

GOOD PRACTICES AND CHALLENGES IN BUSINESS AND ACCESS TO FINANCIAL SERVICES BY INDIGENOUS PEOPLE

A SUBMISSION TO THE EXPERT MECHANISM ON THE RIGHTS OF IPs

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Introduction

Indigenous peoples are considered not just a culturally queer group. They are also socially, economically and politically disintegrated from the main fabric of society. This means little or no participation in the mainstream affairs of the regions they inhabit.

Economically, IPs are acutely weak. A combination of illiteracy caused by many factors, poor transport and communication infrastructure, systemic government neglect and discrimination, a lack of interest by and incentives for IPs among many other factors has contributed to this situation.

This paper therefore seeks to highlight some challenges and good practices in regards to indigenous people access to business and financial services especially by IPs in Kenya.

Challenges

- Illiteracy in the basic sense of the word. Where people do not access formal education, reading and writing is impossible. Without such basic skills, then conducting any formalized business is practically impossible.
- Lack of Information. Freedom of information is a constitutional principle in Kenya's new constitution. However, there has been failed attempts to provide for an Act of Parliament to guide its implementation. However, the country has made great strides in implementing public participation in all levels of government decision making which has enhanced IPs inclusion in access to business and financial services. In Kenya, such an example is the Integrated County Development Plans (ICDP), public forums are held in all electoral wards to guide financial planning of the counties.
- Poor infrastructure in indigenous peoples territories. Good transport and communication is a necessary ingredient for people to access financial services and conduct businesses.
- Poor government policies and planning. For instance in Kenya, The bulk of the indigenous peoples population practice nomadic pastoralism. There is a general lack of support to this sector of the economy as it is deemed unsustainable and destructive to the

environment. However, this is an economically viable option. The government is spending huge budgets on other sectors of agriculture in the form of incentives such as fertilizer subsidies, insurance policies etc while totally neglecting pastoralism.

- Lack of political representation and good will. Due to their small numbers, IPs are not able to competitively field candidates or influence the political space. Politicians control several funds in Kenya that can promote IPs businesses. These include the Constituency Development Fund, Uwezo fund (targeting women and youth), Women enterprise Fund among others. To access this fund, it is crucial to be in good political relationships with either the member of parliament or county assembly or both.
- An anti-business mindset/culture. IPs are generally happy in their 19th C cocoon. With their livestock and vast tracks of communally owned land, they are happy to live one day at a time. Planning, Investments, risk assessment and other financial terms do not bother them much. Despite that they are wealthy in their own right and way, few have active bank accounts.
- A lack of a pro-active civil society on financial issues. The bulk of NGOs and CBOs managed and working in IP territories concentrate their efforts towards socio-cultural issues. These include women and girl-child empowerment by for instance fighting retrogressive cultural practices such as FGM and early forced marriages, language and culture revival programs and HIV/AIDS. There is little effort on economic improvement of the people by for example, conducting financial literacy programs.



Good practices

- Legal and policy interventions on public participation of citizens to matters that affect them need to be strengthened.
- Setting up of funds specifically targeting IPs as an affirmative action that should be administered by organizations or institutions that have a reputable history of promoting IPs interests. In Kenya, for instance, there is established an affirmative action that is disbursed to 14 out of the 46 counties that have faced severe historical discrimination in development.
- Information awareness campaigns on available financial funds and services and the process of benefitting from the pool. More IPs organizations need to focus on these field to monitor and advocate for better practices.
- Lobbying for more IPs to sit in boards, councils and other bodies that administer financial services on behalf of citizens.