the general population and to consider differential impacts of policies and programs; 2) identifying structural barriers and processes that exclude certain people from participating fully in society and development programs; 3) examining differences in access to assets, resources, opportunities,

and services; and 4) leading to specific recommendations on how to include marginalized groups in development programs and designing these programs to reduce deprivations and to empower marginalized groups.

2. Inclusive Development Analysis can strengthen programming by: 1) providing information on how to include marginalized groups to deepen and sustain program impact and improve development outcomes; 2) creating a framework for identifying opportunities that exist when excluded groups are included in the design process; 3) identifying local knowledge that can be incorporated into programs; and 4) determining whether it is feasible to partner with marginalized groups and how such partnerships could work.

3. Inclusive Development Analysis is an important first step in program design and can be a standalone analysis and/or part of other analyses such as Gender Analysis, Political Economy Analysis, or 5Rs (Results, Resources, Roles, Relationships, Rules) Analysis.[1]

The worksheet in Annex I helps identify important issues that are relevant to Inclusive Development Analysis. While the completion of the worksheet is not the same as Inclusive Development Analysis itself, it helps keep track of key points identified in the Desk Review, key questions the analysis should address, and key data that should be collected. The final analysis should be a detailed report that can be referenced and referred to throughout the development of subsequent strategies/projects/activities.

B. How is Inclusive Development Analysis Related to Gender Analysis?

Gender Analysis[2] is a "social science tool used to identify, understand, and explain gaps between males and females that exist in households, communities, and countries."

Opposite page: KENYA: A Samburu Woman.

ADS 205 requires Gender Analysis for CDCSs and projects (and in some cases activities) and acknowledges that analysis "should not treat men and women as monolithic categories" but rather should consider "other characteristics."[3] For example, an Indigenous woman from a rural village will have a different lived experience than a woman from a majority ethnic group in an urban community. These differences could impact whether a single intervention to address women's empowerment could appropriately and effectively address two very different sets of development challenges. Expanding Gender Analysis at the country/strategy, project, or activity level is one way to incorporate an inclusive development lens in the program design process. For example, rather than simply presenting broad categorical differences between women and men, the Gender Analysis could also address the relationship between gender and other characteristics (*i.e.*, age, disability status, caste, sexual orientation, and ethnic/religious affiliation). Although the analysis would still be focused on gender, it would provide valuable information on the inclusive development challenges, and guide inclusion of marginalized groups in USAID programs and design processes.

In many cases, missions and OUs may wish to conduct a standalone Inclusive Development Analysis to better understand the lived experiences of people from marginalized groups. Although USAID has no standardized approach to carrying out Inclusive Development Analysis, the Agency's approach to Gender Analysis is a useful framework. The "domains model" of Gender Analysis[4] applies to any marginalized group and can be used to develop the key questions to ask while carrying out Inclusive Development Analysis.

C. What Information Should Inclusive Development Analysis Provide?

Inclusive Development Analysis should examine constraints, opportunities, and entry points for narrowing social gaps and empowering marginalized groups. Most importantly, it should provide specific recommendations, based on the findings of the analysis, on how to address the needs of marginalized groups through USAID programming, and how to partner with such groups in developing solutions that align with the development priorities of local communities, thereby ensuring greater buy-in and more sustainable outcomes.

Inclusive Development Analysis should attempt to identify:

- Who are stakeholders of the proposed program or activity?

- Which groups of stakeholders face exclusion, stigma, and discrimination?

- What does identity-based inequality look like in the area where the project will be conducted? In the country?

- Do marginalized groups have limited or less access to assets, resources, opportunities, or services compared to the general populations? If so, how?

- What are the structural barriers faced by marginalized groups that might prevent them from participating in USAID programs or fully realizing program benefits?

- What are the social, political, and/or economic drivers of marginalization in the project area (or in the country)? What are the barriers imposed by formal and informal institutions, norms, policies, and attitudes that marginalize different groups?

- Who is driving marginalization or exclusion? Who is an advocate or champion for inclusion? Why are these key actors motivated to drive or mitigate marginalization? How are they using their influence for their respective purposes?

- Are marginalized groups at risk for being adversely impacted by USAID's efforts? If so, how? How can programs be designed to minimize unintended negative impacts?

- What opportunities exist to bolster inclusion and address the needs of marginalized groups through USAID's efforts?

- What are potential benefits to the program of partnering with marginalized groups in program design? Is partnership feasible for activities envisioned under the program?

D. When Should Inclusive Development Analysis be Conducted?

Conducting Inclusive Development Analysis is an important step in mainstreaming inclusive development considerations across USAID programs. Inclusive Development Analysis can be conducted any time an OU believes that there are marginalized groups among program stakeholders and seeks to analyze the inequalities or exclusions faced by marginalized groups. The results from the analysis will likely reveal critical barriers to participation that need to be overcome, previously overlooked opportunities for enhanced programming outcomes, and/or potential unintended negative impacts of proposed activities. For the information from this analysis to be most useful, the results should be integrated into and reflected in CDCSs, PADs, and activity designs.

There are several times in the Program Cycle when Inclusive Development Analysis is most useful:

1. **Strategic Planning:** Plan Inclusive Development Analysis during Phase One of the CDCS process and conduct it during Phase Two (see ADS 201.3.2.9).

2. **Project Design:** Plan Inclusive Development Analysis during Phase One of the Project Design process, incorporate it into the project design plan (PDP) (ADS 201.3.3.12), and finalize it during Phase Two: Project Design (ADS 201.3.3.13).

3. **Activity Design:** Conduct Inclusive Development Analysis during the design of a new Activity (ADS 201.3.4.5, ADS 203.3.5).

4. **Mid-Project Evaluation:** If a mid-project evaluation reveals that inclusion issues are not being addressed, conduct Inclusive Development Analysis to improve inclusion in the project and enhance the project performance (see Section VI D for additional guidance).

5. **Other Analyses:** Inclusive Development Analysis may be carried out as part of other analyses such as Gender Analysis and Political Economy Analysis (see Annex VI).

E. What are Promising Practices for Conducting Inclusive Development Analysis?

1. Apply the "six domains"

The "six domains" framework can be used to identify questions that will reveal areas in which marginalized groups are disadvantaged or disempowered, as well as opportunities for partnering with marginalized populations or entry points for empowerment.[5] Inclusive Development Analysis should address as many of these domains as possible.

1. **Laws, policies, regulations, and institutional practices:** Laws include formal statutory laws and informal and customary legal systems. Policies, regulations, and institutional practices include formal and informal rules, procedures, and processes. Inclusive Development Analysis should identify the extent to which laws, policies, regulations, and institutional practices contain explicit or implicit bias against marginalized groups (e.g., explicit legal provisions that treat included groups and marginalized groups differently; differential impacts of laws, policies, regulations, and practices on marginalized groups).

2. **Cultural norms and beliefs:** Every society has cultural norms and beliefs about appropriate qualities and aspirations for individuals. This domain includes how people behave and interpret aspects of their lives differently depending on their social identity. The Inclusive Development Analysis should identify what the cultural norms, beliefs, and perceptions are for marginalized groups and how they influence the behavior of individuals from marginalized groups and the general population. Elements of cultural stereotypes toward members of marginalized groups should be identified. Cultural practices should also be addressed to determine if and how they could be relevant to advancing program objectives, particularly in connection with practices relating to conflict mitigation or environmental management.

3. **Roles, responsibilities, and time use:** Life roles and responsibilities vary based on an individual's identities. Examination of time use includes how individuals allocate their time, including in paid work, unpaid work in and outside of the home, and in the community, as well as the ways in which this allocation of time impacts availability to participate in USAID projects/activities. The Inclusive Development Analysis should consider how individuals from marginalized groups spend their time, the types of activities and practices they participate in, and how their roles and responsibilities may impact their ability or desire to engage in development activities. Consider whether individuals belong to groups or associations that may be interested in partnering with USAID or whether communities themselves express interest. It is important not to raise expectations of assistance in this line of inquiry.

4. **Patterns of power and decision making:** This domain considers the ability and capacity of people to decide, influence, and exercise control over material, human, intellectual, and financial resources in the family, community, and country, free of coercion. Examination of this domain should include whether people from marginalized groups are able to make and act on decisions about their lives including their bodies, children, occupations, household/community affairs, voting, running for office, entering into contracts, and moving about and associating with others. The Inclusive Development Analysis should examine these patterns and identify the ways in which people from marginalized groups may be disempowered. This is an important domain to help identify entry points for empowerment as well.

5. **Access to and control over assets and resources:** This domain refers to being able to own and/or have the access/capacity to use productive resources: assets (communal or individually titled land, housing), income, social benefits (social insurance, pensions), public services (health, water), technology, and information necessary to be fully active and productive in society. The Inclusive Development Analysis should examine the differences in the capability of individuals from included and marginalized groups to access, use, and/or control these assets. Lack of access to or control over assets is one of the key ways that members of marginalized groups are disadvantaged.

6. **Personal safety and security:**[6] This domain considers the ability of individuals to live a life free from discrimination, danger, and violence based on characteristics of personal identity. How a country prevents and addresses such violence should also be examined. The Inclusive Development Analysis should identify whether and to what extent members of marginalized groups experience identity-based violence or threats to personal security and should examine how governments, civil society organizations (CSOs), communities, and others seek to prevent and respond to such violence including by providing services to victims. The safety of marginalized groups should also be considered in situations of crisis and conflict (including natural disasters), in which not all groups may be equal recipients of humanitarian assistance or other forms of aid.

Depending on the size of each group and the degree to which project activities may impact each of them in distinct ways, OUs may consider analyzing the six domains for each marginalized group. For example, a decentralization project would want to consider the six domains in connection with Indigenous Peoples separately from other ethnic minority groups, as Indigenous Peoples may have a different relationship with the state than non-Indigenous groups. It is important to recognize that an individual may have more than one identity, and their needs or challenges may be captured under different Inclusive Development Analyses (e.g., an analysis of Indigenous Peoples may touch on gender or disability issues). Therefore it is critical to apply findings from different Inclusive Development Analysis reports in designing an intervention for a particular sub-population.

The six domains help frame the questions used throughout Inclusive Development Analysis and indicate the types of information that should be collected (*i.e.*, in the Desk Review, stakeholder engagement). Not every domain will be relevant to every analysis and the challenges of every marginalized group. See Annex V for suggested questions for each domain.

2. Perform a Desk Review to identify marginalized groups and key drivers of marginalization

Inclusive development challenges are unique to each country. Marginalized groups and the challenges they face vary by country.[7] A successful Inclusive Development Analysis should begin with a thorough Desk Review to understand which groups are marginalized and the key drivers of marginalization.

To get a broad view of the exclusion and discrimination facing particular groups, start a Desk Review by reviewing general sources that provide a holistic view of the country's challenges and opportunities. Consider using the Inclusive Development Analysis matrix (Annex IV) to organize key questions (Annex V) and findings to ensure that all six domains are addressed.

A. RESOURCES FOR THE DESK REVIEW (NON-EXHAUSTIVE)

- **U.S. Department of State Human Rights Reports** provide an overview of exclusion and discrimination faced by particular groups. The most relevant parts are Section 2 (assessments on the status of refugees, internally displaced persons, and stateless individuals) and Section 6 (a survey of discrimination and abuse).

- **U.S. Department of State Trafficking In Persons Report Country Narratives** outline which populations are most vulnerable to trafficking and the specific environments and economic sectors within which they are victimized.

- **Universal Periodic Review (UPR) Reports** review the human rights records of individual United Nations member states. In the review, states declare what actions they have taken to improve their human rights situation. Local CSOs contribute by providing reports on human rights abuses, exclusion, and discrimination (found in the Summary of Stakeholders' Information).

- **National Human Rights Institution (NHRI) Reports**[8] may help identify the needs and issues of particular marginalized groups.

- **Country reports from national and international NGOs** that monitor human rights violations (*i.e.*, Human Rights Watch, Amnesty International, Minority Rights Group, Freedom House) provide broad assessments that cover multiple identity groups and may help underscore, contextualize, and prioritize the needs of marginalized groups in a particular context.

- **Reports from local NGOs that represent a particular marginalized group** (*i.e.*, annual reports, research reports, UPR "shadow reports") may provide the most detailed content regarding the issues faced by specific marginalized groups.

- **Media reports** often complement and contextualize the above reports with specific examples.

- **Census data and statistics** from a country's national statistical bureau[9] and other official national and regional-level data and statistics may help quantify issues of marginalization.

- **Academic reviews and research papers** may help illuminate current and historical social dynamics and trends.

- **Reports by other donors and multilateral organizations.**

3. Engage stakeholders

Direct engagement with potential project stakeholders is a critical means of collecting information for Inclusive Development Analysis. After identifying potential project stakeholders and marginalized groups in the Desk Review, the next step should be to gain a more targeted understanding of the challenges and needs of those groups and the drivers of marginalization.

Effective stakeholder engagement should be a broad, inclusive, and continuous process to engage people and groups that are affected by USAID programming, as well as those who may have interests in a program and/or the ability to influence its outcome. Stakeholder engagement can enhance the effectiveness and accountability of the program, and reduce unintended negative consequences.

If undertaken in a transparent and balanced manner it can reduce conflicts, strengthen local ownership, and enhance sustainability.

The most important tools for engaging with stakeholders are consultations and in-person interviews with CSOs or marginalized groups themselves. Aligned with the principle of "do nothing about them without them," stakeholder engagement should focus on direct outreach and engagement with local CSOs "of, by, and for" particular communities, as well as members of those communities. Consultations may also include other donors, local academic institutions, and think tanks. Engagement should involve as many consultations, conversations, and meetings in person or by phone as is reasonable for the mission's capacity. This should include engagement with potential participants in USAID programming or impacted communities, such as individuals from marginalized groups, community leaders, business leaders, politicians, religious leaders, government representatives, activists, and others that may influence development outcomes.

The information collected through stakeholder engagement should follow the six domains of analysis. Prior to scheduling meetings, prepare a list of questions that can provide knowledge and insight into the inclusion barriers, inequalities, challenges, and opportunities identified through the Desk Review. The Inclusive Development Analysis matrix in Annex IV helps outline and plan questions that can be asked of stakeholders. Then use the information to identify ways that inclusive approaches can maximize impact and minimize exclusion and marginalization.

4. Conduct further analysis

If Inclusive Development Analysis identifies development priorities, needs, challenges, or opportunities that are not fully developed in the report, an OU may want to conduct additional group-specific analyses—such as those that address persons with disabilities, Indigenous Peoples, LGBTI people, ethnic minorities, religious minorities, people in lower castes, and youth. In some cases it may be appropriate to include further analyses as a requirement in the program description or scope of work for an implementing partner. See Annex III for a list of guidance and tools that may provide group-specific questions for deeper analysis.

CONSULTATIONS WITH STAKEHOLDERS

Consultations are a mechanism through which USAID or an implementing partner may convene a group of project stakeholders to engage in discussions at any time during the Program Cycle. During Inclusive Development Analysis, consultations provide an important way to engage with marginalized groups to discuss their perceptions of the drivers of marginalization, their development needs and priorities, and other elements of the six domains. Consultations can also help to identify risks of adverse impacts and opportunities to deepen program outcomes through partnering with these groups. During activity design, consultations can serve as an important tool for determining whether a proposed intervention is appropriate for marginalized stakeholders and they will provide necessary information to target those activities for maximum impact. During implementation, consultations enable program managers to gather feedback on project performance, and make adjustments as necessary. The Stakeholder Engagement in the Environmental and Social Impact Assessment (ESIA) Process guidance document outlines promising practices for conducting stakeholder engagement as part of an ESIA. While developed in connection with environmental assessments, the ESIA provides valuable guidance for discerning those stakeholders that are critical to both deepening and sustaining impact, as well as avoiding potential negative impacts. See USAID's Consultations Handbook for additional guidance on conducting effective consultations.

Endnotes

[1] Additional analyses could include Problem Analysis, SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis, Systems Mapping, Social Network Analysis, Causal Loop Diagrams, and Rich Picture Analysis.

[2] See ADS 205: Integrating Gender Equality and Female Empowerment in USAID's Program Cycle.

[3] See ADS 205.3.2.

[4] Ibid.

[5] The first five of these domains are required for Gender Analysis and are described in more detail in ADS 205.3.2.

[6] This domain is not included in the five domains of Gender Analysis (ADS 205.3.2) but is included here as personal safety and security issues are often cited as the top concern of marginalized groups.

[7] Some marginalized groups (*i.e.*, women and girls, persons with disability, LGBTI, ethnic minorities, religious minorities, youth) are found in every country, but the degree to which they are included in society and the challenges they face vary by country.

[8] NHRIs are typically independent/autonomous state bodies with a mission of protecting and promoting human rights. Consider the independence and credibility level of an NHRI when reviewing its reports.

[9] This bureau may not exist in every country. As data quality varies by country, try to confirm this data with other sources.

[10] The ESIA document is referenced here because it contains guidance on conducting successful stakeholder engagement. This Additional Help document is not necessarily suggesting conducting an ESIA for a project.

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