

Climate Finance & Indigenous Peoples

Lessons from the UNDP-GCF portfolio in the forest & land sector

INFORMATION NOTE

Prepared by the Forest, Land Use, and Food Systems team | Planet Hub | UNDP | May 2026

BACKGROUND

This information note compiles UNDP's experience engaging with Indigenous Peoples (IPs) in GCF-funded programmes for sustainable forest and land management in Africa, Asia, and Latin America. It illustrates how climate finance can drive inclusive governance, land tenure rights, and access to finance for IPs. This experience can inform the effort by the GCF Secretariat and Indigenous leaders to enhance the operationalization of the GCF's policy on IPs, scoping specific instruments to better align the GCF investments and reinforce IPs' critical role in climate action.

The note is based on the experience of six national climate programmes in the forest and land sector, financed by the GCF and implemented by UNDP in Brazil, Colombia, Costa Rica, Ecuador, Ghana, and Indonesia. These climate action programmes include both mitigation and adaptation efforts, while the note focuses on the insights of REDD+ implementation (a Paris Agreement forest and land-use incentive-based policy approach, included in its Article 5). The note is structured in three sections: enabling conditions; impacts & lessons; and highlights from country experience.

ENABLING CONDITIONS

Policy & Institutional Framework

Effective partnership with IPs starts by recognizing and implementing the international policy framework on the rights of IPs, which includes the provisions on Free, Prior, and Informed Consent (FPIC) by the ILO and the UN Declaration on the Rights of IPs (UNRIP). For REDD+, this is completed by the application of the UNFCCC Cancun Safeguards on REDD+ (2010). In addition, multilateral organizations have specific policies and procedures with regards to IPs: e.g. the GCF Policy on IPs (2018) and the UNDP' Social and Environmental Standards, which are considered exemplary in terms of implementation practice. The national policy framework in each country further complements and orients the above international frameworks.

The critical role of Indigenous Peoples in climate action

IPs are the primary guardians of forest territories, which provide fundamental ecosystem services, such as biodiversity conservation, water regulation, and climate mitigation. Supporting IPs is therefore indispensable for sustainable forest & land management, for REDD+ results, and for ecosystem-based adaptation. Protecting and restoring native forests ecosystems and their services are not only nature-based solutions for climate, but equally Indigenous-based solutions. Climate action should therefore capture this dual dimension. UNDP's experience, as described later in this note, shows that GCF-funded initiatives for forests in the above countries have been equally instrumental to catalyzing rights-based transformations in IPs' territories.

Enablers for the engagement of Indigenous Peoples

International climate finance initiatives materialize at the country level through the intervention of financial institutions and organizations, working in partnership with governments and local stakeholders. While many of these international entities hold and follow specific policies on IPs, there are also climate interventions that hold tailored provisions; for example, the REDD+ Cancun Safeguards include principles for the active engagement of IPs and for the full respect of their rights, from enacting policy (readiness) to implementation and results-based payments (RBP). In the REDD+ readiness process, countries put in place multi-stakeholder participatory platforms, with strong provisions to include IPs representation, which in turn inform the use of REDD+ proceeds (RBP).

Together, the existing international instruments and declarations on the rights of IPs, the specific IPs policies of multilateral financial institutions, the provisions of the UNFCCC on social and environmental safeguards, and the REDD+ readiness process have set a strong foundation to enable meaningful engagement of IPs on the implementation of climate finance initiatives.

IMPACTS & LESSONS

UNDP's experience demonstrates that REDD+ finance, when grounded in Indigenous rights, in participatory governance, and in national leadership, enables IPs to better manage forest territories and effectively contribute to climate goals. RBP represents a relevant economic incentive for climate action in the forestry and land-use sector, which, when combined with other funding sources and sound policies, can support a paradigm shift towards sustainable land-use dynamics. UNDP portfolios on REDD+ payments have enabled Indigenous territorial governance, land tenure rights, and economic incentives to reach the community level.

Territorial Governance

- **Stakeholder engagement.** Participatory policy planning and culturally sensitive programmatic approaches are indispensable in climate initiatives, leading to inclusive & sustainable territorial governance. They recognize IPs as agents of sustainability and climate action, thus reinforcing public policy, accelerating NDCs implementation, and securing lasting impacts. National multi-stakeholder platforms are the starting point to integrate Indigenous leaders and gender-equality provisions, which inform NDC measures, REDD+ strategies, and the design and implementation of climate finance initiatives. UNDP has employed such national platforms across all forest & REDD+ interventions for more than a decade (UN-REDD was instrumental in their establishment).
- **Locally grounded institutional and territorial governance frameworks.** The effectiveness of climate finance in supporting IPs requires these frameworks to be participatory and culturally grounded.
 - UNDP's experience illustrates that participatory governance and culturally grounded planning instruments are crucial for ensuring legitimacy, sustainability, and equity in climate funded initiatives. These principles are adapted to diverse regional contexts, reinforcing the importance of inclusive, context-specific approaches to climate finance and local empowerment.
 - The above frameworks were substantially enhanced when using self-determined planning instruments like Costa Rica's Forestry and Territorial Environmental Plans (PAFT) or Ecuador's Indigenous Life Plans (ILP), which serve as culturally grounded instruments for territorial planning and climate action. These plans reflect Indigenous worldviews, and articulate long-term visions for well-being, sustainability, and self-determination. They go beyond technical frameworks, embodying ancestral knowledge, cultural identity, and Indigenous governance systems to guide decision-making, land management, and intergenerational continuity. Formalizing the use of these instruments as part of the Government institutional framework increases the effectiveness of channeling climate finance to IPs.
- **Safeguards as a catalyst for territorial governance.** Transparency, the application of FPIC, a gender responsive approach, cultural integrity, protection of traditional knowledge, and community-level accountability can be ensured through sound implementation of safeguards. They have reinforced social inclusion, the integrity of REDD+ interventions, and contributed to territorial and broader governance institutional strengthening.
 - Climate finance interventions in the countries above demonstrated how FPIC can be operationalized as a dynamic, iterative process, embedded in safeguards systems. Its application meaningfully contributed to benefit-sharing mechanisms and project design, ensuring legitimacy and equity. Originating in these examples from REDD+ implementation, this FPIC experience is being consolidated and institutionalized in other countries to cover related issues relevant to the governance of Indigenous territories (e.g., biodiversity strategies, adaptation, tourism).
 - A shared understanding by the Government, project implementers, and IPs communities on international FPIC provisions, and how they compare to the national legislation, is a key enabler of smooth FPIC operationalization. For FPIC to be sustained beyond specific interventions, continuous investment in capacity and resources is necessary to ensure a shared understanding on how it works and is relevant for both public and Indigenous institutions.
 - Regarding gender, IPs social norms require careful consideration to ensure a smooth gender responsive approach. Designing climate finance interventions with a culturally sensitive gender lens, including for territorial governance, enabled strong results going beyond participation in decision-making to finance being directed to prioritize women and youth-led actions. These practices were institutionalized in some countries and have expanded beyond specific interventions.

IMPACTS & LESSONS

Land Tenure Reform and Access to Natural Resources

- REDD+ finance is a strategic lever to advance land tenure reforms in Indigenous territories, thus securing Indigenous access and rights to natural resources. For instance, through Ecuador's PROAmazonia Programme, the Government regularized land-tenure in the Kutukú Shaimi Protective Forest. As a result, land titles covering over 18,000 hectares were given to Shuar communities in one of the most ecologically significant areas of the Ecuadorian Amazon. Ecuador then reinforced its contribution to the International Land Tenure Commitment during the COP30 summit in Belém and is now further expanding tenure rights to IPs in forest territories, with support from UN-REDD.
- REDD+ payments can be invested in initiatives that integrate land tenure reform as a foundational pillar and one of the enabling conditions for successful REDD+ implementation. These initiatives demonstrate that when REDD+ finance is aligned with Indigenous priorities, it can unlock legal, institutional, and operational pathways to secure Indigenous land rights. The example above illustrates how climate finance can support the legal recognition of Indigenous lands and the strengthening of territorial rights. These reforms are essential for long-term sustainability, building a solid foundation in complying with safeguards and reaffirming the role of IPs as forest guardians.
- REDD+ finance has assisted unlocking long-standing land tenure bottlenecks. Under the premise that securing IPs land rights increases the ability to ensure sustainable land-use, UNDP's experience illustrates how climate finance can support legal and institutional reforms to secure Indigenous land rights. Nonetheless, land tenure recognition must be accompanied by enforcement, conflict resolution mechanisms, and protection against rollback of rights to ensure lasting security.

Access to climate finance

- The current international framework for climate finance is not suitable for IPs direct and fast access. However, UNDP's experience shows that: (i) existing national economic incentive mechanisms for forests can be effective channels of finance to IPs; (ii) governmental agencies that manage environmental finance are willing to tailor finance modalities to IPs; (iii) a co-design approach on climate programmes between the Government and IPs is crucial to enable these inclusive innovations and ensure their effectiveness; and (iv) using IPs planning instruments is a key enabler for IPs to access finance.
- UNDP climate programmes in Brazil, Costa Rica and Ecuador, among others, have enhanced Indigenous governance, accountability, transparency, and operational capacities for finance. These mechanisms also include provisions for fund disbursement through social inclusion, gender equality, and alignment with Indigenous governance systems. The above enabled Brazil's Floresta+ Communities Modality, Costa Rica's PAFT via PES, and Ecuador's pilot IPs fund coordination mechanism to provide funds directly to IPs and LCs, enhancing autonomy, accountability, and operational capacity at the local level.
- REDD+ finance has strengthened participatory governance frameworks and supported the development of Indigenous Development Plans (like PAFT and ILP). These plans reflect the right of IPs to self-determination, providing a foundation for climate action that is aligned with their worldviews and development priorities. These plans contribute to enabling the above financial mechanisms to be institutionalized, scalable, and accessible to Indigenous organization of varying sizes and capacities, thus avoiding reinforcing inequalities among communities.

The three interlinked enabling conditions presented in this section are central to two milestone UNFCCC pledges with regards to IPs, recently revised at the climate summit in Belém (COP30): (i) Forest and Land Tenure Pledge of USD1.8 billion over five years (through 2030) to support land tenure rights and the role of IPs in protecting forests, and (ii) the Intergovernmental Land Tenure Commitment to protect 160 million hectares of land belonging to IPs, Afro-descendant, and traditional communities by 2030.

HIGHLIGHTS FROM COUNTRY EXPERIENCE

Territorial Governance



Participation and inclusion. UNDP has strengthened local and institutional capacities for informed participation across key stakeholders, from national to community levels through REDD+, from readiness to implementation and RBP. Participatory mechanisms enabled shaping the design and implementation of REDD+ and adaptation strategies, ensuring recognition of IPs rights, priorities, and worldviews. The support provided to countries for establishing multi-stakeholder platforms and Indigenous-led technical committees has been instrumental in embedding Indigenous voices in policy dialogues and decision-making.

- In **Colombia**, UNDP supports IPs in integrating traditional knowledge into climate adaptation planning, ensuring that resilience strategies are culturally grounded and community led.
- In **Indonesia**, national and regional forums provided space for IPs to advocate for recognition of customary lands and integration of traditional knowledge in forest management.
- In **Ghana**, community-based committees and participatory, socially inclusive and gender-responsive land use planning helped reinforce local governance, fostering accountability, and equitable benefit-sharing.
- In **Brazil**, Indigenous women are systematically included in consultations, governance spaces, and implementation. As established in the public call of Floresta+ “Communities Modality”, local projects selection process prioritized those that directly address gender issues, and where women are the main beneficiaries and/or play a leading role in implementation. 70% of the 40 selected projects focus on gender issues, while women benefit indirectly in the rest. Women represent 60% of committee members in local project selection committees, ensuring that women’s perspectives meaningfully inform funding decisions and project design.

Free prior and informed consent

- **Brazil’s Floresta+ “Communities Modality”** uses FPIC as a core operational principle, ensuring that finance is delivered in a culturally appropriate, gender-responsive, and rights-based manner. FPIC is implemented through a structured and participatory approach that includes: (i) consultations with national and subnational community-based organizations (CBOs) and civil society organization (CSOs); (ii) clear premises and guidelines for the application of the FPIC; (iii) wide dissemination of information on public calls for the selection of local projects, enabling communities to organize collectively and develop their proposals; (iv) working closely with grass root associations and implementing partners to prepare detailed local projects proposals; and (v) integrating FPIC requirements into benefit-sharing arrangements, ensuring that participation is voluntary and that financial flows respect collective decision-making and safeguards commitments.
- **Costa Rica’s REDD+ RBP** assisted developing a comprehensive and institutionalized approach to FPIC, involving a multi-layered framework. It includes: (i) National FPIC guidelines developed with IPs, aligning international standards and national legal frameworks; (ii) community-level FPIC protocols reflecting IPs governance systems, cultural norms, and decision-making processes; (iii) capacity building and local facilitation through cultural mediators, enhancing cultural pertinence and trust; (iv) integration in the PES cycle through PAFTs as a requisite; and (v) ensuring that Indigenous women voices are heard and their priorities equitably reflected in project decisions.
- **Ecuador’s PROAmazonia** assessed the consistency between national legislation and international obligations on IPs’ rights. This informed the design of an FPIC protocol to ensure a nationally grounded framework, aligned with international standards. The development of Ecuador’s ILP benefitted from FPIC as it provided the basis for informed decision-making. These plans serve as tools for consent and as vehicles for articulating Indigenous visions of development and conservation. Ecuador’s legislation enables the recognition / incorporation of ILPs as part of the formal land-use planning instruments.
- **Indonesia’s REDD+ RBP** made significant strides in operationalizing FPIC within its forest and land rehabilitation programs such as Social Forestry and others, which ensure on-going efforts to strengthen IPs rights. A key milestone is the formal recognition of Adat (customary) forests, managed by Indigenous communities under traditional governance systems. Indonesia’s Social Forestry Programme designated 12.7 million hectares (some 10% of Indonesia’s state forest) for community and Indigenous management, formalizing collective tenure rights and embedding FPIC into forest governance, by which IPs are consulted, and consent is obtained before any interventions take place.

HIGHLIGHTS FROM COUNTRY EXPERIENCE

Land-tenure reform and access to natural resources

- REDD+ RBPs in **Costa Rica** enabled developing PAFTs in all 24 Indigenous territories. These plans serve as the basis for channeling REDD+ finance directly to communities. This achievement is aligned with an innovative component of Costa Rica's REDD+ strategy: supporting the recovery of historically Indigenous land. Key elements of this plan include: (i) participatory planning to address a long-standing issue of illegal occupation on Indigenous territories; (ii) gap analysis and roadmap development to identify barriers and prioritize actions; and (iii) integrating REDD+ finance through PAFTs, as an integral part of accessing RBP.
- **Ecuador** conducted a land tenure baseline assessment in 14 Protected Areas to identify land-tenure regularization priorities. In parallel, legal reform recommendations were developed to strengthen the institutional capacity to manage and improve land tenure. The Government prioritized land-regularization in the Kutukú Shaimi Protective Forest, building on previous Management Plan participatory efforts. This territorial planning instrument enables the implementation of conservation and livelihood strategies within one of the most ecologically significant areas of the Ecuadorian Amazon. As a result, six Shuar communities secured 18,000 hectares with legal titles, benefiting directly over 1,000 individuals. Achieving this milestone required a comprehensive approach including FPIC, field demarcation, conflict resolution, land registration, and formulation of integrated management plans.
- In **Ghana**, community resource management areas (CREMA) in savannah woodlands and forests are set up. These lands are being restored and governance of the CREMA strengthened through community led committees at the various levels of these large zones covering about 500,000 hectares. In 2025 for example, about 200 community members were trained in land-use planning for their CREMAs, including participatory zoning and boundary demarcation for areas under woodlot establishment. Progress is being made to clarify tenure arrangements in relation to access to timber and non-timber products, and other shared resources. Training on governance is targeted specifically to enable women and youth in the CREMA to take on leadership roles.
- **Indonesia's** Social Forestry programme represents a transformative approach to decentralized forest governance, combining legal recognition of IPs' rights over forests and land with operational support for community-led forest management. Under the framework of Adat or Customary Forest designation, UNDP, through the UN-REDD Programme, is supporting the Ministry of Forestry in establishing a national Task Force to accelerate the formal recognition of Customary Law Communities (Hukum Adat) and their forest territories. As part of the global Forest Tenure Pledge, this initiative includes the creation of a cross-sectoral, multi-stakeholder Operational Team tasked with coordinating legal, technical, and administrative processes, and strengthening mapping, conflict mediation, and local institutional governance capacities. This effort is complemented by developing a legal and policy reform roadmap to streamline the recognition of IPs and their territories, including the issuance of relevant regional / national policy instruments.

Enabling access to climate finance

- **Brazil's Floresta+** created the "Communities Modality" to fund local development projects in the Amazon. It is designed exclusively for IPs recognizing collective land stewardship, strengthening CBOs, and aligning financial incentives with long-standing conservation practices. Participation is voluntary and requires evidence that local project proposals were developed collectively, including the participation of women, elders, and youth, and that decision-making processes were aligned with communities' own governance systems and FPIC protocols. Communities define their own engagement terms, ensuring that implementation is fully consistent with Indigenous and traditional communities' governance structures and cultural norms. The Communities Modality is also aligned with international standards with an important focus on safeguards elements (e.g. the REDD+ Environmental Excellence Standard - TREES), reinforcing social integrity and enabling potential access to additional climate finance channels.

HIGHLIGHTS FROM COUNTRY EXPERIENCE

Enabling access to climate finance

- **Costa Rica's Payment for Ecosystem Services (PES)** scheme was expanded to Indigenous territories through a new modality that allow access to REDD+ RBPs in collectively owned IPs territories. PAFTs, which are community jurisdiction plans, are a key element serving as the technical and legal eligibility foundation to allow Indigenous groups to access RBPs via PES (USD 7.8 million), based on collective land management strategies, reinforcing territorial governance, accountability, gender-responsive and conservation outcomes. PAFTs also enabled unlocking climate finance from other sources, such as the World Bank's Carbon Fund, in a significant step toward financial autonomy, community accountability, and recognition of Indigenous institutions as legitimate actors in climate finance. By recognizing community jurisdiction plans as valid instruments for PES implementation, Costa Rica institutionalized a pathway for Indigenous organizations to engage with climate finance on their own terms.
- **Ecuador's** evolution of "Socio Bosque" from a traditional centralized conditional-payment Programme to a more decentralized rights-based financing model, in which climate-linked incentives enable direct access to climate finance to IPs, reflects a strategic shift toward empowerment of IPs. By embedding Indigenous governance, aligning with national climate strategies, and building organizational capacities, Ecuador has created a scalable model for direct access to climate finance, showing how long-term investment in forest conservation can be transformed into a rights-based, participatory financing model aligned with national climate goals. The main features of this evolution include: (i) established trust and institutional capacity resulting from the implementation of conditional cash-transfers; (ii) tying climate finance to national climate policy instruments and goals; (iii) tying climate finance to provisions of ILP; (iv) a multi-stakeholder governance body that includes IPs representatives; (v) executing funds through Indigenous organizations with strengthened technical, administrative, and fiduciary capacity; (vi) operationalization of safeguards through clear criteria for project selection and benefit sharing; and (vii) flexible financing windows with multiple categories, from readiness and capacity building, to small and large scale projects tailored to the maturity / needs of Indigenous organizations.
- In **Ghana**, GCF REDD+ finance is assisting the design and implementation of performance-based contracts between women's cooperatives and NGOs for land to be donated for women's shea cooperatives and nurseries. The land can then be used for warehouses to store shea kernels and ensure that women producers are directly involved in decision-making and benefit-sharing. The Tungteiya Women's Shea Butter Association, one of 26 supported cooperatives, exemplifies how this socially inclusive and gender-responsive approach translates into tangible positive impacts for women beneficiaries and their livelihoods. Women in these cooperatives use traditional methods to process shea kernels into butter and engage in partnerships with international firms, directing investments toward community-led initiatives in health, education, and water access. The work on the shea value chain was assessed by the W+ Standard, which aims at measuring and quantifying improvements in women's lives. W+ results were verified in 2025. Standard certificates can then be monetized through carbon and SDG markets, or outcome-linked funds. The standard requires that 20% of the revenues from W+ unit sales is provided back to local women's groups to support their own self-determined activities.
- **Indonesia's** Social Forestry Programme adapts financing mechanisms by linking REDD+ RBPs to inclusive, rights-based forest management. It ensures that Customary Law Communities benefit and play a key role in planning and implementation. A Government Task Force is assessing options to accelerate Adat Forest designation through formal recognition of Customary Law Communities. This enables communities to access forest resources, manage them sustainably, and mobilize finance, among others by engaging directly with private sector entities interested in sustainable forest products enterprises, reducing vulnerability of communities to land conflicts and environmental degradation.

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HIGHLIGHTS FROM COUNTRY EXPERIENCE

Data Recap

<p>Brazil</p>	<ul style="list-style-type: none"> • 40 community-led projects were fully operational under “Floresta+ Communities Modality”. With a USD 4.6 million investment, these initiatives support 63 collective territories, covering approximately 70 million hectares, and strengthening sustainable livelihoods, territorial governance, restoration efforts, and community-based monitoring systems. • More than 3,200 people (51% women) were trained in conservation, agroecology, restoration, territorial surveillance, and sustainable value chains. • 29 value chains were supported through community-based bioeconomy enterprises. • A survey on beneficiaries revealed that local projects are effectively promoting women’s engagement in collective territory management. This includes women assuming leadership positions in associations; the creation of women’s groups/networks, including formalizing women-only associations; the emergence of new female community leaders; increased women participation in value chains; and traditional female knowledge recognition.
<p>Costa Rica</p>	<ul style="list-style-type: none"> • By 2024, 44% of trained cultural mediators leading the development of PAFTs were indigenous women with improved capacities in facilitation, methodology development, consultation and mediation skills. • By 2024, 9,512 people (51% women) participated in 209 community dialogues related to PAFT. All 20 PAFTs (representing 79% of Indigenous territories) include priorities proposed by indigenous women such as: capacity-building on project management, health, food security, empowerment and leadership. • By 2025, all 24 Indigenous territories developed PAFTs, covering 334,400 hectares.
<p>Ecuador</p>	<ul style="list-style-type: none"> • By 2023, 16,099 people (49% women) from Indigenous communities were supported to develop and then initiate the implementation of their ILP. • REDD+ finance helped to unlock long-standing land tenure bottlenecks. Over 18,000 hectares of ancestral Shuar territory received land titles, benefiting 6 Shuar communities, and over 1,000 individuals.
<p>Ghana</p>	<ul style="list-style-type: none"> • GCF REDD+ finance supports the reforestation of 100,000 hectares of parklands by planting 1.75 million shea trees, with women leading shea nursery operations and restoration activities. • 17 NGO implementing partners, 5 seedling suppliers, and over 6,000 women received training in cultivation, business, cooperative management, and quality control, including the Tungteiya Women’s Shea Butter Association, one of 26 supported cooperatives.
<p>Indonesia</p>	<ul style="list-style-type: none"> • 329,000 hectares were added to new Social Forestry Agreements; more than 20,000 hectares conservation forest, mangroves, and peatland entered a restoration/rehabilitation process; and 108 institutions increased capacity for forest fire prevention. • The Kasepuhan Cibedug community in West Java secured legal recognition of 486 hectares of ancestral forest after two decades of participatory mapping and advocacy. Their journey illustrates how customary law, community leaderships, and sustained engagement with government institutions can lead to the protection of Indigenous lands and traditions. • 11 safeguards modules were jointly developed with key IPs’ organizations, including a dedicated module on REDD+ and Customary Law. The modules were piloted in selected provinces and used as part of regular capacity development curriculum of the Ministry of Forestry and Ministry of Environment.