

HYDROPOWER SUSTAINABILITY ASSESSMENT COUNCIL
PROTOCOL GOVERNANCE COMMITTEE MEETING #3
24 APRIL 2014 - 17.15 WASHINGTON DC & TELECONFERENCE
MINUTES / ACTIONS

Attendees:

	Name		Organisation
Mr	Emmanuel	Boulet	Inter-American Development Bank (IDB)
Mr	Roger	Gill	Hydro Focus Pty Ltd
Mr	David	Harrison (Chair)	The Nature Conservancy
Mr	Cameron	Ironside	Management Entity
Mr	Rikard	Liden	World Bank
Dr	Jian-hua	Meng	WWF
Mr	Matthew	Reddy	Wetland Care Australia
Mr	Andrew	Scanlon	Hydro Tasmania
Mrs	Michelle	Tompson	Management Entity

Observers:

	Name		Organisation
Mr	Jeff	Opperman	The Nature Conservancy
Ms	Amy	Newsock	The Nature Conservancy

Apologies:

	Name		Organisation
Ms	Erika	Breyer	Doria, Jacobina e Gondinho Advogados
Dr	John	Dore	AusAID
Mrs	Barbara	Fischer-Aupperle	Voith Hydro Holding GmbH & Co. KG
Mr	Rikard	Liden	World Bank
Dr	Donal	O'Leary	Transparency International
Ms	Karin	Seelos	Statkraft
Prof.	Guoqing	Shi	National Research Center for Resettlement
Mr	Henry	Chan	WWF - Malaysia

Agenda:

AGENDA ITEM	Lead	PAPER
1 Welcome <ul style="list-style-type: none">• Apologies• Approval of agenda• Acceptance of minutes• Conflicts	DH	
2 Status report incl draft note to chambers	CI	Annex 1
3 Action items outstanding <ul style="list-style-type: none">• License agreement• Methodology for assigning scores (as raised by Itaipu)• CAC response	DH	Annex 2, 3, 4, 5, 6, 7
4 Early stage planning	DH	
5 Online resource	CI/MT	Annex 8
6 Chambers/report back	CI	
7 AOB <ul style="list-style-type: none">• Jirau partial re-assessment• PGC approval translations• Other – Donal O Leary – Accredited Assessor Status/PGC Status	CI	

Minutes/ Actions

1) Welcome, Apologies, Conflicts and Additions to the Agenda

- The chair opened the meeting, welcomed those participating and noted the apologies received.
- The minutes from the last meeting (Meeting #2) were adopted.
- No conflicts of interest were noted.
- Additional items were added to the agenda:
 - A committee member requested that the issue of communications generally be dealt with under item 2 (status update) of the agenda

- A committee member noted a request to update the committee on the work of the Finance Working Group, under AOB
 - A committee member noted a request to discuss chamber work under item 6 (Chambers / report back)
- It was noted that a committee member had tendered his apologies as he was participating in a second training assessment at the time of the meeting. This prompted the Committee to note that as per decision of meeting #1, the committee member would be resigning their position on the Committee to become an Accredited Assessor. The PGC noted with concern the loss to the Committee of the member's experience and guidance and requested that the ME take up with them sourcing a suitable replacement.
- **Action 1.1: ME to discuss with a committee member's anticipated timing around their resignation from the Committee and identification of a suitable replacement**
- ME worked through the action items from past meetings, noting that all outstanding items were scheduled to be addressed at item 3 of the agenda, with the exception of the matter relating to the ME reformatting the procedure to comment on official assessments on the Protocol website. In this regard, ME confirmed that this had not yet been completed, but a quote to do so had been obtained, and resources were being identified to complete this work.
- **Action 1.2: ME to report back on progress around reformatting the procedure to comment on official assessments on the Protocol website at the next Committee meeting.**

2) Status Report

- ME provided an update on Protocol work that had taken place since the last PGC meeting, as per Annex 1 hereto.
- ME also updated the Committee on the financial position of the Council and the Protocol, noting that the revenue model (where a 10% levy would be applied in respect of any 'commercial use' of the Protocol, to flow back to the Protocol) agreed at PGC meeting #1 was now being implemented. ME noted that the only revenue currently being generated was through the IHA Sustainability Partners and training events, and that the 10% levy could not be applied to agreements entered into prior to the PGC decision in this regard being taken. ME noted that the levy had been applied to all subsequent Sustainability Partnerships, and it was expected the small amounts of revenue would begin to flow in the second half of 2014 from this introduced levy. ME also noted that conclusion of the License Agreement with the AA was imminent, which should also provide the enabling environment for AA to begin sourcing work themselves and applying the levy to such work.
- A committee member noted a concern around the level and type of communication around the Protocol. The member noted that having heard the Status Report it was clear that there was substantial work underway, but that this was not being appropriately communicated, with the following consequences:
 - Internally, the Chamber chairs were not aware of the work going on, and so could not communicate with their chambers, and mobilise their support, and further that the chambers members were not receiving any communications, impacting on their engagement with the Protocol
 - More broadly, there was no communication to the outside world on the Protocol, and this was impacting on uptake and resulting in a lack of excitement around the Protocol and its brand
- In discussion, there was broad agreement amongst the Committee that this was a weakness, and needed to be addressed, preferably by a dedicated communications resource within the ME. Noting the current financial constraints, the Committee agreed that this did not need to be a full time position, but did require some expertise and dedicated work. It was also agreed that

the ME would circulate a short update (including relevant Protocol statistics) on a bi-monthly basis to the chambers on Protocol activities, as a means of engaging more directly with Chamber members.

- **Action 2.1:** ME to circulate a bi-monthly note to council members, with the aim of communicating informally on current Protocol activities and engaging more directly with chamber members. The Chair would also establish a note for Committee members, to ensure that the Committee was kept up to speed between meetings. This would be effective immediately.
- **Action 2.2:** ME would engage with the communications team within IHA to explore whether this expertise could be used in a contained manner to address broader communications, in particular through the website and other electronic media. If IHA resources can be utilised then improved communications will commence at the earliest opportunity. Otherwise the ME will urgently seek other options.

3) Action Items Carried Forward

3.1. Methodology for assigning scores

- The chair noted that there had been a substantive discussion around the methodology for assigning scores, based on comments raised by Itaipu and considered during the last PGC meeting. The discussion had arisen as a result of a request that an official assessment intended for publication be scored against *each criteria in each topic* (the current agreed template for published assessments is that there is *one* score for each topic); and that even where the topic scores at three or less, the criteria in each topic are nevertheless scored against the five score as well (currently, where a topic scores at three or less, it is not assessed against a five score).
- The matter was brought before the Committee for further consideration following exchanges between Itaipu and the Chair since the last Committee decision, at the request of the Chair.
- The chair noted that the debate arose as a result of a provision at pg 16 of the Protocol Background Document that stated that "*there is potential to assign scores for each of the topic criteria appearing on a topic page...*" (noting that pg 16, above this provision describes the 'standard' method of assigning scores ie, one score per topic).
- In discussion, the Committee recognised that this request warrants reconsideration and that there was potential merit in the approach in certain instances. It noted however that it was vitally important that published assessments were standardised without variations of approach, both because of the need to drive the brand and provide comparability; and on the basis that the current agreed scoring methodology provided a suitable balance between complexity and simplicity.
- The Committee noted however that this in no way prevented Protocol users requesting that the AA provide an additional report for internal use in the requested format in parallel with the published report – this was merely a matter of time/cost negotiation between the AA and the client.
- **Decision 3.1:** The Committee was empowered by the Charter to interpret the Protocol and as such decides that until further notice all published assessments are required to be in the format of the primary and currently used methodology for assigning scores (ie, that there is *one score per topic*, and that *five scores are not scored if the project scores three or lower on that topic*).

3.2. CAC Response

- ME noted the decision at the last Committee Meeting that the ME would draft a response to the comments submitted by the Consumers Association of Canada in respect of the published

Manitoba report, and submit this to the Committee for comment by way of the out of meeting process.

- ME confirmed that this had taken place and that two comments on the draft had been received from Committee members. ME presented the draft as circulated, duly amended to address the comments and annexed to the agenda of the meeting.
- The Committee agreed that the amended draft addressed the comments and reflected the Committee's position.
- **Decision 3.2:** The draft as amended (attached as Annex 2) reflects the Committee's position on the response to the CAC comments, and should be published on the website.
- **Action 3.2:** ME to publish the response as per Annex 2 on the Protocol website forthwith.

3.3. License Agreement

- ME advised the Committee that he had received the anticipated comments from the current Accredited Assessors ('AA'). He further confirmed that he had worked with the chair to identify where proposed changes could be recommended to be accepted and comments addressed, and where there were issues that required the attention of the Committee. ME and Accredited Assessor (representing the assessors) worked through the AA comments and the chair and ME responses and significantly reduced the number of issues for Committee's consideration.
- The Committee received by email circulation both the draft containing the original Committee's comments and the revised position, and considered the outstanding unresolved issues, providing guidance to the ME on its position in respect of each.
- **Decision 3.3:** The Committee commended the AA for the time put into the comments and thanks them for the valuable contribution, noting that the large majority of the comments or suggested changes were acted on.
- **Decision 3.4:** ME is mandated to take to the AA the agreed Committee's position on the outstanding items
- **Action 3.3:** ME to provide the AA with the Committee's position on the outstanding issues for their final comment, with the intention that the License agreement is finalised as a matter of urgency.
- **Action 3.4:** ME to report back to the Committee on finalisation of the License Agreement once completed, for out-of-session adoption of same.

4) Early Stage planning

- ME briefed the Committee on current progress with the SECO negotiations, noting that on the expectation that these negotiations were successfully concluded, it was anticipated that the Early Stage would be applied in 2014 in two separate countries – in Croatia on the Sava River under the H4L project, and in all probability in Ghana under the SECO funding (approval pending).
- The chair noted that work on the Early Stage was vital, both because it had not received the exposure and attention that the other stages had during the Forum process; and because of its potential significance for sustainable hydro. The chair noted that they were interested to initiate work around the Early Stage as soon as possible, but considering the fact that it had not been applied formally to date, it should be applied before a working group is brought together to commence work on any suggested modifications or improvements to the tool.
- The chair noted that they saw the immediate need however for a very small scoping group to provide guidance on what global early stage work is currently underway and how the Protocol tool was being used by comparison; and begin to assimilate potential positions on its further

development, so that these could be taken into a larger working group once the experimental assessments had taken place. The chair suggested a potential chair for the initial scoping group, and noted that it should not be more than three to four people. The chair also noted that they were mindful of the workloads on the Committee members, and did not merely want a subgroup of the Committee tasked with this. The chair suggested that the Chair of this group at least be compensated for this initial work to ensure that it was effective and incentivised to deliver results.

- There was considerable discussion amongst the Committee on the Early Stage and how the working groups should be brought together (and the timing around this), with general agreement with the chair's position. It was however noted that it was not yet clear what the various elements of the SECO funding were, and how the initial working group would interact with that. Concern was expressed that this small initial working group's directions were not clear, and there was a need for a clear scope of work. It was accordingly agreed that the ME would prepare a paper on the stages of the SECO work, as well as a draft terms of reference for the working group together with names of participants for the Committee to review.
- **Action 4.1:** ME to put prepare a briefing paper on the stages of the SECO work, as well as a draft terms of reference and names of participants of the working group for the Committee to review. This would be circulated via the out-of-meeting process within 2 weeks of the PGC Meeting #3.

5) Online resource

- ME advised that the ME had been researching options to understand the best online resource tools for communication around the Protocol (tools for chamber members to communicate and share documents, work streams etc amongst themselves, for the PGC and for the AA) and had surveyed the Committee on their opinions for the priority from such a tool.
- ME updated the Committee on the survey results and provided a brief outline of the options being considered. ME also noted that the two options had now been put to the AA for their comments, some of which had already been received.
- A committee member noted that they and another committee member had arranged a meeting with one of the identified providers.
- Certain Committee members expressed positions on the preferred option but agreed that once a committee member's meeting had taken place, they and the ME would speak to discuss the outcomes of the meeting, and the ME would then select a final option, noting that implementation was dependant on the finalisation of the SECO funding.
- **Decision 5.1:** ME to meet with two committee members, and then make a selection of one of the two tools provided for PGC consideration.
- **Action 5.1:** ME to commence implementation of the selected tool as soon as the decision had been made and funding was available to support it.

6) Chambers / report back

- The Committee discussed in detail the lack of focus on engaging substantively with chamber members, noting that there had been a decision at PGC meeting #1 that Chamber Chairs would take guidance to their chamber members on what was sought from the Committee; and come back to the Committee with suggestions on where individual chambers thought they might contribute.
- It was noted that this did not appear to have led to substantive input from the chambers, and a committee member, discussing a recent meeting of the finance chamber, which highlighted some of the issues of concern to that chamber.

- It was agreed that a context paper should be drafted around three key issues:
 - Future uses of the Protocol
 - Increased penetration of the Protocol (noting, in respect of both items, the framing considerations of the T&C and the Charter)
 - How to drive incentives around use of the Protocol.
- **Decision 6.1:** ME to prepare a context paper, setting out the current implementation situation, what issues are challenging the ME in this regard, and where assistance from the chambers would be useful, to be circulated to the Committee out of session for input, before final issues are taken to chambers.
- **Action 6.1:** ME to re-circulate minutes from PGC meeting #1 to allow the issues set out to be addressed by the chamber chairs
- **Action 6.2:** ME to circulate context paper by June 2014, setting out what the current implementation situation is, what issues are challenging the ME in this regard, and where chamber input might be useful in respect of:
 - Future uses of the Protocol
 - Increased penetration of the Protocol (noting, in respect of both items, the framing considerations of the T&C and the Charter)
 - How to drive incentives around use of the Protocol
- A committee member advised that they and another member had for a period been working, with input from the ME, on identifying alternative funding streams for the Protocol. The member advised that they would in the near future share a draft paper on possible sources, which they proposed be circulated to chambers for input and possible assistance in accessing these alternative sources.

7) Date & Venue for Next Physical Meeting of the PGC

- It was agreed that Stockholm Water Week represented the best next opportunity for the Committee to come together, in all likelihood over a weekend either side of the event. It was agreed that a doodle poll would be circulated as usual.
- **Decision 7.1:** The next meeting of the PGC would take place around Stockholm Water Week 2014 (August 31st- 5th September 2014)
- **Action 7.1:** ME to circulate a doodle poll to determine the most appropriate exact dates and time for the meeting.

8) AOB

- The Committee noted that the Portuguese and Spanish translation had complied with the process outlined by this committee and should be adopted as official translations
- **Decision 8.1:** the Portuguese and Spanish translations are recognised as official translations for the Protocol.