

**MINUTES**  
**HYDROPOWER SUSTAINABILITY GOVERNANCE COMMITTEE**  
**MEETING #41 (video conference call)**  
**27 February 2023 (12:00-14:30 UK time)**

<b>Attendees</b>		<b>Apologies</b>	
<p>Ashok Khosla (Chair, HSGC)</p> <p>Kimberly Lyon (Chair, Financial institutions, Vice Chair HSGC)</p> <p>Jian-hua Meng (Chair, Environmental or conservation organisations)</p> <p>James Dalton (Alternate, Environmental or conservation organisations)</p> <p>Jiwari Abdullah (Chair, Social impacts/project affected communities)</p> <p>Mwape Chikonkolo Mwewa (Chair, Emerging economy country governments)</p> <p>Daniel Menebhi (Chair, Advanced economy country governments)</p> <p>Geir Yngve Hermansen (Alternate, Advanced economy country governments)</p> <p>Pedro Sirgado (Chair, Hydropower operators, developers)</p> <p>Catherine Garcia (Alternate, Hydropower operators, developers)</p> <p>Jürgen Schuol (Chair, Hydropower consultants, suppliers)</p> <p>Knut Sierotzki (Alternate, Consultants and Suppliers)</p>		<p>Elisa (Jianliang) Xiao (Alternate, Financial institutions)</p> <p>Stéphane Brabant (Alternate, Social impacts/project affected communities)</p> <p>Prof Shi Guoqing (Observer, Emerging economy country governments)</p> <p>Sunil Poudel (Alternate, Emerging economy country governments)</p>	
<b>Observers</b>		<b>Secretariat</b>	
<p>Margaret Trias (Accredited Lead Assessor)</p>		<p>Eddie Rich</p> <p>Joao Costa</p> <p>Alain Kilajian</p> <p>Amina Kadyrzhanova</p> <p>Amira Abdalla</p> <p>Mariana Empis</p>	
<b>Agenda Item</b>	<b>Minutes</b>		
HSGC 41.1   Welcome and apologies	The Chair confirmed quorum and welcomed HSGC members to the meeting. He reminded them of the housekeeping rules. The Chair also confirmed there were no objections to a representative of Accredited Lead Assessors joining as an observer to the meeting.		
41.2   Agenda	The agenda was approved.		



<p>41.3   Status of actions from last meeting</p>	<p>The minutes of the last meeting were approved and the status of the actions from the last meeting verified.</p> <p>The Chair invited the Secretariat to discuss comments raised on outstanding actions from Committee Members and proposed resolution.</p> <p>The Secretariat recommended the title of “Executive Director” for the head of the Secretariat. The Secretariat noted that this recommendation addresses the objections to the proposal of “Chief Executive Officer”, as discussed in the last HSGC meeting, and in the subsequent consultation.</p> <p>A Committee member supported the decision and agreed that it addressed the concern raised by the Developed Economy Government’s chamber.</p> <p>The Chair confirmed there were no objections to the recommendation and deemed it approved.</p> <p>The Secretariat acknowledged the members’ comments related to the staffing costs described in the Business Plan, namely the concerns around 7% staffing cost increase. The Secretariat indicated that this would cover inflation, promotion, performance increases and additional staff. He added that the Secretariat would present developed staff growth plan at the next HSGC meeting. This would seek to clarify the figures.</p> <p><b>Decision 1: The HSGC approved “Executive Director” as the title for the head of the Secretariat.</b></p> <p><b>Action 1: The Secretariat to prepare staffing plan to be presented in the next HSGC meeting.</b></p>
<p>41.4   Roadmap – status update</p>	<p>The Chair invited the Secretariat to present the Roadmap status update.</p> <p>The Secretariat summarised the progress and indicated that the Secretariat was on track on all vectors, except for fundraising and certifications. The Secretariat highlighted the promising prospects for cost extensions to the current SECO and Norad programmes.</p> <p>The Secretariat added comments from the discussions with the IHA Board. The Secretariat recapped that, while the IHA was committed to support the Alliance, there were some concerns about on-going financial liability for the IHA. To address these concerns, the Board will consider several options to financially support the Alliance. An annual payment to provide the Alliance with a financial baseload will be one of the recommendations from IHA Central Office.</p> <p>The Secretariat continued presenting the updated certification pipeline and highlighted the increased interest in assessments and certifications, including 13 projects in Brazil. The Secretariat added that the Secretariat would continue to push for more certifications, funding and training opportunities.</p> <p>The Chair opened the floor to comments.</p> <p>A Committee member requested additional insight into the reasoning behind selecting Lisbon and London as potential HSA headquarters. The Secretariat indicated that London was selected as a potential location given IHA headquarters and Lisbon given the potential staff location, tax benefits, and access to European Union funding. The Secretariat noted that this decision would have to be made collectively and informed by legal advice in the UK and Portugal. The Secretariat added that other locations could be considered especially if donors offered incentives.</p> <p>A Committee member asked for details on Training Academy sponsorship and staffing plan. He suggested the Secretariat engage with the Climate Investment Fund (CIF). The Secretariat indicated that Training Academy sponsorship pathway was open to everyone. The Secretariat agreed on the approach to outreach with CIF and took note of a need to prepare a detailed staffing plan for HSGC.</p>



	<p>A Committee member noted that there was a geographic imbalance in the pipeline. The Secretariat responded that the Secretariat was working across diverse locations and highlighted that there had been an increase in interest including opportunities in South Korea, New Zealand, and North America which were currently in ongoing discussions before being added to the pipeline as confirmed opportunities.</p> <p>A Committee member requested details on IHA’s funding and clarity on whether this would phase out. The Secretariat responded that IHA Board would decide in May what the scope and timing of the financial commitment.</p>
<p>41.5   Updated Statutory Documents</p>	<p>The Chair invited the Secretariat to present.</p> <p>The Secretariat presented the Updated Statutory Documents (HS Charter and Modus Operandi). He highlighted that while the focus is on the Standard, the other tools continue to exist and remain under the oversight of the HS Council. The Secretariat also stressed that Committee membership was reserved for individuals. He added that after approval these would undergo legal review.</p> <p>The Chair opened the floor to comments.</p> <p>A Committee member noted that the dates of the Charter should match the date of the launch. He added that Accredited Assessors should technically be part of the Alliance. He also stated that the Chair should be part of the HSGC. The Committee member added that there should be clear links to the World Commission on Dams report in the background section to demonstrate the history of developing the Standard. He requested that the Secretariat get legal advice on what were to happen if an organisation changes its representative in the HS Alliance. The Committee member noted a need to clarify expense coverage and detail what was meant by “when funds are available”. Finally, he noted that there should be a section on the functions and duties of the Vice Chair.</p> <p>A Committee member proposed editing the figure of the organisational structure of the HS Alliance to clearly indicate that the list under HS Council were the name of the Chambers e.g. “Industry Chamber” for clarity of an external audience.</p> <p>The Secretariat took note of the proposed edits and added that the Secretariat would seek legal counsel regarding organisational vs individual membership. The Secretariat agreed that this was a legal issue and added that this question of would depend on the legal status of the governing entity.</p> <p>A Committee member proposed making a distinction between organisations as members of the Alliance and the Chambers and individuals sitting at the governance committee.</p> <p>A Committee member suggested that this be approved as a draft subject to review of the final version after seeking legal advice.</p> <p><b>Decision 2: The HSGC approved the updates to the statutory documents, which include the Charter and template of the Chamber Modus operandi subject to the comments being incorporated during legal review.</b></p>
<p>41.6   Timetable for HSGC elections for Stakeholder Representatives</p>	<p>The Chair invited the Secretariat to present.</p> <p>The Secretariat presented the timetable for HSGC elections for Stakeholder Representatives. She highlighted that the election process for Chamber Chairs would be from July 2023 – September 2023. The Secretariat added that the term of the new Chamber Chairs and Alternates as Stakeholder Representatives would begin on 30 October 2023 at the HS Alliance General Meeting.</p> <p>The Chair opened the floor to questions.</p>



	<p>A Committee member enquired whether election process could take place before Charter was approved and asked for clarity on tenure duration. The Secretariat responded that elections could proceed as planned with aim to start process of merging chambers in May. The Secretariat added that the two-year mandate might be subject to review given that process of selecting Independent Directors.</p> <p>A Committee member asked whether there was a timeline for legal input on the Charter. The Secretariat indicated that there was no clear timeline and that the Secretariat would aim to present Charter to lawyers for feedback by the end of March. The Secretariat added that the Charter finalisation was tied to where the organisation would be registered, so timetable should be tentative to allow this.</p> <p><b>Decision 3: The HSGC approved the proposed process and timetable for the election of Chamber Chairs and Alternates as Stakeholder Representatives on the HSGC, subject to legal review.</b></p>
<p>41.7   ToR for Independent Review Panel</p>	<p>The Chair invited the Secretariat to present the Tor for Independent Review Panel.</p> <p>The Secretariat summarised that the Independent Review Panel would provide support to the HSGC on objections or concerns raised on contentious Hydropower Sustainability Standard certifications. She added that decision panel would be formed of three candidates selected from a pool based on the expertise required in that objection or concern.</p> <p>A Committee member proposed having a fixed remuneration rate for all experts in the panel which would be subject to review depending on inflation and asked for clarity on how the number of days required for a review would be set.</p> <p>Another Committee member agreed with the Committee member and stated that the number of days could vary with the complexity of the case but that the rate should not change.</p> <p>The Chair agreed there should be clear mechanisms for arbitration and suggested reviewing how the ICC processes for this. He added there should be careful consideration into how IRP would be remunerated if there were Public Interest Litigations.</p> <p>The Secretariat noted the complexity and proposed the Secretariat discuss this with ISEAL.</p> <p>A Committee member commented that, if the Secretariat was to bear the cost of the independent review, the bar for entering the review process should be high. She suggested there could be a mechanism in the case that a project proponent would like a review but does not meet the requirements they could cover the cost of the review.</p> <p>The Chair agreed that Secretariat should consult with ISEAL on best practices.</p> <p>The Secretariat responded that Secretariat took note of the comments raised and would include this in the ToR. The Secretariat indicated that the Secretariat would consult with ISEAL details on payments which would then be included in wider system documents.</p> <p><b>Action 2: The Secretariat to incorporate comments on ToR for Independent Review Panel, consult with ISEAL details on payments and circulate for HSGC approval.</b></p>
<p>41.8   ToR for Independent Representatives</p>	<p>The Chair invited the Secretariat to present the ToR for Independent Representatives.</p> <p>The Secretariat summarised that the new HSGC structure would include up to five Independent Representatives, who would be elected by the Stakeholder Representatives for a two-year mandate. The Independent Representatives would be selected based on areas of expertise and would work alongside Stakeholder Representatives to promote the wide use of the HS Standard.</p> <p>The Chair opened the floor to comments.</p>



	<p>A Committee member requested more precise description of the roles and defined ToRs for the experts. He asked for clarity on reimbursement of expenses indicating that the term of “when funds are available” was not clear. He asked to clearly define who decides whether funds are available and whether there would be no Independent Representatives if the funds were not available. A Committee member added that it was important to indicate that these experts would not be remunerated.</p> <p>The Secretariat clarified that Independent Representatives would not be remunerated and would be providing their time pro-bono but that their costs could be covered.</p> <p>A Committee member added that it was normal practice to have costs covered (when funds are available) if they were not being paid.</p> <p>A Committee member asked whether keeping task description vague was strategic to call on experts whenever required and asked the group whether they would prefer more specific descriptions for certain tasks. Another Committee member responded that there should be more clarity on qualifications that the independent representatives should have.</p> <p>The Chair added that the Secretariat should make sure that the selected Independent Representatives can afford to do the work pro-bono.</p> <p>The Secretariat responded that the Secretariat took note of the comments received to update the ToR and circulate through basecamp for approval. He proposed that the Secretariat prepare more detailed ToRs for the Independent Representatives in October, once there was a wider understanding of what sort of experts the Secretariat would be looking for.</p> <p><b>Action 3: The Secretariat to update Terms of Reference for Independent Representatives incorporating comments and circulate on Basecamp for approval.</b></p>
<p>41.9   Marketing and Communications Strategy</p>	<p>The Chair invited the Secretariat to present.</p> <p>The Secretariat summarised that the Secretariat incorporated feedback from the Governance Committee and prepared a more outcomes-oriented, measurable, and trackable strategy. She highlighted that identity of HSA would still be linked with legacy of the Council and this would be reflected in the visual guide, website and social media.</p> <p>The Chair proposed incorporating good arguments to address opposition and focusing on analysis of key audiences. The Secretariat noted this and added that there was an upcoming sustainability campaign with IHA which would focus on breaking down misconceptions about hydropower.</p> <p>A Committee member volunteered to be sounding board for this. He noted that people were fearful that the tool would be used open the door for new dams and proposed an approach with a focus on relicensing and reoperating existing projects.</p> <p>A Committee member requested additional details on the budget, which should be included in the staffing plan. He noted that the strategy could be approved subject to reviewing the staffing plan.</p> <p>A Committee member noted that one strategy for bad press would be to focus on the work of the Standard, which would demonstrate that the market was changing. The Secretariat agreed that the robustness and transparency of the certification process can be a strong communication argument.</p> <p>A Committee member highlighted the need to continue looking for engagement opportunities, such as the upcoming UN Water Conference. The Secretariat responded that IHA would be co-hosting a conference session with the Government of Tajikistan to announce the Sebzor certification (if the certification is awarded). He added that Secretariat would post details on the event on basecamp.</p>

	<b>Decision 4: The HSGC approved the final version of the Marketing and Communications Strategy for the Hydropower Sustainability Alliance, subject to reviewing the staffing plan.</b>
40.10   HR Structure Overview	<p>The Chair invited the Secretariat to present the HR Structure Overview.</p> <p>The Secretariat presented the document and noted it was a first draft, still pending legal review. The Secretariat added the Secretariat would take comments via basecamp or email.</p> <p>A Committee member asked whether document could be finalised before confirming location. The Secretariat responded that a lot of content would be dependent on location. The Chair suggested using drafts as placeholders while location and legal review was finalised.</p> <p>A Committee member added that a lot of information handled was highly sensitive that should be kept confidential therefore noted the need to incorporate confidentiality into HR procedures. The Secretariat agreed and took note of the Committee member’s comment.</p>
41.11   Next HSGC meetings	<p>The Chair presented next HSGC meeting dates.</p> <p>The Secretariat added that the meetings dates would be confirmed based on the roadmap progress.</p> <p>A Committee member asked whether WHC would be hybrid. The Secretariat responded that WHC would not be hybrid given complexity and cost. He added that there would be some virtual speakers, pre-recorded presentations and highlighted that all material would be available online following congress. The Secretariat confirmed that main conference dates would be 31<sup>st</sup> October – 2<sup>nd</sup> November.</p> <p>A Committee member proposed implementing some aspects of previous hybrid WHC as previous format without fees and without barriers was appreciated by those in civil society and contributed to notion of IHA being more inclusive. The Secretariat took note and added that discounted rates would be offered to civil society for in person attendance.</p>
41.12   Any other business	The Chair thanked the HSGC members for joining and closed the meeting.
41.13   Summary of decisions and actions	<p><b>Decision 1: The HSGC approved “Executive Director” as the title for the head of the Secretariat.</b></p> <p><b>Decision 2: The HSGC approved the updates to the statutory documents, which include the Charter and template chamber Modus operandi subject to the comments being incorporated during legal review.</b></p> <p><b>Decision 3: The HSGC approved the proposed process and timetable for the election of Chamber Chairs and Alternates as Stakeholder Representatives on the HSGC subject to legal review.</b></p> <p><b>Decision 4: The HSGC approved the final version of the Marketing and Communications Strategy for the Hydropower Sustainability Alliance, subject to reviewing the staffing plan.</b></p> <p><b>Action 1: The Secretariat to prepare staffing plan to be presented in the next HSGC meeting.</b></p> <p><b>Action 2: The Secretariat to incorporate comments on ToR for Independent Review Panel, consult with ISEAL details on payments and circulate for HSGC approval.</b></p> <p><b>Action 3: The Secretariat to update Terms of Reference for Independent Representatives incorporating comments and circulate on Basecamp for approval.</b></p>