

NOTES ON SECTIONS A AND B KEY ASPECTS – ECONOMIC, TECHNICAL AND GOVERNANCE

The purpose of this agenda item is to reach agreement on the economic, technical and governance aspects to be included in Sections A and B of the Protocol.

Information assisting the considerations of the Forum member on this agenda item can be derived from three sources:

1. The list of aspects identified by Forum members as missing from Section B in their responses to Survey 1.
2. The summary of key aspects listed in the minutes of Meeting 1, grouped by economic, technical and governance issues; environmental issues; and social issues. These were compiled from Survey 1 results and discussion at Meeting 1.
3. Forum member ratings of the importance of the existing Section B aspects in Survey 1.

**1. ASPECTS MISSING FROM SECTION B
Identified from Survey 1 of Forum Members**

- Greenhouse gas emissions, climate change risks, carbon footprint, cost of carbon
- Linkages with comprehensive energy planning
- Transboundary issues
- Demonstrated need
- Operational risks
- Increased voice for project affected peoples in all stages of planning process
- More attention to downstream effects and communities
- Indigenous peoples
- Resettlement
- Alternatives analysis
- Conflict should be included in B1.
- Governance
- Corruption
- Transparency, accountability
- Revenue transparency
- Poverty?
- Communications
- Conflict analysis
- Gender
- HIV/AIDS
- Financial viability / bankability, i.e. a project's ability to access capital
- Economic viability
- Accountability and transparency.

It should be noted that four respondents were satisfied with the existing aspects.

2. SUMMARY OF KEY ASPECTS GROUPED BY THEME

From minutes of Forum Meeting 1

Economic, technical and governance issues (13)

- Political risk and regulatory approval (B1, A3)
- Economic / financial viability (B2, A6, A7)
- Reliability & efficiency (B 4, A10, A11)
- Project management plan (B5)
- Site selection & design optimization (B6, A4)
- Safety (B11, A15)
- Government and proponent policies (A2)
- Design, construction and operational risks, and sustainability performance of suppliers (A5)
- Markets, innovation and research (A8)
- Demonstrated need for project (A1) / Linkages with comprehensive planning / Strategic Assessment (new proposal)
- Governance, corruption, accountability, transparency; revenue transparency (new proposal)
- Communications (new proposal)
- Transboundary issues (new proposal)
- Conflict analysis / national security (new proposal)
- Operational risks (new proposal)

Environmental issues (13)

- Environmental impact assessment and management plan (B13, A17)
- Threshold and cumulative impacts (B14)
- Construction and associated infrastructure impacts (B15)
- Land management and rehabilitation (B16)
- Aquatic biodiversity (B17)
- Environmental flows and reservoir management (B18)
- Sedimentation and erosion (B19)
- Water quality (B20)
- Extent and severity of environmental impacts (A18)
- Air, water & soil emissions + waste management (A19)
- GHG emissions, climate change risks, carbon footprint, cost of carbon (A20, new proposal)

Social issues (13)

- Additional benefits and capacity building (B3, A9)
- Community and stakeholder consultation and support (B7, A12)
- Increased voice for project affected peoples in all stages of planning process / grievance mechanisms (new proposal)
- Social impact assessment and management planning (B8, A13)
- Extent and severity of economic and social impacts B9, A14)
- Public health (B10)
- Employee safety (A15)
- Cultural heritage (B12, A16)
- Dispute resolution / complaints mechanisms (new proposal)
- More attention to downstream effects and communities (new proposal)
- Indigenous peoples (new proposal)
- Poverty (new proposal)
- Gender (new proposal)
- HIV/AIDS (new proposal)

3. IMPORTANCE OF SECTION B ASPECTS Results of Survey 1 of Forum Members

Note that the technical, economic and governance aspects are circled.

	Importance of Aspect	Ave	Consensus	Min	Max
B13	Environmental impact assessment / mgmt	8.5	H	7	9
B8	Social impact assessment / mgmt	8.1	M	6	9
B6	Site selection & design optimisation	8.1	M	5	9
B9	Impacts on directly affected stakeholders	8.0	M	6	9
B18	Environmental flows / reservoir mgmt	8.0	M	6	9
B7	Community & stakeholder consultation / support	7.9	M	5	9
B17	Aquatic biodiversity	7.7	M	6	9
B2	Economic viability	7.7	M	5	9
B20	Water quality	7.7	M	6	9
B14	Threshold & cumulative impacts	7.5	M	6	9
B19	Sedimentation & erosion	7.5	M	6	9
B12	Cultural heritage	7.5	M	5	9
B16	Land mgmt / rehab	7.3	M	5	9
B15	Construction impacts	7.3	M	5	9
B1	Political risk / regulatory approval	7.1	L	4	9
B3	Additional benefits	7.1	M	5	9
B11	Safety	7.1	L	4	9
B5	Project management plan	6.9	M	5	9
B4	Operational reliability & efficiency	6.7	M	5	8
B10	Public health	6.4	L	4	9
	Average	7.5			

(key for importance of aspect rating: 9 = extremely, 7 = very, 5 = reasonably, 3 = partly, 1 = not at all)
(key for consensus rating: VH – 1 pt between min/max, H – 2 pts, M – 3-4 pts, L – 5 pts)

5 aspects with average score 8 or above:

- B13: Environmental impact assessment and management plan (high level of consensus)
- B8: Social impact assessment and management plan (medium consensus)
- B6: Site selection and design optimisation (medium consensus)
- B9: Predicted extent and severity of economic and social impacts on directly affected stakeholders (medium consensus)
- B18: Environmental flows and reservoir management (medium consensus)

12 aspects with average score between 7-8 (majority have a medium level of consensus)

3 aspects with average score below 7:

- B5: Project management plan (medium consensus)
- B4: Planned operational efficiency and reliability (medium consensus)
- B10: Enhancement of public health and minimisation of public health risks (low consensus)