

**Protocol Governance Committee
Meeting #15 – 19/09/2017
Minutes**

In attendance

Name	Organization	Chamber
PGC Members		
Rikard Liden (Chair)	World Bank	Development, Public or Commercial banks
Ken Adams	IHA	Hydropower Operators and Developers
Roger Gill (Vice-Chair)	Hydro Focus	Hydropower Consultants, Contractors or Equipment Suppliers.
Daniel Menebhi	SECO	Advanced Economy Countries
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		
Richard Taylor		

Observers

Name	Organization	Chamber
Geir Yngve Hermansen	Norad	N/A

Apologies

Name	Organization	Chamber
Gabriel Todt de Azavedo	Inter-American Investment Corporation	
James Dalton	IUCD	
Professor Shi Guoqing	Hohai University, China	Emerging Economy

**HYDROPOWER SUSTAINABILITY ASSESSMENT PROTOCOL
GOVERNANCE COMMITTEE MEETING #15
September 19th 2017 – 17h30-19h30 (UTC +1)**

Maathai Room, Crown Agents, Sutton, London

AGENDA

Chair: Rikard Liden

No	AGENDA ITEM	PAPER
1	Introductions and Welcome from the Chair	PGC 15.0: Amended minutes (approved)
2	Adoption of Agenda	PGC 15.1: Draft Agenda
3	Progress on Actions since Last Meeting	PGC 15.2: Progress on Actions Table
4	Progress on Nomination of PGC alternates	PGC 15.3: Table showing current PGC composition
5	Reaction from Protocol Derivatives Workshop Discussion on: <ul style="list-style-type: none"> • Plan follow-up and next steps • Consultation and approval process within Council and PGC. 	
6	Required updates to Terms and Conditions Areas within Charter that require revision to cater for new derivative products.	PGC 15.4: Highlighted areas of Charter and Terms and Conditions
7	Future accreditation system for ESG Tool	PGC 15.5: Briefing Document
8	IHA Resources	
9	Any Other Business	
10	Next Meeting	

Minutes

0. Opening Remarks and adoption of the agenda

The Chair opened the meeting and - in the absence of any additional items or comments - confirmed that the agenda was adopted unchanged. In order to advance more efficiently in the meeting, the Chair proposed with point 4 of the agenda as the first substantive item on the agenda: the question of the nomination of alternates to the PGC. These minutes deal with items as they were raised in the meeting and not as they were originally ordered in the agenda.

1. Adoption of Minutes from PGC #14 circulated on 18/07/2017

The minutes had already been circulated on 18/07/2017 by correspondence. With comments and amendments requested by meeting participants and duly inserted into the final version of the minutes, the minutes were deemed adopted on 01/08/2017. No further comments were received in the meeting.

2. Progress on nomination of alternates

The Chair went around the Chambers to see what progress had been made since the last meeting to identify alternates for Chambers where they were lacking. The meeting noted some progress in the identification of alternates.

A member introduced a new member from Norad who was a candidate for membership of the Advanced Economy Chamber. The member continued that the new member would also be a candidate for the post of alternate in the chamber.

A member confirmed that another member is available to serve as an alternate for the social chamber and requested that clarification be given as soon as possible as to how this is taken forward. In response ME reported that the PGC had already agreed to a change in the wording of the Charter to allow for extra-ordinary chamber elections outside the normal biennial election period. The change had been agreed on and the Charter only needed to be updated. The Chair summarised by recalling that the meeting did not express any opposition to a member being nominated and asked another member to follow the two-week consultation process of non-objection in their chamber in order for the member to be identified as an alternate.

Turning to another member, The Chair asked for the member to work with the ME to identify a possible alternate for his chamber.

Referring to the process to bring in another member into the PGC and noting this had not been completed at the end of the previous PGC meeting, The Chair asked the ME to make the necessary change to the Charter to act on the decision taken in PGC #13 to bring the period of consultation down from four to two weeks for new chamber members. ME responded by

confirming that changes were ready to be inserted into the Protocol but a lack of time within the ME had prevented that from being completed to date.

Decisions and Actions

Decision 2.1: The meeting noted no opposition to a member's nomination of another member for the alternate position on the Social Chamber.

Action 2.1: A member to send nomination of another member's to the social chamber members with a two-week deadline for agreement by no objection.

Decision 2.2: The meeting noted no opposition to a member's nomination of another member both as a member of the Advanced Economy Chamber and as alternate member of the PGC representing that chamber.

Action 2.2: A member to send nomination to Advanced Economy chamber with a recommendation, through a process of no objection, of another member's acceptance both as a chamber member and as alternate chair of the chamber. This no objection consultation period shall be two weeks. Timeframe: Three weeks from the meeting.

Action 2.3: A member to work with the ME to identify an alternate for the Hydropower Operators Chamber. Timeframe: To report to the next meeting on progress.

3. Staffing Situation at IHA

ME provided a report on the current staffing situation at IHA. Concerns had been raised at the ability of the ME to perform its duties as secretariat to the PGC given critically low staff numbers in the sustainability team following an ME's resignation and departure from IHA. Interviews were currently being held for a replacement based on a shortlist of three candidates. In terms of providing bridging support for IHA's legacy contracts (Translation of Protocol into Vietnamese and World Bank funded assisted self-assessment of three operators in the Zambezi Basin) while a replacement is hired, ME referred to other staff members including Chief Financial Officer and Chief Operations Officer who were providing support on projects together with Head of Communications on reporting and members of the Knowledge Building Team. ME continued to give an update of the ME's current activities including the SECO funding for application of the early stage Protocol tool in Indonesia and described both the existing funding from Norad for the guided self-assessment using the Protocol in Myanmar and possible future collaboration around early stage assessment of facilities under preparation to encourage sustainable hydropower development. A member asked where ME saw the PGC fitting into this work and stressed the importance for the PGC to know what their role was in these developments and requested a clearer plan that would include the level of involvement of the PGC in each of these developments. In addition, a member emphasised that a more regular and meaningful communication needed to come from the ME. Another member added that, in that general communication piece, there should be ways to measure

the success of ongoing Protocol applications through examples of where there has been success or failure with the Protocol.

The Chair summarised by restating his concern as to whether IHA can cope with the requirements of managing the Managing Entity and be reaffirming that there needs to be a clearer communication of priorities from the ME. He calls on the ME to draw up a plan to deal with bridging the staff shortage problem and to highlight

Decisions and Actions

Action 3.1:

The ME will present a plan for managing the current lack of staffing resource including a detailed description of priority actions and the role of the PGC in the implementation of those actions. On the basis of this plan, the ME will meet with the Chair and Vice Chair to reach a common understanding on which activities are to be prioritised in the period until there is a full complement of staff within the ME.

4. Reaction to PGC Workshop

The Chair addressed the follow up to the workshop held earlier in the day. He stressed that the most important thing would now be for the ME to ensure that there were the resources to deliver on both the Good International Industry Guidelines and the ESG Tool. The Chair requested a timeline for the next steps and where the PGC would be called on to make decisions. A discussion ensued on the best way to combine development of the guidelines, the ESG tool and the climate change topic in the full Protocol with differing views expressed as to the sequencing of the climate change mitigation and resilience topic of the full Protocol and the corresponding section in the ESG tool. A member suggested that rather than concentrate on the content, the Council should be encouraged to provide their guidance on the format and use of the guidelines and ESG tool and not get into substantive discussions on detail. The discussion finally turned to the name of the ESG tool that had occupied some time during the discussion in the previous meeting. Another member underlined the importance of there being consistent branding across both the full Protocol and the ESG Tool by keeping the Hydropower Sustainability brand. It was finally decided to adopt the name of Hydropower Sustainability Environmental, Social and Governance Gap Analysis Tool or ESG Gap Analysis Tool for short.

Decisions and Actions

Decision 4.1

The streamlined Protocol tool will be referred to as the Hydropower Sustainability Environmental, Social and Governance Gap Analysis Tool or ESG Gap Analysis Tool for short.

Action 4.1:

Following on the Protocol Derivatives Workshop, the ME is to prepare a timeplan for the rest of the work concentrating on the delivery of the ESG Gap Tool for the end of the year to meet with the requirements of the CBI and production of the remaining

5. Required Updates to Terms and Conditions

ME presented the review of the Protocol Charter and Terms and Conditions for those areas that will need to be modified to cater for the arrival of derivative products. He stressed that this was an initial analysis of the two Protocol statutory documents and that the exact wording of the two documents would, to some extent, depend on the business model adopted for the ESG tool and the accreditation system adopted.

Decisions and Actions

Action 5.1

The ME will circulate initial analysis of expected changes to the Charter and Terms and Conditions for initial comments from PGC members.

6. Accreditation Process

ME explained an initial ME proposal on the future accreditation system detailed in Working Document PGC 15.5. Referring to the note, he explained that the thinking of the ME was to streamline the accreditation system to accelerate the process of bringing new assessors into the system through reducing the requisite number of training assessments required to become accredited and to remove the requirement for the PGC to approve each newly accredited assessor. In response, a member mentioned that he would have difficulty supporting the proposed accreditation system as it stood.

Decisions and Actions

Action 6.1

Based on the comments of the PGC meeting, the ME will provide a more complete concept note to be presented to the next PGC meeting.

7. Any Other Business

None

8. Time and Date of next meeting

It was agreed that the next PGC meeting should be scheduled when further information on the next stages of the development and adoption of the derivative tools are known.