

Hydropower Sustainability Assessment Council

Protocol Governance Committee meeting: Protocol Strategic Review

10th March at 18.00 (BST)

Teleconference

PGC Members:

Name	Organization	Chamber
Ken Adams	President, IHA	Hydropower operators or developers
Emmanuel Boulet	Inter-American Development Bank	Development, public or commercial banks
Mattia Celio	SECO	Advanced economy country governments
James Dalton	IUCN	Environment or Conservation Organisations
Roger Gill (Deputy Chair / Chair for the meeting)	Hydro Focus	Hydropower consultants, contractors or equipment suppliers
David Harrison (Chair)	The Nature Conservancy	Environment or Conservation Organisations
Cameron Ironside	IHA	Management Entity
Ricardo Krauskopf-Neto	Itaipu	Hydropower operators or developers
Rikard Liden	World Bank	Development, public or commercial banks
Christine van Oldeneel	Hydro Equipment Association	Hydropower consultants, contractors or equipment suppliers
Jamie Skinner	International Institute for Environment and Development	Social impacts, project affected communities
Michelle Tompson	IHA	Management Entity

Apologies

Name	Organization	Chamber
Olubunmi Martins	Research Intelligence Magazine	Social impacts, project affected communities
Lilao Bouapao	M-Power	Emerging and developing economy country governments
Jian-hua Meng	WWF	Environment or Conservation Organisations

Observers:

Name	Organization	Chamber
Bernt Rydgren	AF Consult	Accredited Assessor
Douglas Smith	IHA Sustainability Ltd	Management Entity
Simon Howard	IHA Sustainability Ltd	Management Entity

Agenda:

TIME	AGENDA	PAPERS
18.00	<ol style="list-style-type: none">1 Welcome, apologies, additions2 Update on process3 Discussion on Strategic Review proposal4 Discussion on tender submissions5 Way forward:<ul style="list-style-type: none">• Selection of preferred bidder• Funding the work• Requested amendments to tender (preferred bidder)	<ol style="list-style-type: none">1 Strategic Review final proposal2 Tender submissions from AECOM, DNV, ERM, PWC,3 Recommendation from Management Entity
19.00	<ol style="list-style-type: none">6 Next PGC Meeting7 AOB	

Minutes:

1. Welcome, apologies, and additions to the agenda

- Chair opened the meeting, welcomed those participating and noted the apologies received.
- Observer was welcomed as the representative from the body of Accredited Assessors.
- Representatives from the Management Entity joined the meeting.

2. Update on process

- ME provided an update on the tender process to date; four consultancies had been approached with the scoping paper and had subsequently provided proposals. ME had reviewed the proposals and scored them against the brief.

3. Discussion on Strategic Review proposal

- In reference to the scoping paper section 4, a committee member commented that the appointed consultancy should also look at similar initiatives e.g European Energy Award and Public Expenditure and Financial Accountability (PEFA)¹ by way of comparing their general principles and modes of operating. The committee member commented that the Protocol vision (to 2018) was unrealistic, and might affect the manner in which the consultants address the mandate. It was agreed that a note would be included in the scoping document to acknowledge a more lengthy period to achieve the vision.
- A committee member noted concern that the scoping paper is vague in detailing how the 'Protocol as a product' is explored, and suggested that the mandate to the consultancy include consideration of expanded options for use of the Protocol (ie, the product). The review should highlight possibilities for product diversification in addition to service diversification.
- A committee member requested that the scoping paper should include consideration of how the Protocol Protocol should be marketed.
- A committee member noted that the indicative list of considerations was structured so that all questions were directed to third parties. The member suggested that it be made clear to the consultants' that when designing questionnaires for organisations to be interviewed, the questionnaires be framed to ensure that the responses elicited answers about the use of the

¹ <https://www.pefa.org/>

Protocol by the organisation being interviewed (for example, through direct questions aimed at that organisation)

- [Post meeting note: A committee member has offered to comment on the Consultant's draft questionnaire methodology]
- **Action (8) 3.1** The scoping paper would be amended to note that the time frame for achieving the Protocol Vision would extend beyond 2018
- **Action (8) 3.2** ME would incorporate the PGC comments regarding:
 - Reference to other initiatives
 - Consideration of Protocol products
 - Structure of questions**Into the scoping paper prior to sharing with the preferred bidder.**

4. Discussion on tender submissions

- The meeting generally agreed that the ME recommendations reflected the general consensus that ERM was the preferred bidder.
- A committee member noted agreement however expressed concern at an apparent lack of market research skills demonstrated. The member requested that the proposed team be strengthened taking this into account, and that the study methodology be clarified before proceeding further. ME, noted that ERM should be capable of designing the market survey and interviews. ME stated that they are inherently aware of how to market it through their day-to-day consulting activities.
- A committee member suggested that ERM as the preferred bidder should be requested to provide some technical and financial clarifications to their proposal by:
 - Defining an approach methodology for review and against which they can be tested
 - Revising their team structure to include someone skilled in market surveys
- The chair noted the importance of a structured means of contact between the ME and consultant to ensure that they remained on track against the scoping document through the process.
- The ERM consulting rates were discussed and the ME was requested to negotiate an improved cost outcome.

5. Way forward:

a) Selection of preferred bidder

- It was agreed that ERM are selected as the preferred bidder due to their scope, approach, and capability.
- ME would incorporate the comments into a revised scoping document and then go back to ERM with a request for clarifications and modifications to their proposal including further consideration of the financial proposal.
- ERM will then provide a revised technical and financial proposal, clarifying expenses and deliverables.
- This will be submitted for final approval with a contract for sign off by the PGC by email no-objection process.
- **Action (8) 5.1** ERM as the preferred bidder will be requested to provide a revised proposal which will include a tight set of deliverables, detailed methodology, update on staff experience and detailed breakdown of expenses. The contract will include a termination clause to be used in case of unsatisfactory performance by the consultant.
- **Action (8) 5.2.** The PGC will have a 2 week no-objection period to review the final submission from ERM.

b) Funding the work

- The ME advised that they had assumed a total budget of £100k for the work inclusive of fees and expenses.

- A committee member confirmed that some of the current funding from SECO could be re-directed to cover this work.
- A committee member noted that there could be funding available from World Bank but that it could run into timing issues that might delay the work.
- **Action (8) 5.3** ME to finalise funding structure with a committee member.

6. Next PGC Meeting

- Will be scheduled to follow the submission of the draft report from ERM. This is anticipated to be the end of June 2016.
- **Action (8) 6.1** Management Entity will circulate doodle-polls with various dates in June allowing sufficient time for review of the draft report.

7. AOB

- There being no further business the meeting closed.