

Hydropower Sustainability Council

Conflict of Interest Policy

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1. Introduction

This Conflict of Interest (COI) Policy is intended to ensure that all those associated with the formulation and implementation of the policies, processes and procedures of the Hydropower Sustainability (HS) Council, including its Governance Committee, Secretariat and teams of Accredited Assessors, as well as any other persons or entities acting on behalf of the Hydropower Sustainability Standard’s governing body, who play an active role in developing, managing and implementing the Hydropower Sustainability (HS) Certification System, whether remunerated or not, act in a manner fully consistent with the principles of the [HS Council Charter](#) and other key assurance documents.

2. Circumstances Constituting a Conflict of Interest

A conflict of interest may exist when the private interests or concerns of any member of the HS Governance Committee, Council, Secretariat or Accredited Assessors, or any other person or entity acting on behalf of the HS Standard's governing body, are seen to be competing with or in some way undermining the integrity and purpose of the HS Certification System. The items below represent a non-exhaustive list of instances that may give way to conflicts of interest if proper management measures are not put in place or fail to be implemented:

- Donor and recipient relationship;
- Development and revisions of the HS Standard;
- Selection of partners and governance members;
- Selection of hydropower projects to be assessed against the HS Standard;
- Personal financial interests;
- Gift giving or receiving.

It should be noted that [Annex A](#) provides a list of relevant conditions and whether or not they present a conflict of interest. If a potential conflict of interest arises and is not listed in [Annex A](#), it will be addressed by the Hydropower Sustainability Governance Committee as stated in the [Procedures for Disclosing and Addressing Conflicts of Interests](#) section.

With regard to Assessments, as stated in Section 6.2.4 of the [HS Assurance System](#), a conflict of interest may arise when a person or entity has separate affiliations or relationships regarding a Project that may consciously or sub-consciously influence knowledge, actions and decisions. [Annex A](#) includes a non-exhaustive list of potential conflicts of interest that may arise at the project assessment stage.

3. Duty to Disclose

3.1. Duty to self-disclose

Any member of the HS Governance Committee, Council, Secretariat or Accredited Assessor, or any other person or entity acting on behalf of the HS Standard is required to disclose all material facts that may constitute a conflict of interest involving themselves. [Section 4.3](#) lists the procedure for self-disclosing a conflict of interest.

3.2. Whistleblowing

Any member of the HS Governance Committee, Council, Secretariat or Accredited Assessor, or any other person or entity acting on behalf of the HS Standard who considers one or more of their peers of having a conflict of interest that has not been properly declared, must notify the [HS Secretariat](#). [Section 4.3](#) lists the procedure for disclosing a conflict of interest involving another member.

In such a case, the whistle-blower will be given the option to remain anonymous from his or her peers, including the Chair and Vice-Chair if requested. Any person who brings up a COI involving another party will not suffer any sanction or retaliation from the council and its members.

4. Procedures

4.1. Recusal and Refrain from Influence

At all times, the person with the conflict will refrain from attempting to influence the deliberations or voting on the matter and may not participate in or be present for the deliberations or vote on the matter. At the request of the Chair or duly convened sub-committee, however, the interested person may present background information or answer questions on the matter.

4.2. Documenting Conflicts of Interests

The minutes of any sub-committee meeting where a conflict of interest has been disclosed shall reflect that the conflict of interest was disclosed and that the interested person was not present for deliberations and did not vote on the matter. Such minutes should also document the basis for all determinations and approvals made by the relevant sub-committee.

4.3. Procedures for Disclosing and Addressing Conflicts

Any person or entity acting on behalf of the HS Standard, including but not limited to the Council, Secretariat, Accredited Assessor or Governance Committee, who suspects a conflict of interest either involving themselves or their peers, may use the questionnaire in [Annex B](#) to help determine whether there is, in fact, a conflict of interest. Members have a continuing obligation to disclose and address any potential or actual conflicts of interest by following the procedure below:

- i. The individual facing a potential conflict of interest shall proactively disclose this, together with the circumstances and all facts material to the possible conflict of interest to the [HS Secretariat](#).

- ii. The individual considering a potential conflict of interest concerning another member shall disclose it, along with any evidence they possess for suspecting a conflict, to the [HS Secretariat](#).
- iii. If appropriate, the HS Secretariat shall appoint a disinterested person or committee to help analyse the submission.
- iv. The HS Secretariat, along with the appointed disinterested person or committee, if appointed, shall determine the possible existence of a conflict with this policy.
- v. If a conflict of interest is found to exist, the HS Secretariat will elevate it to the Chair of the Hydropower Sustainability Council.
- vi. The individual with the conflict of interest will not be allowed to deliberate on the related matter nor vote on the relevant topic. At the request of the Chair, the individual with the conflict of interest may present background information or answer questions.
- vii. In the following Governance Committee meeting, the Chair shall report the disclosure, which shall be reflected in the minutes of the meeting.
- viii. If the Chair is implicated in a conflict of interest, the Vice-Chair will assume the Chair's functions until the issue is resolved.

4.4. Disciplinary Action

If the HS Council has reasonable cause to believe that an individual knew of his or her conflict of interest but failed to disclose it, the Council holds the right to take disciplinary action, including temporary suspension or termination of employment or participation as a member of the council or any other group associated with the Hydropower Sustainability Standard.

Annex A – Relevant conflicts of interest and conditions

Potential Col	Col or not (Y/N)	Comments
An Assessor conducts an HS Standard certification assessment of a project that they have assessed previously against the HS Standard.	N	An Assessor may conduct a Standard certification assessment of the same project up to two times. After two assessments, the Assessor will be asked to remove themselves from the assessment team for any future assessment of this project.
An Assessor conducts an assessment against the HS Standard on a project that previously underwent an official or unofficial assessment against the HSAP or HESG tools by the same Assessor.	N	Re-assessments using different tools (in this case the HS Standard) do not constitute a repetition or a verification of one's own work
An Assessor conducts an assessment against the HS Standard for a Project Proponent and develops an action plan to help them address potential gaps before their official assessment.	N	An Assessor may conduct an assessment that includes an action plan but cannot advise on or support the Project Proponent in implementing the action plan (i.e. resolving any gaps).
An Assessor conducts an official assessment for a Project after supporting the Project Proponent in resolving identified gaps (i.e. developing new documentation and/or processes to resolve gaps).	Y	An Assessor may not conduct an official assessment for a Project after supporting the Project Proponent in resolving identified gaps.
An Assessor conducts a third-party review of an internal HS assessment.	N	A third-party review is not as detailed as a full certification assessment and does not provide advice on gap resolution.
An Assessor is or was previously involved in the ESIA or similar substantive study or management planning of a project that will be used as major evidence for the project's undergoing an	Y	An Assessor should not be assessing their own work as major evidence for an assessment.

assessment against the HS Standard.		
An Assessor assesses a project whose staff have previously undergone a training under the Hydropower Sustainability Training Academy that featured that same Assessor.	N	Providing training to a client does not cause a conflict of interest and is a welcome intervention to build capacity within the client's support team. provided that the client/trainee does not interfere with the assessment of their own project.
An Assessor receives a gift or payment from a project proponent that could be perceived as intending to influence their decision.	Y	An Assessors may not accept gifts or payments, regardless of value, that could be perceived as intending to influence their work decisions, or that could cause reputational harm to the HS Standard and its integrity.
A member of HS Council and/or Secretariat receives a gift or payment from a project proponent that could be perceived as intending to influence their decision.	Y	HS Council members may not accept gifts or payments, regardless of value, that could be perceived as intending to influence their work decisions, or that could cause reputational harm to the HS Standard and its integrity.
A HS Council and/or Secretariat member influences the development or review of the HS Standard with the intent of furthering a private agenda inconsistent with the basic aims of the Standard.	Y	Members of the Council and/or Secretariat may not utilise the HS Standard certification process to further their own agenda.
A person involved with the implementation of the Standard is an employee or shareholder or has a financial interest in the Project being considered for certification.	Y	Person(s) with monetary interests in a project being assessed may not participate in the implementation of the Standard.

Annex B – Guidance for preliminary self-determination of COI

Any person or entity acting on behalf of the HS Standard, including but not limited to the Council, Secretariat, Accredited Assessor or Governance Committee, who suspects a conflict of interest may exist involving him or herself should use the list below as guidance to assess the situation. If the party has answered Yes to one or more questions, he or she is obligated to declare it. If the party is still uncertain whether a COI exists, he or she should still declare it to the [HS Secretariat](#).

1. Do I have a current personal, financial, or professional relationship with the project proponent or company seeking an assessment or certification against the Hydropower Sustainability Standard?
YES / NO

2. Does my reputation or the reputation of a relative, friend or colleague stand to be improved if the project proponent or company receives a favourable assessment and/or is granted a certification against the HS Standard?
YES / NO

3. (For Assessors) Have I assessed this project more than once in the past and could this assessment be seen as a repetition or verification of my own work?
YES / NO

4. Am I currently receiving, or have I received in the past gifts or favours from the projects proponent or company that could be perceived as intending to influence their work decisions?
YES / NO

5. Are my contributions to the development, implementation, or revision of the HS Standard and supporting documentation furthering my private agenda and inconsistent with the basic aims and principals of the HS Standard?
YES / NO

6. Are there any additional doubts that could influence or hinder my obligation to remain objective in the assessment and/or certification process?
YES / NO