

1. INTRODUCTION

The Hydropower Sustainability Assessment Forum undertook a process review at Forum Meeting 3 in Zambia. This was an informal discussion focussed on meeting procedures, and made a number of recommendations on how to improve meeting processes.

The first Forum Status Report (November 2008) summarised these recommendations, and also analysed the indicators of success for the Forum and the major risk factors (Attachment 1). These performance indicators and risk factors were not developed jointly by Forum members, but rather were proposed by the Forum Coordinator.

The second Forum Status Report is due in April 2009, and in this report the Forum has committed to report on a process review. There are no specific requirements or expectations on the nature of this review.

2. GUIDANCE ON PARTNERSHIP ASSESSMENT

In anticipation of this review, and to get some guidance, the Forum Coordinator has had separate meetings during January and February 2009 with Ros Tennyson from The Partnering Initiative, and Urooj Amjad from Building Partnerships for Development in Water and Sanitation (BPDWS).

A useful document relevant to considering how to undertake this review was “Assessing Partnership Performance: Understanding the Drivers for Success”¹. This document set out key considerations around when, how and why to review or assess a partnership. The following are excerpts taken directly from this document that seemed to be useful to think about in relation to assessing the Forum.

“Definition of a partnership

Partnerships involve two or more organisations that enter into a collaborative arrangement based on:

- 1) Synergistic goals and opportunities that address particular issues or deliver specified tasks that single organizations cannot accomplish on their own as effectively, and
- 2) Situations where individual organisations cannot purchase the appropriate resources or competencies purely through a market transaction.

Part 1 of the definition is fairly common. Part 2 introduces a more interesting element as it invites discussion around power and mutual need, funder and recipient relationships, and the “value” of the variety of resources that are brought to the table.”

“Partnership Assessment Tools

Reviewing the performance of partnerships involves two elements: an assessment of the results of the collaboration and an assessment of how the partners work together.

The guidance offered throughout this document starts from the premise that partnership assessment is best initiated and conducted as a “conversation” owned first and foremost by the partners themselves.”

¹ Kaplan K, Gomme J, Mugabi J & Stott L (2007) Assessing Partnership Performance: Understanding the Drivers for Success. Building Partnerships for Development, www.bpdws.org

“When should an assessment be conducted?”

A primary challenge is to ensure that agreed measurement indicators are solid enough to encompass elements likely to remain stable, while simultaneously flexible enough to allow for change in the approaches, perspectives and strategies of both the partnership and individual partners. To address this, partners are encouraged to refer back to the most recent assessment findings on a regular basis to determine where circumstances have changed. The initial analysis on the context and the drivers to participate provides a good baseline that should be expected to change over time. Again, the goal is to create a conversation between partners that allows the partnership to adapt as circumstances dictate.

At the initial stage of developing a partnership, individual partners may wish to examine the potential for the partnership to help them fulfil their own organisational goals. At this stage an assessment of the logic of the partnership will be useful. During consolidation and implementation, it may be desirable to monitor and track the contributions of different partners, the effectiveness of partnership processes and the progress made towards using planned resources and achieving planned outcomes. These “health checks” are usually informal and internal and are undertaken at regular intervals when progress reviews and reports are needed. Typically this may be every 6-12 months and could take the form of a partnership review.

A deeper evaluation might be a bi-annual exercise, when a more formal review of the project’s progress against objectives and activities and taking into account any changes in the external constraints and opportunities that affect the project. This form of evaluation may assist in forging a future path for a partnership (i.e. by identifying new partners, new sources of funding, etc.) or creating a more purposeful and strategic exit strategy.”

“Why assess a partnership’s performance?”

“Health checks” (referred to as tracking, monitoring, formative evaluation, etc.) ask “are we making progress as a partnership?” They enable partners to assess the costs and benefits of their participation in relation to individual objectives and contributions, examine how well partnership structures and systems are working and gauge whether expected milestones are being reached. This approach allows for conflicts and difficulties to be corrected before they become debilitating and can improve the co-ordination within the partnership, promote its capacity and encourage internal motivation. It can also be a helpful vehicle for joint recognition of successes and failures that lead to decisions about future planning.

Assessments should provide information in what works and what does not at different stages of partnership’s development.”

“What to assess?”

Performance hinges upon the right partnership construct for the context, the willingness and ability of partners to deliver on commitments, and how partners reach decisions about how to allocate resources or focus their activities.

The external context – Partnerships and their activities are not created in a vacuum but must be framed around the specific contexts in which they operate.

Effective partnerships will understand this context thoroughly and seek to follow closely how the situation changes over time.

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- What are the prevailing political attitudes within each major stakeholder group around the problem to be addressed and towards the activities or approaches around which the partnership is organised?
 - How has the economic context dictated resource allocations and thus the preoccupations and priorities of different stakeholder groups?
 - If there are contextual changes, have they been reflected in the objectives, activities or approaches of the partnership?

Organisational drivers – The different visions and missions of each of the partners also form part of the context for the partnership. Indeed the rationale for multi-stakeholder partnership is to bring together diverse types of organisations with different skills and resources. The specific dynamics of each will determine their incentives and obligations to the partner. If the partners fail to understand each other in these terms, they are likely to misinterpret each other's motivations and actions.

Depending on the relationships that have been established with partners, organisations may have significant reservations about revealing the factors that motivate them in detail.

Individual drivers – Partnerships are operated and maintained by individual representatives who bring them a number of identities, including at least their professional identity (e.g. as an engineer, public health professional, etc.), their position identity (which designates certain levels of authority within their own organisation) and their personal identity. Each of these will influence how they interact with the partnership.

The drivers for why individuals are at the table will influence their behaviour in, and contribution to, a partnership.”

“Moving from Drivers to Negotiated Targets

An assessment process needs to reconfirm how the partnership fits into its broader context. The analysis of the context and definition of the scope of the partnership are negotiated and translated into a set of proposed outputs and outcomes. Typical questions to gain this understanding might include:

- What is the partnership trying to achieve?
- What does success look like for the partnership? How would we know if we had achieved it?
- What kind of changes would we see? Where or within which institutions?”

“Unpacking partnership performance

An assessment of partnership effectiveness and efficiency is critical to any performance assessment. Partnership effectiveness is about whether the partnership gets the results it was hoping for.

Partnership efficiency is the ability to make good use of the members' financial resources and time.”

3. PROPOSAL FOR PROCESS REVIEW AT FORUM MEETING 6

It is proposed that the Forum members undertake this assessment as an informal and internal 'health check', and dialogue is focussed at the outset on two key questions:

1. Do the Forum members agree that these are the important performance indicators and risk factors as shown in Attachment 1, and how are we going on these?
2. Do we share a common understanding of the Forum objectives and expected output, with reference to the Forum's phased work plan approach as described in the minutes to Forum Meeting 1 (Attachment 2)?

ATTACHMENT 1:

RELEVANT EXCERPTS FROM THE FORUM STATUS REPORT NOVEMBER 2008

Forum Meeting Process Review (*Forum Status Report pages 16-17*)

The Forum members discussed its meeting procedures at the end of Meeting 3, which generated some recommendations to take forward in the process. The following is an agreed summary of outcomes taken from the meeting minutes.

The discussion captured an overall favourable view of how the Forum is progressing. The Forum members unanimously complimented the coordinating team for their efforts and contributions to the substantial debates. Some observations and ideas for improvement arising from the discussions are noted below.

Within Meeting Processes:

- Need to recognise that there will be an evolution in group dynamics. At the early stages members will want to ensure that the agenda items most critical to them are raised, and so there may be digressions from the agenda that need to be somewhat tolerated. As the Forum progresses through its work plan it will experience increasing efficiency and focus.
- Need to ensure and retain clarity on the purpose of each agenda item. Forum members encouraged the Forum Chair to strongly enforce this focus. It was observed that reduced focus can be linked to meeting fatigue, the potential for which needs to be recognised in the meeting agenda design and how the meeting is paced.
- Need to use the “parking lot” approach more, so that when issues are raised that are not focal areas for that particular agenda item, they are recognised and time is allowed later in the meeting to address those deferred issues. Where appropriate, 2-3 people could be directed to discuss out of session a deferred item, and bring back to the meeting ideas on how to address it.
- Strategies to give adequate opportunity to hear from all Forum members in discussions were explored. More small group work could be brought into the session design where appropriate, as could more structured exercises aimed at canvassing all views. Individual styles and needs were explored, leading to a greater collective awareness of how to support this objective.

Meeting Agenda Design:

- Need to get into substantive work earlier in the meetings rather than leaving the bulk of it for the last day, as meeting attendees will be more fatigued later in the meeting and there is a higher risk of running out of time for certain critical items.
- Need a larger proportion of the meeting targeted towards reaching meeting agreements on Protocol improvement.
- Need to deal with administrative considerations quickly and efficiently, and be judicious about what needs to be brought into the Forum meeting for discussion. New proposals should be dealt with out of meeting if possible, although it was noted that the need to discuss aspects of a new proposal cannot always be predicted.

Use of Experts:

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- Experts have been very useful in assisting Forum members from different backgrounds to develop a common understanding of some of the key issues, and it is important to retain this.
 - Need to use experts more fully throughout the meeting to help consider how to improve Protocol content relevant to their areas of expertise.

These outcomes have been taken into consideration in the design of Forum meeting 4, with some improvement but still room to continuously improve.

Other Reflections on the Forum

Frequency of Forum Meetings:

- A consistent message coming back to the Forum from its members and also from reference groups trying to follow the Forum process that it is moving too fast and is very resource intensive to try to stay involved in the process. An initial idea was that comments from reference groups would be received on the minutes from each Forum meeting, but in reality the pace has been too fast for this to occur.

Reference Groups:

- The Forum commenced with a consultation model that each Forum member would have a formal reference group. In practice this has been difficult to achieve, because reference groups have their own resource and administrative requirements. The model works best where there is an already established group, a good example being the Equator Principles Financial Institutions Best Practices Working Group. The response to this has been to be open and supportive to different forms of consultation and outreach by Forum members (e.g. the NGOs had a stakeholder outreach meeting in Zambia), and to define a clearer period in the Forum work plan for consultation.

Forum Membership:

- Concerns were raised to the Forum that there is an absence of representation amongst the membership of resettlement expertise and also indigenous peoples and project-affected communities. This was discussed at Forum meetings 3 and 4. Taking on new Forum members halfway through the Forum process was not a preferred option of the Forum. Resolutions reached at Forum Meeting 4 was the formation a social issues expert reference group, and to endeavour to reach project-affected communities through the consultation process. The effectiveness of these measures in addressing the concerns raised will be able to be evaluated in the April 2008 Status Report.

Evaluation Against Performance Indicators (*Forum Status Report pages 21-23*)

Planned evaluations/reviews

The planned evaluations and reviews may vary depending on whether Forum members want to spend more time dealing with particular issues. At this stage the proposal for evaluations and reviews is:

- November 2008 – Summary of Sections A and B agreements plus process review
- April 2009 – Summary of Section C agreements plus process review
- June 2009 – Draft Revised Protocol and process evaluation
- December 2009 – Final Revised Protocol and proposal for way forward

Main performance indicators

Indicators of success of the Forum include:

1. Well coordinated and productive meetings. Targets relevant to this indicator are set out in the Forum Communications and Operating Procedures document. Draft agendas have been circulated 30 days prior to the meetings, meeting papers have been circulated 7 days prior to the meetings, draft minutes have been circulated 7 days post meetings. Meetings have been held between the Sustainability Forum Coordinator and Forum chair prior to all Forum meetings. A process review session was held at the end of Forum Meeting 3, which made suggestions to meeting structure as provided in Section 3 of this report; these were incorporated into Forum Meeting 4.
2. Full and consistent member participation. There have only been two changes to membership since Forum Meeting 1: David Harrison replaced Brian Richter for TNC, and Zhou Shichun and Yu Xuezhong replaced Shi Lishan for China. 13 out of 14 institutions have represented at each Forum meeting. In general almost all Forum members have managed to go to almost all meetings themselves; two alternates stood in for Forum members at Forum Mtg 2, one at Forum Mtg 3, and one at Forum Mtg4. At Forum meetings 2, 3 and 4 each has had one Forum member apology (Equator Banks, Norway and Norway respectively). The Norwegian member has indicated that these absences were unavoidable and that they fully intend to actively participate in future Forum meetings.
3. The degree of funding and in-kind contributions to the process. There has been no active effort to raise funds in addition to the contributions from Norway, Iceland, Germany, TNC and IHA because all attention has been on ensuring high quality process and product from the first four Forum meetings. Full attention will be put on further fund raising during the next three months, so this indicator will be better able to be evaluated in the April 2009 Forum Status Report. The degree of in-kind contribution has been very high, as indicated in Section 4 of this report, and continues to grow.
4. Resolutions reached at each meeting in accordance with the work plan. The work plan has been continually improved and refined at each meeting, with a significant re-framing once the decision was made to propose a four-section Draft Revised Protocol. The minutes of each meeting reflect that a number of resolutions were able to be reached in accordance with the objectives of that meeting. Attachment 3 is a summary of all meeting agreements (7 agreements at Meeting 1; 17 at Meeting 2; 21 at Meeting 3; 13 at Meeting 4). There were also resolutions on forward actions at each meeting, usually around work in preparation for the next meeting (15 actions from Meeting 1; 8 from Meeting 2; 6 from Meeting 3; 11 from Meeting 4). Status reports on these actions are presented at each Forum meeting.
5. High quality of expert input at each meeting. The work plan for meetings 2, 3 and 4 was to include presentations/discussions with experts on key topics. Six invited experts were brought to Forum Meeting 2 (from France, Norway, Nepal, Zambia, Germany), 10 to Forum Meeting 3 (from South Africa, Zambia, Botswana, USA), and 11 to Forum Meeting 4 (from China, UK, USA), but in fact at all these meetings expertise from within the Forum membership was also contributed. A summary of all presentations provided by experts at these Forum meetings was provided in Section 2.
6. Endorsement of a majority of Forum members for the final output of the Forum. It is not possible to evaluate this indicator at this point in the Forum process.

7. Interest and commitment of Forum members to continue with a following phase of the process. It is not possible to evaluate this indicator at this point in the Forum process.
8. Transparency. As stated previously, transparency has been a very high priority for the Forum. All Forum information has been put on the IHA website (http://www.hydropower.org/sustainable_hydropower/hsaf.html) with the exception of some previous Protocol assessments provided by hydropower owners/operators on a confidential basis for Forum member review.

Major risk factors

Major risk factors for the project include:

1. Lack of sufficient funding. Based on the budget review, this is clearly a risk that needs to be addressed as a high priority. The intention is to put a strong effort into fund raising over the next three months so that by the March 2009 Forum meeting there is a good idea of what potential funding assistance might be accessible.
2. Lack of continuity of Forum membership. There has been no withdrawal by any organization in Forum membership, nor any indications that this might be the case.
3. Absence of consensus on key issues. There are a number of areas in the meeting minutes where resolution on issues was not achieved within the meeting. However to date none of these are seen as irreconcilable issues, but rather requiring more discussion at a later date. A recommendation at the Zambia meeting was to utilize a “parking lot” on the agenda so that discussions that were not going anywhere could be resumed later in that meeting. The minutes also record any areas identified as requiring further consideration. A particularly challenging and significant issue still to be addressed is the approach to scoring, including specificity on the grading for attributes across the spectrum of practice, Final reporting and articulation of the hydropower sustainability assessment protocol may need to include sections or accompanying documents outlining where agreement has not been reached; including articulation of differing viewpoints and positions/approaches; the format and process for this will be determined if the need arises.
4. Travel and logistical impediments. There were considerable concerns about the ability of Forum members to obtain visas to get to the China meeting, but despite these concerns all visas were obtained. There have been some issues with flight schedules requiring Forum members to have to leave early on the last meeting day of some of the meetings. To date, travel and logistics have not impacted significantly on the Forum process.
5. Adverse stakeholder reaction. There were concerns raised about the Forum process by experts when they were approached about participating in Forum Meeting 4. Ted Downing is President of the International Network on Displacement and Resettlement. They were particularly concerned that meeting participants were not invited to participate in the full meeting, and that there was an absence of resettlement expertise amongst the Forum membership. The Forum discussed these concerns at Forum Meeting 3, and made changes to the Forum process and Forum Meeting 4 agenda to ensure these concerns would be addressed. The experts concerned have since expressed their willingness to provide specific feedback on their issues of expertise and to support the process through their network. An objective of the January-February 2009 consultation period is to establish relationships with stakeholders and hopefully alleviate any anxieties about the Forum process.

6. Lack of engagement of some sectors. As previously mentioned, concerns were raised to the Forum that there is an absence of representation amongst the membership of resettlement expertise and also indigenous peoples and project-affected communities. At Forum Meeting 4 the Forum resolved to form a social issues expert reference group, and to endeavour to reach project-affected communities through the consultation process. The effectiveness of these measures in addressing this risk can be evaluated following the January-February 2009 consultation period.
7. Change in staff. The project was commenced by IHA staff, led by Michael Fink, IHA Programme Director. The Sustainability Forum Coordinator commenced on 1 May 2008, and both attended Forum Meeting 2 to provide continuity and ensure hand-over. The Sustainability Forum Coordinator has been supported by IHA staff in coordination of the project. There have been no staff changes with repercussions for the project.

ATTACHMENT 2:

RELEVANT EXCERPTS FROM THE MINUTES OF FORUM MEETING 1

Date: Friday, 07.03.2008 - Saturday 08.03.2008
Location: The World Bank, Washington DC, USA

7 Proposed mode of operation for HSAF

Michael Fink presented a range of aspects to be agreed on concerning the mode of operation for the HSAF. The points raised were then discussed and resulted in several agreements and action points. NB: A range of mode of operation issues was revisited in a final discussion round on the second day. For the purpose of clarity of these minutes, all discussions and action points are presented under this heading.

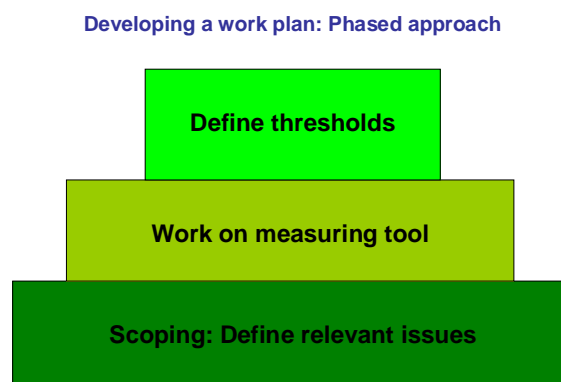
Time frame and Forum representation: All participants understand that they have entered into an initial two-year time commitment, with meetings taking place four times each year. Each member institution is expected to nominate one representative to attend all Forum meetings as far as possible, and to nominate one alternate only to attend meetings where participation of the main representative is impossible. There was consensus on this issue.

11 Discussion of phased approach: Scoping to define relevant issues; work on measuring tool; defining thresholds

Michael Fink summarised the discussions of the Forum up to this point. Consensus was reached to work on the Protocol in three phases:

1. Scoping the relevant issues to be included in the improved Protocol.
2. Refining the measurement instructions for each issue.
3. Define thresholds / standards that to be met; discuss incentives to use the Protocol; and discuss pathways towards a certification scheme.

Figure 5: Phased approach adopted for work of the Forum

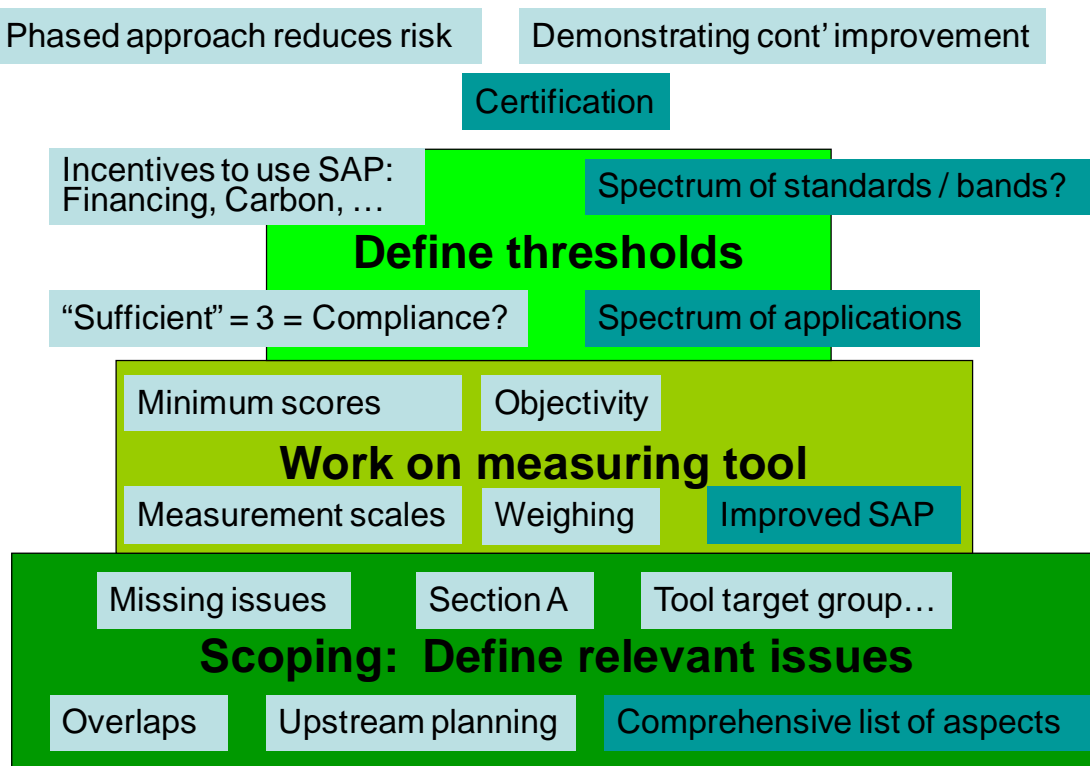


For each phase, points to be dealt with and deliverables to be produced were identified. These included:

- Phase 1: Identify missing issues and overlaps between different sections of the current Protocol; find practical ways of including upstream planning / options assessment issues into the improved Protocol; define the target / user group for the Protocol. Deliverable: Comprehensive, agreed upon list of aspects.
- Phase 2: Refine and agree on measurement scales; introduce maximum objectivity into measurement instructions and documentation; discuss weighing and question of minimum score requirement. Deliverable: Improved Protocol.
- Phase 3: Identify incentives for different users to apply the improved Protocol, such as improved access to financing, to carbon markets / CDM, to document their strive for continuous improvement, etc. Discuss possible pathways towards certification. Deliverables: Identified spectrum of Protocol applications, one or possibly a spectrum of standards or bands against which to interpret a Protocol measurement, recommendations for setting up a certification scheme based on the Protocol.

For a detailed graphic on issues and deliverables see slide 56 of the presentation (*below*).

Developing a work plan: Phased approach



Overall, this phased approach was seen by Forum members to reduce their risk in participating in the Forum, as endorsement of the improved Protocol (product after phase 2) is separated from endorsement of a prescriptive standard or certification scheme.

12 Development of HSAF work plan

Summarising on the discussions up to this point, the Forum agreed on the following principles for the further work plan.

Agreement 5: Principles for work plan of the Forum:

- a) *Initially focus on phases 1 and 2, i.e. scoping the issues to be covered by the Protocol and working on the measuring tool, postponing the discussion of thresholds (phase 3) to a later stage.*
- b) *Integrate aspects of upstream planning / options assessment into the assessment of new hydro projects, i.e. tackle sections A and B of the Protocol together.*
- c) *First review aspects A and B, followed by a separate review of section C.*
- d) *Cluster the issues to be covered by the Protocol (both those already contained and those newly proposed by the Forum) into three thematic areas for the review of A&B:*
 - o *Economic, technical and governance aspects*
 - o *Environmental aspects*
 - o *Social aspects*

There was general agreement that working on phases 1 & 2 will constitute the major output of the first two-year phase of the Forum.

Based on these principles, the coordinator proposed the following work plan, providing a more detailed breakdown for the Forum meetings 2, 3 and 4. The following tables have been constructed by the coordinator for the purpose of the minutes.

Action point 10: Forum members to review work plans and to communicate any concerns or proposals for change to the coordinator.

Work plan – overview Forum meetings 1-8

1	Define mode of operation and work programme	
2	Phase 1 & 2	Economic, technical and governance issues
3	Sections A and B	Environmental issues
4		Social issues
5	Phase 1 & 2 Section C	All issues (quicker as some overlap with sections A & B)
6	Complete Phases 1 & 2	Deliver improved Protocol
7	Phase 3 : Defining thresholds	Report to IHA Congress
8	Phase 3 : Pathways to certification	