

Summary:

- There is an urgent need to raise £ 200k – 400k for the Hydropower Sustainability Assessment Forum. The more funds we raise, the more thorough can we be on consultation and trialling.
- If no additional funds are found, the Forum work plan will be affected from April, and Forum meeting 7 in June in Iceland will be the last one.
- All Forum members are requested to contribute to a fund raising effort through
 - o Identification of potential contributors
 - o Direct approaches to contributors including contractual arrangements between Forum member and contributor where appropriate
 - o Participation in discussions and meetings with prospective contributors
- IHA Programme Director Michael Fink will coordinate the fundraising effort, so please keep him up to date on your ideas, related activities and progress
- Michael will regularly report to the Forum members on budget status and fundraising progress.

Forum budget status

Figures 1 and 2 show the overall revenue and expenditure summary for the Forum, as of 31 January 2009. Project revenue to date totals £398,613. Of this, £246,640 has been spent up to 31 January 2009.

The Forum so far has received funding pledges and funding by the governments of Norway, Germany and Iceland, and by The Nature Conservancy, the International Hydropower Association, and recently WWF International. In addition to cash contributions, Forum members and their networks have contributed significant in-kind support estimated at £720,000.

	Funds received	Funds receivable	Total pledged
Norway	238	0	238
Germany	66	25	91
Iceland	34	34	68
TNC	36	0	36
IHA	25	0	25
WWF	0	22	22
Total	399	81	480

Figure 1 Forum Revenue Summary (x1000 GBP) as of 31 January 2009

Forum expenditure so far is fully in line with the budget developed for the Forum. However, funding pledges received to date are insufficient to implement the planned work programme of the Forum. A funding shortfall of £200,000 has been recognized from the onset of the Forum.

Income	
Project funding income	
Government funding received	337,898.93
IHA funding received	25,000.00
NGO funding received	35,714.29
Total - Project funding income	398,613.22
Expense	
Staff costs	
Project & IHA staff salaries, travel & subsistence	114,192.84
Total - Staff costs	114,192.84
Administrative expenses	
IHA office administration expenses recharged	10,125.10
Other admin costs	2,058.56
Total - Administrative expenses	12,183.66
Other project costs	
Site visit and tour costs	0.00
Venue hire and catering	14,004.66
Participant support costs	44,193.72
Reference group support costs	0.00
Project reports	0.00
Honoraria (Forum chair)	38,916.17
Total - Other project costs	97,114.55
Legal and professional expenses	
Consultancy general support	7,900.00
Consultation	12,000.00
Trialling	0.00
Implementation options research	0.00
Capacity Development	0.00
Legal and professional fees recharged (e.g.	3,248.72
Total - Legal and professional expenses	23,148.72
Total Expense	246,639.77

Figure 2 Forum Expenditure Summary (x1000 GBP) as of 31 January 2009

In the absence of obtaining any additional funding, the Forum will have to complete its work with Forum Meeting 7 in June 2009, at which point it will have developed the Draft Hydropower Sustainability Assessment Protocol. No funding would be available for a consultation and trialling on the draft Protocol, and subsequent development of the final document based on this feedback. This is shown as Scenario A in Figure 3. Scenario A already takes the recent funding pledge of WWF into account.

Scenario B shows the Forum budget as it has been planned from the onset of the project. This allows for completion of the work programme as originally planned, with limited funds available for consultation, trialling and training.

Following extensive dialogue and stakeholder feedback in the first consultation phase, additional consultation and trialling needs have been identified. Proposals to meet these needs include regional consultation meetings, promotion of field testing, and eight comprehensive trial assessments. The optimal programs for these, shown by Scenario C, would enable a consultation program involving considerable face-to-face with a diversity of stakeholders in target regions, and a comprehensive and credible protocol trialling program.

Forum Budget Overview	Sep '2007 - Mar 2008	Apr '2008 - Mar 2009	Apr '2009 - Mar 2010	Apr '2009 - Mar 2010	Apr '2009 - Mar 2010
currency in GBP			SCENARIO A	SCENARIO B	SCENARIO C
Income					
Project Funding Income					
Government funding	0.00	338,000.00	25,000.00	25,000.00	25,000.00
IHA funding	0.00	25,000.00	0.00	0.00	0.00
NGO funding	0.00	36,000.00	22,000.00	22,000.00	22,000.00
Additional funding	0.00	0.00	0.00	200,000.00	400,000.00
Carry over from Apr '07 - Mar '08 financial yr	0.00	(27,000.00)	60,767.00	60,767.00	60,767.00
Total - Project Funding Income	0.00	372,000.00	107,767.00	307,767.00	507,767.00
Total Income	0.00	372,000.00	107,767.00	307,767.00	507,767.00
Expense					
Staff Costs					
Project & IHA staff salaries, travel & subsistence	13,000.00	131,200.00	69,225.00	129,100.00	129,100.00
Total - Staff Costs	13,000.00	131,200.00	69,225.00	129,100.00	129,100.00
Administrative Expenses					
IHA office administration expenses recharged	3,000.00	12,000.00	9,000.00	12,000.00	12,000.00
Total - Administrative Expenses	3,000.00	12,000.00	9,000.00	12,000.00	12,000.00
Other Project Costs					
Site visit and tour costs	0.00	200.00	0.00	0.00	0.00
Venue hire and catering	1,000.00	20,100.00	1,500.00	18,000.00	18,000.00
Participant support costs	9,000.00	49,900.00	9,000.00	27,000.00	27,000.00
Reference group support costs	0.00	20,000.00	0.00	0.00	0.00
Project reports	0.00	0.00	10,000.00	20,000.00	20,000.00
Honoraria (Forum chair)	0.00	48,000.00	8,000.00	24,000.00	24,000.00
Other Project Costs	10,000.00	138,200.00	28,500.00	89,000.00	89,000.00
Legal and Professional Expenses					
Consultancy general support	0.00	2,500.00	0.00	0.00	13,917.00
Consultation	0.00	22,000.00	0.00	29,000.00	90,000.00
Trialling	0.00	0.00	0.00	12,917.00	138,000.00
Implementation options research	0.00	0.00	0.00	16,000.00	16,000.00
Capacity Development	0.00	0.00	0.00	16,000.00	16,000.00
Legal and professional fees recharged (e.g. accounting, auditing)	1,000.00	5,333.00	1,042.00	3,750.00	3,750.00
Total - Legal and Professional Expenses	1,000.00	29,833.00	1,042.00	77,667.00	277,667.00
Total Expense	27,000.00	311,233.00	107,767.00	307,767.00	507,767.00
Net Expense for Financial Year	(27,000.00)	60,767.00	0.00	0.00	0.00

SCENARIO A: No Additional Funding. Final mtg Jun'09; no consultation/trialling Jul-Aug'09; IHA staff close out project

SCENARIO B: Additional £200k Funding. Jun'09 mtg; consultation/trialling Jul-Aug'09; Oct & Dec'09 mtgs

SCENARIO C: Additional £400k Funding. Much greater emphasis on consultation and trialling. Allows for regional consultation meetings and 8 trials

Figure 3 Forum Budget Overview and Future Budget Scenarios (x1000 GBP) as of 31 January 2009

Fundraising strategy

From the review of the Forum budget status, a clear need emerges to raise additional financial contributions to complete its work programme. In addition to the £480k already received or pledged, the Forum needs £200k to complete the work programme as initially planned. To implement the more thorough consultation and trialling programme foreseen as a result of stakeholder feedback and our discussions since the Forum started, the fundraising need is £400k. If we do not manage to attract additional funding, the Forum meeting in Iceland will be our last one.

The Forum work plan will start being delayed already in April when we will have to make commitments and engage support for the summer consultation and trialling. As the work programme already is ambitious, such delays are a threat to the overall success of the Forum.

Helen Locher and Michael Fink have produced a fundraising proposal and covering letter to assist in writing to potential contributors to the HSAF. These documents were circulated to all Forum members and alternates on 20 February 2009.

While IHA will undertake all efforts to attract additional funding, we propose that all Forum members engage their own networks and approach their trusted partners with the aim of raising additional funds for the Forum. This however needs to be a coordinated effort. Therefore the following procedure is proposed:

Once a Forum member identifies a possible contributor to the Forum, please discuss this with IHA Programme Director Michael Fink. He coordinates the fundraising effort, will manage a fundraising list of possible contributors and make sure that we are not contacting the same institution from different sides. The Forum member and Michael will discuss and agree the best strategy to approach the target contributor. This can be through IHA contacting the contributor, or directly through you as a Forum member. If you as Forum member are contacting a contributor directly, you can adapt and use the cover letter and fundraising proposal that were made available for this purpose.

Potential contributors will usually require personal discussions. Helen Locher as Forum coordinator and other IHA staff will be available to conduct such meetings where the opportunity arises. Experience shows that the likelihood of support is greater if Forum members participate in such meetings.

Regular updates on the Forum budget status and progress on fundraising will be circulated to Forum members.