Distinguished Delegates, Ladies and Gentlemen, I am delighted to be here today and special thanks to the Government of China for hosting us, and to the organizers of this conference.

There are an estimated 370 million indigenous peoples worldwide. They are 5% of the world’s population, but represent 15% of the world’s poor. In China as well, government figures show absolute poverty rates among ethnic minorities three times the national average. Put simply, indigenous people and ethnic minorities are among the poorest in the world.

Ethnic minorities in China, tribal people in India, hill people in Bangladesh, and indigenous peoples all over the world generally live in fragile ecosystems that are vulnerable to environmental degradation and climate change. In much of Asia they reside in mountain areas and uplands that lack infrastructure and social services. In many countries their cultures and socio-political systems are not acknowledged, and their institutions suffer from limited capacity and autonomy. Powerful economic actors encroach upon their territories. This threatens not only their livelihoods but also their capacity to act as stewards of biodiversity. Indigenous women are especially vulnerable to poverty and to many forms of exploitation.

Addressing the particular needs of these marginalized groups in poverty reduction efforts is an important policy challenge. Meeting it requires us, first, to recognize the heterogeneity of poverty and, second, to build on the strengths and values of these peoples, including their capacity to act as stewards of cultural and biological diversity.

Recognizing the heterogeneity of poverty is important because different poor people face different forms of disempowerment and marginalization. For ethnic minorities and indigenous peoples, these forms may be different from those of the majority in their societies.

Building on the strength and values of ethnic minorities and indigenous peoples is important because it enables them to pursue their own developmental goals rather than those imposed by others. It means enabling them to overcome poverty while, at the same time, they continue to act as stewards of biodiversity, preserving their unique cultural heritages. We must listen to indigenous peoples, both women and men, and involve them in decisions that affect them.

Indigenous peoples and ethnic minorities are often marginal players in decision-making about development and rarely have a strong voice in Governments’ overall poverty strategies. This is changing though more slowly than it should. Several international and national policy institutions now focus on indigenous peoples and ethnic minorities. Within the UN, these include the Permanent Forum on Indigenous Issues and an Inter-Agency Support Group for Indigenous Issues.
A great step forward was taken last month with the adoption by the UN General Assembly of the Declaration\(^1\) on the Rights of Indigenous People. We welcome the adoption of the Declaration, which states among other things the right of Indigenous Peoples to determine priorities and strategies to their own development.” As the Secretary General said, “this marks a historic moment when UN Member States and indigenous peoples reconciled with their painful histories and resolved to move forward together on the path of human rights, justice and development for all”.

We have a platform providing just this There are many good examples of successful approaches to working with ethnic minorities and indigenous peoples to help them overcome poverty.

Let me give you some examples of what we, in IFAD have learned about effective development approaches from our experience of working together with our partners among ethnic minorities, their organizations, and governments.

First of all, we have learned that indigenous peoples and ethnic minorities can often **increase their incomes by diversifying their sources of food and income**. This can involve crop diversification, agricultural productivity enhancement, microfinance, support to micro-enterprises, and alternative income generation opportunities like ecotourism and processing of medicinal products. For instance, crop diversification into tea, coffee, cash-crop trees, organic farming, and horticultural production has served to increase household incomes by up to 43% among minorities in mountain areas in China. Research and development for the production and marketing of high-value non-timber forest products has led to similar results in Laos. This is the difference between grinding poverty and a decent life.

Support to indigenous women micro-entrepreneurs has proved a very effective way not only to support women’s economic empowerment but also to increase household incomes in many countries in Latin America and Asia. Improved access to financial services is an important ingredient of livelihood diversification efforts.

**A second lesson is that support for access to markets can pay impressive dividends**, as we have seen through the experience of tea producers in the Yunnan-Simao in China and of gatherers of non-traditional forest products in Nepal. The results of this kind of initiative can be very impressive: for example, in Quinohai-Hainan, China, ethnic minorities doubled their incomes in five years when they had access to financial services to help them get better access to markets for their animal products. Some 45,000 households have benefited, of which about 60% are Tibetan and Hui ethnic minorities. On average household income increased by 25% when compared with similar households who did not participate in the project. Again the difference between grinding poverty and a decent life.

Thirdly, we have learned that **it is very important to protect and strengthen the access rights of ethnic minorities and indigenous peoples to natural resources**. Programmes in which rural communities, governments, and IFAD have joined forces have facilitated the recognition or protection of these rights -both collective and individual - through demarcation of ancestral lands, forests, and water sources, support to more gender-equal entitlements, and advocacy.

In India, programmes have included the titling of tribal hill lands and facilitating access to land rights by women in the State of Orissa, and support to the government definition and protection of tribal land rights in Andhra Pradesh. Some 17,175 land titles, registered in the names of both husband and wife, were distributed to 6837 tribal peoples in 236 villages. The provision of land rights opened up new opportunities for income-generation (e.g. horticulture and small livestock raising). It also

\[^1\] 144 votes in favour; 4 votes against, (USA, Australia, Canada and New Zealand); 11 abstentions. Among Asian countries only Bangladesh abstained, 28 Asian countries voted in favour, including China.
promoted sounder environmental management practices since the new landowners generally ended previous shifting cultivation practices.

In the Cordillera highlands in the Philippines, participatory mapping of resources by indigenous communities has been supported through traditional and modern methods. In Nepal, indigenous communities, and more particularly women, have successfully engaged in forest rehabilitation and biodiversity management thanks to a programme involving 40-year-long leasehold arrangements combined with training. The achievements of this kind of initiative include better management of natural resources and protection of biodiversity, reforestation, more secure women's access to resources, and reduced conflicts between ethnic minorities.

Fourthly, we have also learned the value of 

**strengthening local and traditional governance institutions** to empower people and to improve the sustainability of programmes. In the Ngobe-Buglé territory in Panama, indigenous leaders have participated successfully in a project steering committee and trained in planning and administration, creating human and social capital that sustained the Ngobe-Buglé Comarca after its legal recognition. In India, the creation of tribal community-based planning and management institutions has not only led to social empowerment, but also influenced government policy towards greater grassroots participation.

And finally, we have learned the benefit of 

**building on local knowledge**. In India's state of Andhra Pradesh, modern techniques and tribal knowledge have been brought together to develop innovative non-timber forest products such as gum *karaya*, clearing-nuts2, neem, and others. Within a short period, the quality of the gum karaya improved and prices rose by up to 250 percent while four value-added by-products were developed including powder, granules, cream and gel. The gum *karaya* initiative was a major source of income for almost 12,000 tribal peoples and an important source of employment for tribal women.

IFAD has also funded an initiative by the International Centre for Research in Agroforestry to test mechanisms to reward uplands ethnic minorities for environmental services, particularly watershed services and carbon sequestration.

Indigenous knowledge about medicinal plants or underutilized plant species has also been utilized and capitalized on with very powerful effects both in local programs and by cultivating fair national and international value chains, always with the joint participation of local communities, governments, donors, and other partners such as the private sector and NGOs.

All these experiences are most successful and sustainable when participation of ethnic minorities is based on the most important principle of free prior and informed consent enshrined in the Declaration. This is essential to full ownership of projects by indigenous communities.

Ladies and gentlemen, a strong participatory development approach is necessary, but it is not sufficient. In addition, we need to build further on the principle of "development with identity," which recognizes that cultural distinctiveness is part and parcel of the developmental capabilities of each people.

Many IFAD-supported programmes promote the socio-cultural and political empowerment of ethnic minorities. This has taken different forms, from promoting intercultural education in the Mindanao project in the Philippines, to encouraging the use of indigenous languages and dress in competitions for project services in Peru. In the Amazon Basin, IFAD's work with PRAIA has empowered indigenous communities to design 140 small programmes combining economic activities

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2 Strychnos potatorum. Through research and development new products were developed from the "clearing nut", including a derivative that can substitute the water-purifying agents Alum and Natfloc-2200. The bioflocculant extracted from this nut is also used to clean nuclear waste.
and cultural valorization. We all should focus more on promoting innovative programmes that build on the cultural systems and input of ethnic minorities.

This will be important as we take action and help indigenous peoples to act on climate change. While poor people, including ethnic minorities and indigenous peoples, are among those least responsible for the problem, they are often the most vulnerable. We must help them to adapt to the change that is happening. And we must also recognize that they can also be part of the solution, due to their knowledge of how to manage their environments sustainably. IFAD and the International Food Policy Research Institute (IFPRI), through our strategic partnership, are discussing how to help poor rural people, including indigenous peoples and ethnic minorities, to benefit economically from storing carbon on their lands in the interest of all humanity.

Ladies and gentlemen, as I noted some months ago, while opening a workshop on the Assessment of the First International Decade of Indigenous Peoples in Asia, I believe that development strategies with ethnic minorities need to be guided by a holistic vision that includes economic growth, empowerment, sustainable management of natural resources, and recognition and protection of social, economic, and cultural rights.

To implement this vision, we must recognize that enabling poor indigenous peoples and ethnic minorities to escape poverty requires respect for their rights, respect for their culture and traditions, and respect for their aspirations to control their own destiny.