

NOTES ON PROTOCOL SECTIONS

The purpose of this agenda item is to set the framework for agreement on key technical, economic and governance aspects of Sections A and B of the Protocol, by clarifying purpose and intent of these sections.

A number of Forum members provided their views on all three Protocol sections in their comments on Survey 1, which are compiled below.

Some conclusions and observations that can be drawn from these comments are:

- The majority of Forum members feel that all three sections of the Protocol are relevant.
- It is recognized that the usefulness / relevance of the different sections depends on who is the user. Section B is considered of most use to developers and financiers, whereas Section C is considered of most use to operators.
- Several comments note that if Section A is done very well, then Section B would be easier and less critical.
- It is suggested that Section A is least useful in its present form because of the absence of measurement.
- A proposal is made to combine Sections A and B.
- A proposal is made for the Forum to focus most of its attention on Section B, and focus its attention on Section C at a later stage.

Comments from Survey 1 of Forum Members on the Relative Importance of Sections A, B and C

References to all being relevant:

- All very relevant.
- Difficult to make a case that one of these is 'least relevant'
- All the protocol sections are relevant in decision-making on increasing electricity supply, particularly in developing countries.
- All three sections are relevant because they address different aspects of a project cycle.
- All relevant, address different stages in project cycle
- Depends on who is using it / what purpose. Section A is advisory, so B & C are more relevant. C is more relevant for operators. B is more relevant for developers.

Some explicit references to Section A:

- They are all important. However, Section A is critically important for the identification and elimination of unsustainable projects early in the process and for establishing linkages with options assessments and other forms of comprehensive

planning that can contribute to improving hydropower's sustainability at the strategic and sectoral level. From an environmental and social perspective, if Section A were done very well, then Section B would be both easier and less critical. For places where comprehensive planning has not taken place, then Section B takes on greater importance and obviously Section C is most important for existing dams.

- They are all relevant. Better upfront planning covered by section A would prevent many problems, and while section B covers the most contentious issues, the performance of the vast number of existing dams could be improved under section C. We would want to see section A covered by the HSAF, though possibly in a different format than the existing section A, including a discussion of non-government / industry obligations to work together to promote better policies, options assessments & strategic environmental assessments.
- Section A is critically important for the identification and elimination of unsustainable projects early in the process and for establishing linkages with options assessments and other forms of comprehensive planning that can contribute to improving hydropower's sustainability at the strategic and sectoral level. From an environmental and social perspective, if Section A were done very well, then Section B would be both easier and less critical.
- Section A [is most relevant] to be able to compare energy projects
- All sections are equally relevant. Section A is the more difficult section given that it is beyond the hydro sector to determine, but the intent, content and documents / processes required are centrally important to inform the other sections. Obviously if there is good, participatory and comprehensive process in Section A then consideration of long-term energy needs, comprehensive options assessments, demand side management etc etc will have been completed ensuring that there is less politicisation and more clarity for development of most sustainable options moving forward. If however, Section A is not comprehensive or has been done with minimal consideration of sustainability considerations then Section B (and ultimately Section C) becomes that much more important to filter and inform specific project proposals. But a question could be posed as to how effective the protocol can ever be if Section A phase is non-existent or not comprehensive.
- No sections are less relevant. Section A is less directly the responsibility or in control of the hydro sector but having best practice in this area should lead to decisions being made more rigorously and less controversially on sustainability criteria in subsequent 'phases'. Getting Section B 'right' means that over a longer term period there could be less 'bad' dams built and better planning for alternative options, mitigation of resettlement and environmental impact, up front negotiation and investment in environmental flows, rigorous planning for livelihood impacts and significant commitment to beneficiary rights, and so on.
- No section is least relevant because the three sections are connected with each other. Section B and C are related to actual works more closely compared with Section A. But Section A is the foundation of Section B and C. It outlines the principals for the other two sections.

- In general terms, all three sections of the protocol are relevant depending on the stage of development of the project. However, since Section A applies to new energy projects, i.e. potential hydropower projects that are under the planning stage, this is probably the most important section. By ensuring project sustainability in the planning stage it will be easier to implement this at later stages of project development. It must, however, be remembered that the use of the Protocol in itself will not replace the important work that needs to be carried out when planning a hydropower development, (e.g. an environmental and social impact assessment of the project). Use of the Protocol could, however, be a way of ensuring and then certifying that these studies are carried out.
- Section A is relevant, but least useful, because it does not provide a framework for quantifying / scoring sustainability considerations of specific hydropower projects.
- All are relevant. Given the Forum's construct and its limited time, I would rank allocation time as most to Section B, least to Section A. This is not driven by the level of risk but by where the biggest benefits in applying the Protocol may lie over the next 3-5 years. A separate activity can address section C (note World Bank is starting one now).
- Sections A and B most relevant because of the focus on new projects

Some explicit references to Section B:

- Section B is most relevant as it deals with the new hydropower development, very important for a sustainable future.
- Section B [is most relevant]. For the sustainable development of hydropower project, the correct plan of the project is quite important. Otherwise it will be very difficult to improve the situation after the project is finished. In China the government is trying effort to reduce the side impacts of hydropower projects in the plan and design phases, so we hope the IHA Protocol is helpful to us.
- Section B deals directly with the new hydropower development, very important for a sustainable future.
- Section B is most relevant from a financing perspective, because it focuses on hydro at the project level rather than as part of an integrated energy plan. The overlap between Section A and B is a little confusing, however, and it would be helpful to combine these two sections.

Some explicit references to Section C:

- While section B covers the most contentious issues, the performance of the vast number of existing dams could be improved under section C.
- The area of greatest reputational risk to the project proponents (including government, developers and financiers) is in assuring that the commitments to affected communities are met. This includes benefit sharing. Thus, strictly speaking, all other sections are less relevant.

- Section C [is least relevant]: New projects offer more possibilities to mitigate and influence.
- Section C [is least relevant]: From government perspective performance is the responsibility of the operator, key issue is compliance with national requirements, little involvement of financiers in development
- Section C is not so important for future development, only to test the procedure against known projects and the effects of old projects.