

**Protocol Governance Committee
Meeting #13
Minutes**

08 May 2017: 12h00 (UTC +3)

**United Nations Economic Commission for Africa
Conference Centre – Addis Ababa, Ethiopia**

In attendance

Name	Organization	Chamber
PGC Members		
Rikard Liden (Chair)	World Bank	Development, Public or Commercial banks
Ken Adams	IHA	Hydropower Operators and Developers
Guy Bonvin (Standing in for Daniel Menebhi)	SECO	Advanced Economy Countries
Roger Gill (Vice-Chair)	Hydro Focus	Hydropower Consultants, Contractors or Equipment Suppliers.
Jian hua Meng	WWF	Environment or Conservation Organizations.
Lesha Witmer	Women for Water Partnership	Social Impacts, Project Affected Communities
Alternates		
Jürgen Schuol	Voith	Hydropower Consultants, Contractors or Equipment Suppliers.
Management Entity (IHA)		
Frank Faraday		
Cameron Ironside		
Richard Taylor		

Apologies

Name	Organization	Chamber
Luiz Gabriel Todt de Azevedo	Inter-American Investment Corporation	Development, public or commercial banks
Daniel Menebhi	SECO	Advanced Economy Countries
James Dalton	IUCN	Environment or Conservation Organizations.
Professor Shi Guoqing	Hohai University, China	Emerging Economy

Selected Observers

Name	Organization	Chamber (where relevant)
Kim Lyon	World Bank	
Jörg Hartmann	Independent Consultant	Accredited Assessor
Aida Khalil	IHA	Accredited Assessor
Ragnheiður Ólafsdóttir	Landsvirkjun	Hydropower operators or developers
Donlan O'Leary	Transparency International	Accredited Assessor



HYDROPOWER SUSTAINABILITY ASSESSMENT COUNCIL

GOVERNANCE COMMITTEE MEETING #13

May 8th 2017 – 12h00-13h00

UNECA Conference Centre, Addis Ababa

AGENDA

Chair: Rikard Liden

No	AGENDA ITEM	PAPER
1	Protocol Accreditation Applications Protocol Accreditation for Margaret Trias For Approval	Report and Recommendation for Approval Working Document: WD4
2	Issue of gaps in PGC Possibility for appointment of ex-officio members For Discussion and Decision on Follow-up	
3	Protocol Derivatives Draft Environmental and Social Tool International Industry Good Practice Guidelines For Discussion and Decision on Follow-Up	
4	Review of Process for Accredited Assessor Status For Discussion and Decision on Follow-up	
5	Future development and business model for Protocol For Discussion and Decision on Follow-up	
6	Any Other Business Time and Date of Next PGC Meeting	

Minutes

0. Opening Remarks

The Chair opened the meeting and welcomed participants to the first meeting of the 2017-19 Protocol Governance Committee. The Chair welcomed members of the previous PGC as observers to the meeting as well as Protocol Council members.

Taking the agenda, the Chair proposed to deal with points 3-5 on the Protocol Derivatives, the process for accredited assessors and the future business plan for the Protocol as one item. The issue of financing and gap funding would be addressed, if time allowed, under the 'Any Other Business' agenda item. The agenda was duly adopted as amended.

In introductory remarks, the Chair emphasised the importance of openness in the PGC meetings as had become the norm under the previous chairmanship but stressed also the need for the PGC to be a more effective body for decision making. Meetings should be structured around specific proposals, communicated ahead of time, and related decisions and follow up action.

In a short discussion before broaching the main points of the agenda, a member commented that the Protocol had been adapted in Iceland for the geothermal sector. The member went further to say that there is interest in other renewables sectors to learn from the experience of the Protocol.

1. Protocol Accreditation Application

A member underwent Protocol training at the London IHA offices as well as the requisite two Protocol assessments in Bhutan and Austria under the supervision of two accredited assessors. Subsequently, the member received 92% in her Protocol examination in April 2017. Referring to the Working Document prepared by the ME and circulated in advance of the meeting, the Chair recommended approval of the member's accreditation.

Decisions:

Decision 1.1: The PGC approved the accreditation of the member.

Actions:

Action 1.1: ME to send Licence Agreement and include the member in the body of Accredited Assessors for 15/06/2017.

2. Issue of Gaps in the PGC. Possibility to appoint ex-officio members

The Chair started the discussion on serious topic by mentioning that the Chamber elections had failed to result in the election of Chairs and Alternates for all Chambers (c.f. list of Chamber Chairs and Alternates in Appendix 1). Specifically, this was the case for the Emerging Economy Chamber, the Social Chamber the Advanced Economy Chamber and the

Hydropower Operators Chamber. The Chair suggested that it was essential to have a clear view of where the gaps currently are on the PGC and to look in detail at current Chamber membership so as to help Chamber Chairs identify potential alternates from within the ranks of their respective Chambers. It was important to identify where specific skills are lacking and what is preventing greater involvement in the work of the PGC. A member suggested that in his experience, the toughest challenge came from the social and developing country Chambers and that it would be useful to identify possible sources of financial support for those Chambers to promote developing country representation on the PGC. Another member committed to identifying an alternate for the Hydropower Operators and Developers Chamber by the end of July and agreed to promote membership and participation within the Chamber. A member, representing the representative, shared the view that active chambers are crucial and recommended using the Future of Protocol Sustainability Assessment session on Wednesday to reach out to interested parties already present at Congress. Another member emphasised the need to keep the Chambers active with real, substantive work that has a bearing on the discussions in the PGC while a member added the need not to forget indigenous groups. Another member made the final point that it is usually a small number of organisations such as TNC that support the work of the PGC and Chambers. The Chair responded by stating that the contribution of the TNC in the PGC is valued and he hopes it will continue.

Noting the discussion and various viewpoints among PGC members, The Chair outlined the following action points:

Actions:

Timeframe: 16/06/2017

Action 2.1: ME, with support of the Chair, to draw up analysis of current PGC to identify gaps in experience and competence as well as opportunities for co-option of ex-officio members. Results to be presented in form of matrix document to be shared with the Chair and Vice Chair, and presented in time for next PGC meeting.

Action 2.2: ME to work with Chamber Chairs to provide clear view on current Chamber membership and to identify preliminary gaps in membership. Ongoing results of this work to be presented to next PGC.

Action 2.3: ME, with support of the Chair, to identify possible donor support to cover travel costs for developing country members in all Chambers.

3. Environmental and Social Assessment Tool and International Industry Good Practice Guidelines

4. Review of Process for Accredited Assessor Status

5. Future Development and Business Model for Protocol.

As agreed at the start of the meeting, these three agenda items were brought together and discussed as one.

The Chair opened the discussion by referring to the decision of the previous PGC in its February meeting to approve the development of a simplified Protocol derivative tool focusing on established good practice for environmental and social related topics as well as the development of International Industry Good Practice Guidelines. In addition, the question of the adoption of derivative tools is closely linked to that of the speed of which accredited assessors can be appointed.

There is a clear market demand for simplified tools that will ensure the Protocol continues to be relevant for lower budget projects. The Environmental and Social tool and Guidelines were presented in detail by Doug Smith in the preceding Council meeting and PGC members are already familiar with the concept. The question now is how are these tools are finalised and what changes to statutory documents such as the Terms and Conditions and Licence Agreement will need to be implemented in order for such a tool to be licenced by the PGC.

On the question of the specific request from the Climate Bonds Initiative for a tool to be developed, The Chair asked ME to explain the request from the Climate Bonds Initiative (CBI). The CBI has a Technical Working Group on Hydropower which is examining, among other things, how to check the environmental and social performance of a project in order to qualify for green or climate bond financing. Keen to stick as closely as possible to what is already being used by industry, the CBI has requested IHA to provide a simplified tool, derived from the Protocol, in order to evaluate environmental and social good practice. This accompanies work done on greenhouse gas emissions and climate resilience. ME continued that the TWG has yet to conclude on threshold values but in his view, it should not be the work of the PGC to make a judgment as to what these threshold values are rather to ensure that the rigour of the Protocol process is upheld within the scope of assessment. ME concluded by saying that the tool will need to be finalised in the next couple of months.

A brief discussion followed during which points were raised on including governance issues in the ten topics covered in the scope of the E&S tool, the view of some members that an assessment carried out using the tool must cover indigenous people and the commonly held view that the Chambers must be more closely involved in the further development of the tool towards completion. At the end of this exchange, the Chair summarised and the following decisions and action points were decided:

Actions:

Timeframe: 16/06/2017

Decision 3.1: ME will share draft E&S tool with CBI and with Chamber membership.

Action 3.1: ME to distribute amended briefing note and E&S tool to PGC. One week period of no objection before tool is shared with CBI.

Action 3.2: ME to share E&S tool and briefing note with Council for comments and suggestions as tool takes shape.

Action 3.3: ME to share E&S tool with CBI as a draft for feedback.

Action 3.4: ME to analyse Terms of Reference, Licence Agreement and Charter to identify barriers to new types of assessment being carried out based on Protocol derivatives (i.e. E&S tool and Good Practice Guidelines). This will include an analysis of any barriers to a more streamlined procedure for assessor accreditation.

Action 3.5: ME to assist Chamber chairs in disseminating draft International Industry Good Practice Guidelines to respective Chambers.

Action 3.6: ME to develop planning document detailing stages required to introduce derivative tools to market including necessary statutory amendments, consultation process within PGC and Council, funding requirements and business planning.

6. Any Other Business

Given the lack of time, the agenda item on raising finance was postponed until the next meeting.

Before closing the meeting, the Chair thanked a member from ME for service to the Protocol over many years and presented with a token of the PGC's gratitude for his dedication and commitment to promoting the Protocol. The member is stepping down from his Sustainability Director role at IHA.

Time and Date of next PGC Meeting

Audio Meeting to be held in early July.

ME to send Doodle Poll to identify date by 23/05/2017.

Appendix 1

List of PGC Members and Alternates

Chamber Chairs

Chamber Represented	Name	Organization
Development, public or commercial banks, financial organisations, and private investors/investment funds.	Rikard Liden (PGC Chair)	World Bank
Hydropower Consultants, Contractors or Equipment Suppliers.	Roger Gill (PGC Vice-Chair)	Hydrofocus
Hydropower operators or developers	Ken Adams	Manitoba Hydro
Social Impacts, Project Affected Communities	Lesha Witmer	Women for Water Partnership
Advanced Economy Country Governments	Daniel Menebhi	SECO
Environment and Conservation Organizations	Jian-hua Meng	WWF
Emerging and developing economy country governments	Prof. Shi Guoqing	University of Hohai, China

Chamber Alternates

Chamber Represented	Name	Organization
Development, public or commercial banks, financial organisations, and private investors/investment funds.	Gabriel Azavedo	Inter-American Investment Corporation
Hydropower Consultants, Contractors or Equipment Suppliers.	Jürgen Schuol	Voith
Hydropower operators or developers	Vacant	
Social Impacts, Project Affected Communities	Vacant	
Advanced Economy Country Governments	Vacant	

Environment and Conservation Organizations	James Dalton	IUCN
Emerging and developing economy country governments	Vacant	