

1. INTRODUCTION

This paper proposes an approach to standardize attributes to a greater degree than is presently seen in the Draft Hydropower Sustainability Assessment Protocol Key Components Document.

The approach is to define and agree on common attribute types that are seen repeatedly across different aspects.

Following Forum Meeting 6 papers, presenting proposals for scoring and guidance notes (Mtg6 Papers 6 and 7 respectively) favour using attribute types, as they seem to allow a more systematic and efficient approach to development of the Draft Protocol.

2. COMMON TYPES OF PROCESS ATTRIBUTES

Six types of process attributes have been identified as appearing repeatedly, with different wording and in differing levels of broadness or detail, in the Section I and II aspects in the Key Components Document. These are:

- ASSESSMENT
- PLANNING
- CONSULTATIVE PROCESS
- TRANSPARENCY
- INTEGRATION
- CAPACITY

The attachment to this paper presents the Section I and II key components, with each process attribute labeled with one of these six attribute types. This is for discussion; there may be / will be other ways to group these, and this will to some degree be influenced by thinking about how they could be used to assist scoring and guidance notes (Forum meeting 6 agenda items 6 and 7).

For each of these six, the following gives some indication of the wording presently found in the Key Components Document that appears to be relevant to that attribute type.

- Quality of the Assessment Process. Wording in the Section I and II aspects that is relevant to this attribute type includes quality of data collection, quality of the input data, comprehensiveness of the assessment process, level of understanding of the issues, quality of the risk and opportunity assessment, etc.
- Quality of the Management Planning. Wording in the Section I and II aspects that is relevant to this attribute type includes quality of the plan, level of comprehensiveness of the plan, accountabilities for delivery of plan, quality of systems to deliver plan, quality of objective setting process, quality of review and revision mechanisms in plan, quality of monitoring program in plan, quality of auditing program, etc.
- Quality of the Consultative Process. Wording in the Section I and II aspects that is relevant to this attribute type includes quality of the consultative process, quality of the participative process, quality of stakeholder identification process, quality of complaints and dispute resolutions process, level of participation, level of informed participation, quality of the consultation and negotiation process, quality of the communications and engagement planning, etc.
- Level of Transparency. Wording in the Section I and II aspects that is relevant to this attribute type includes level of transparency in the bidding process, transparency/accessibility to the information on the regional and national policies and plans, level of disclosure of information, etc.

- **Quality of Integration.** Wording in the Section I and II aspects that is relevant to this attribute type includes integration of needs assessment, degree of integration of government policy and legislative priorities in assessment, level of alignment of the project with regional and national policies and plans assessment, level of integration with economic, social and environmental impact assessments, quality of the scheduling and interface among different components, including the critical path linking social, environmental and technical activities assessments, etc.
- **Appropriateness of the Resource Capacity.** Wording in the Section I and II aspects that is relevant to this attribute type includes level of appropriateness of the technical assistance and capacity building measures identified to address political risks, level of appropriateness of the management and technical capacity to undertake the political risk analysis, level of evaluation of relevant stakeholders against required capacities, quality of plans to mitigate and overcome capacity gaps, etc.

There are also in some cases what appear to be aspect-specific process attributes. This does not appear to occur commonly enough to separate this out as a type, but that is up for consideration.

3. COMMON TYPES OF PERFORMANCE ATTRIBUTES

Four types of performance attributes have been identified as appearing repeatedly, with different wording and in differing levels of broadness or detail, in the Section I and II aspects in the Key Components Document. These are:

- SUPPORT
- COMPLIANCE
- INTEGRATION
- ASPECT-SPECIFIC

The attachment to this paper presents the Section I and II key components, with each performance attribute labeled with one of these four attribute types. As above, this is for discussion; there may be / will be other ways to group these, and this will to some degree be influenced by thinking about how they could be used to assist scoring and guidance notes (Forum meeting 6 agenda items 6 and 7).

For each of these four, the following gives some indication of the wording presently found in the Key Components Document that appears to be relevant to that attribute type.

- **Level of Stakeholder Support.** Wording in the Section I and II aspects that is relevant to this attribute type includes level of stakeholder support/community acceptance, level of regulator support, level of support for plan from indigenous peoples and ethnic minorities, level of communication support for key project partnerships, etc.
- **Level of / Likelihood of Compliance.** Wording in the Section I and II aspects that is relevant to this attribute type includes likelihood of compliance with regional and national policies assessment, level of compliance with resettlement legislation and standards requirements, level of compliance with resettlement plan targets and commitments, degree to which the catchment management plan is likely to achieve desired specific environmental, social and economic outcomes, level of compliance with public health legislation, standards and management plan targets, etc.
- **Quality of Integration.** Wording in the Section I and II aspects that is relevant to this attribute type includes level of alignment of the project with regional and national policies and plans assessment, level of integration of indigenous peoples and ethnic minorities issues, values and knowledge in

other aspects of project planning and preparation, degree to which the EIA informs site selection, design optimisation and the integrated project management plan, degree of mainstreaming of public health plan into public health system, degree to which SMP has been costed and integrated within the overall project budget, etc.

- Aspect-Specific Performance Attributes. Wording in the Section I and II aspects that is relevant to this attribute type includes degree to which the entire package of plans and policies provide guidance to project planning, degree to which gaps or shortcomings can be addressed, level of status of capacity in local institutions, level of likelihood of closing gaps, appropriateness of timing of resettlement, degree of cohesiveness of resettled communities, level of performance on safety performance statistics, etc.

4. PROPOSAL

It is proposed that the Forum members consider this approach, and how it might assist in development of the Draft Protocol.

ATTACHMENT – SECTION I AND II KEY COMPONENTS WITH ATTRIBUTE TYPES IDENTIFIED

1. Section I Key Components

Section I Aspects
Demonstrated Need
Options Assessment
Regional and National Policies and Plans
Political Risk
Institutional Capacity

Table 1 – Working Set of Section I Aspects

6.1 Section I Aspect – Demonstrated Need

DESCRIPTION: This aspect examines the needs that justify management and infrastructure investments in water and energy services. Water and energy services encompass the needs of natural systems/environmental, social and economic sectors (e.g., aquatic habitats, riparian livelihoods, energy production, respectively).

This aspect is important in order to support sustainable development objectives at the local, regional, national and transboundary levels; and avoid over-or under-investment in energy and water services. It is also important as it seeks a balanced approach between water management and needs and energy management and needs.

POLICY OBJECTIVE: The objective is to establish the needs and objectives for water and energy services in response to sustainable development objectives over the short term and long term. If there is a particular project or system of projects being considered, the capability for it to contribute to established needs can be demonstrated.

PROCESS ATTRIBUTES:

- Quality of assessment of demand for energy services (ASSESSMENT)
- Quality of assessment of demand for water services (ASSESSMENT)
- Quality of establishment of objectives and targets (PLANNING)
- Level of transparency (TRANSPARENCY)
- Integration of needs assessment for water and energy services (INTEGRATION)

(Note attribute types not included: consultative process, capacity)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (SUPPORT)
- Level of demand for electricity services (ASPECT-SPECIFIC)
- Level of demand for water user needs (including environmental, social and economic uses) (ASPECT-SPECIFIC)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Analysis of likely future water and energy requirements
- Analysis of need for water and energy services

6.2 Section I Aspect – Options Assessment

DESCRIPTION: This aspect describes the choices available for meeting energy and water needs in terms of both infrastructure and management approaches.

This aspect is important because it compares hydropower options with other options such as other resources types (thermal energy) and/or conservation (e.g., energy efficiency, alternatives to irrigation). It adopts a sustainability perspective to ensure a realistic and comprehensive comparison of options across a range of economic, technical, environmental and social factors.

POLICY OBJECTIVE: The objective is to ensure that hydropower development is supported as a priority option for addressing development needs, in particular those identified under “Demonstrated Need”.

PROCESS ATTRIBUTES:

- Level of thoroughness and quality of options assessment and prioritization (**ASSESSMENT**)
- Relative strengths and risks of various options clearly described and trade-offs/choices articulated (**ASSESSMENT**)
- Level of comprehensiveness of options compared (**ASSESSMENT**)
- Quality of participatory process (**CONSULTATIVE PROCESS**)
- Level of transparency (**TRANSPARENCY**)
- Degree of integration of government policy and legislative priorities in assessment (**INTEGRATION**)

(Note attribute types not included: planning, capacity)

PERFORMANCE ATTRIBUTES:

- Level of regulatory support for assessment process (**SUPPORT**)
- Level of stakeholder support for assessment process (**SUPPORT**)
- Level of regulator support for assessment results (**SUPPORT**)
- Level of stakeholder support for assessment process (**SUPPORT**)

(Note attribute types not included: compliance, integration, aspect-specific)

EXAMPLES OF EVIDENCE:

- Evaluation of a range of alternative options

6.3 Section I Aspect – Regional and National Policies and Plans

DESCRIPTION: This aspect addresses the context set by regional and/or national plans for energy services, water resources management, biodiversity / conservation, and social and economic development as well as the relevant policies on human rights, resettlement, strategic environmental assessment, environmental impact assessment, climate change, and benefit sharing, which set the scene for project planning, implementation and operations.

This aspect is important because the sustainability of hydropower development will generally depend on the quality of integrated planning for resource development.

POLICY OBJECTIVE: The objective is to ensure regional and national policies and plans are sufficient to support sustainable hydropower through synergies and coherence with overall and sectoral plans as well as identification of gaps in national policies to be addressed in project preparation

PROCESS ATTRIBUTES:

- Level of understanding of the regional and national policies and plans (**ASSESSMENT**)

- Transparency / accessibility to the information on the regional and national policies and plans (**TRANSPARENCY**)
- Quality of regional and national policies and plans (**ASPECT-SPECIFIC???**)
- Degree to which the entire package of plans and policies provide guidance to project planning and operation (**ASPECT-SPECIFIC???**)

(Note attribute types not included: planning, consultative process, integration, capacity)

PERFORMANCE ATTRIBUTES:

- If there is a hydropower project under consideration, likelihood of compliance with regional and national policies assessment (**COMPLIANCE**)
- If there is a hydropower project under consideration, level of alignment of the project with regional and national policies and plans assessment (**INTEGRATION**)
- Degree to which the entire package of plans and policies provide guidance to project planning (**ASPECT-SPECIFIC**)
- Degree to which gaps or shortcomings can be addressed (**ASPECT-SPECIFIC**)

(Note attribute types not included: support)

EXAMPLES OF EVIDENCE:

- Analysis of existence, currency, completeness and integration of regional and national plans (energy services, water resources management, biodiversity / conservancy, social and economic development).
- Analysis of existence, currency and completeness of the regional and national policies (human rights, resettlement, strategic environmental assessment, environmental impact assessment, climate change, benefit sharing).
- Analysis of project alignment with regional and national projects and plans.

6.4 Section I Aspect – Political Risk

DESCRIPTION: This aspect addresses political risks including war and political violence; currency inconvertibility, transfer restrictions and depreciation; expropriation of a company; and political interference in institutional and regulatory functions. This aspect also addresses political risks specific to hydropower development, including the complexities of the regulatory framework as well complexities of projects that cross national borders.

This aspect is important because the risk that a government may unilaterally repudiate its obligations or prevent others in its jurisdiction from honouring their obligations may affect the level and lending terms of financing for hydroelectric projects in its jurisdiction as well as long term sustainability and thus must be addressed.

POLICY OBJECTIVE: The objective is to ensure that the political risks influencing development and management of water and energy services are well understood. If there is a particular hydropower project or system of project being considered, the political risks can be managed.

PROCESS ATTRIBUTES:

- Level of understanding of political risks (**ASSESSMENT**)
- Degree of comprehensiveness of the political risk assessment (e.g. includes political system, regulatory framework, judicial system, protectionism) (**ASSESSMENT**)
- Level of comprehensiveness of review of available data sources as input into the political risk analysis (**ASSESSMENT**)
- Level of comprehensiveness of the consultation with relevant knowledge specialists as input into the political risk analysis (**CONSULTATIVE PROCESS**)

- Level of appropriateness of the management and technical capacity to undertake the political risk analysis (**CAPACITY**)
- Level of appropriateness of the technical assistance and capacity building measures identified to address political risks (**CAPACITY**)

(Note attribute types not included: planning, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of political risk (**ASPECT-SPECIFIC**)
- Level of likelihood of effectiveness of mitigation measures (**ASPECT-SPECIFIC**)

(Note attribute types not included: support, compliance, integration)

EXAMPLES OF EVIDENCE:

- Authoritative assessment of political risk / sovereign stability
- National Governance Audits
- Insurance, negotiation mechanisms

6.5 Section I Aspect – Institutional Capacity

DESCRIPTION: This aspect addresses the capacities of the institutions that have a role in the development and operation of hydropower projects (e.g. governments, developers, financiers, civil society etc).

This aspect is important because the development of water and energy services in general, and of a hydropower project in particular, requires a comprehensive and balanced set of capacities amongst a range of stakeholders, namely- a) governments / regulators, b) developers, c) financial institutions, d) contractors, suppliers and labour force, e) civil society and affected people. Where such skills are lacking in any of these sectors, such shortfalls may be mitigated by drawing on externally available resources, with the eventual objective of developing local capacity by transferring skills and technology.

POLICY OBJECTIVE: The objective is to ensure that the institutional capacity provides a basis for developing and operating sustainable water and energy services. If there is a particular hydropower project or set of projects being considered, the institutional capacity requirements and the existing capacity have been evaluated and capacity shortfalls can be managed.

PROCESS ATTRIBUTES:

- Level of understanding of the relevance of institutional capacities (**ASSESSMENT**)
- Quality of evaluation of existing capacities (**ASSESSMENT**)
- Quality of plans to mitigate and overcome capacity gaps (**PLANNING**)
- Level of evaluation of relevant stakeholders against required capacities (**CAPACITY**)

(Note attribute types not included: consultative process, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of status of capacity in local institutions (**ASPECT-SPECIFIC**)
- Level of likelihood of closing gaps (**ASPECT-SPECIFIC**)

(Note attribute types not included: support, compliance, integration)

EXAMPLES OF EVIDENCE:

- Analysis of institutional framework, incl. roles and responsibilities of public sector agencies, private sector companies, and civil society organizations.

- Analysis of their respective capacities and track records (with respect to quality of planning, time and cost overruns, conflicts etc.).
- Comparability of scale and other characteristics of project with previous projects (of the same developer, in the same country, or worldwide).

2. Section II Key Components

Note that some aspects are repeated from Section I. The purpose is to enable each section to be applied as a stand-alone assessment; and because some aspects are legitimately reassessed in more than one point in the project cycle.

Section II Economic / Technical / Governance Aspects	Section II Social Aspects	Section II Environmental Aspects
Demonstrated Need	Social Impact Assessment	Environmental Impact Assessment
Public Sector Governance	Social Management Plan	Environmental Management Plan
Transboundary Issues	Cultural Heritage	Catchment Management
Regulatory Approval	Indigenous Peoples & Ethnic Minorities	Reservoir Management
Site Selection and Design Optimisation	Public Health	Environmental Flows & Downstream Sustainability
Integrated Programme Management	Resettlement	Biodiversity, Habitats & Protected Areas
Corporate Governance	Affected Communities	Pest & Invasive Species
Economic Viability	Community Acceptance	Sedimentation and Erosion
Financial Viability	Asset & Community Safety	
Management of the Hydrological Resource	Labour and Working Conditions	
Construction Management Plan	Communications	
Procurement	Project Benefits	

Table 2 – Working Set of Section II Aspects

7.1 Demonstrated Need

DESCRIPTION: This aspect addresses the justification for a project towards meeting water and energy service requirements.

This aspect is important because it supports sustainable development objectives at the local, regional, national and transboundary levels; and it optimises investment in energy and water services.

POLICY OBJECTIVE: The objective is to ensure that through a comprehensive process the need for the project can be demonstrated, and there is a strategic fit with regional and national policies and plans.

PROCESS ATTRIBUTES:

- Level of understanding of need for water and energy services (ASSESSMENT)
- Level of understanding of development objectives (ASSESSMENT)
- Level of understanding of national and regional policies and plans (ASSESSMENT)
- Level of quality of analysis of project's strategic fit (ASSESSMENT)
- Level of comprehensiveness of the stakeholder process – includes a variety of perspectives, transparency (CONSULTATIVE PROCESS)

(Note attribute types not included: planning, transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (SUPPORT)
- Level of regulator support (SUPPORT)
- Degree to which the project fits with regional and national policies and plans (INTEGRATION)
- Degree to which the project would satisfy the demand requirement (ASPECT-SPECIFIC)

(Note attribute types not included: compliance)

EXAMPLES OF EVIDENCE:

- Energy Master planning
- Water Development Plan
- Country Development Report

7.2 Public Sector Governance

DESCRIPTION: This aspect addresses the adequacy of the legal, judicial and institutional structures important to project development.

This aspect is important because it promotes efficient and effective project development and operation and avoids political and corruption risk.

POLICY OBJECTIVE: The objective is to ensure that the project is developed in an economically efficient and equitable manner, and to ensure that political and corruption risks are appropriately mitigated.

PROCESS ATTRIBUTES:

- Level of understanding of legal, judicial and institutional structures and capacity (ASSESSMENT)
- Level of understanding of political risks (ASSESSMENT)
- Level of understanding of corruption risks (ASSESSMENT)
- Quality of corruption assessment (ASSESSMENT)
- Quality of governance improvement plan (PLANNING)

(Note attribute types not included: consultative process, transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (SUPPORT)
- Level of regulator support (SUPPORT)
- Degree to which capacity shortfalls can be compensated and managed (CAPACITY)
- Degree to which corruption risks are likely to be mitigated (ASPECT-SPECIFIC)
- Degree to which political risks are likely to be mitigated (ASPECT-SPECIFIC)

(Note attribute types not included: compliance)

EXAMPLES OF EVIDENCE:

- Identification of appropriate government policies
- Compatibility of proponent policies on employee health, well-being and equality, with government policies
- Compensation for gaps in government policies

7.3 Transboundary Issues

DESCRIPTION: This aspect addresses the adequacy of the legal, judicial and institutional structures relevant to transboundary issues for those projects with shared catchments, reservoirs, assets and/or downstream river systems.

This aspect is important because it promotes regional cooperation and avoids conflict.

POLICY OBJECTIVE: The objective is to ensure that the project is developed in an economically efficient and equitable manner, taking into account sustainable development objectives and priorities of all riparians as well as upstream and downstream impacts, and to ensure that conflict is avoided or minimised.

PROCESS ATTRIBUTES:

- Level of understanding of legal, judicial and institutional structures and capacity in each of the countries involved (**ASSESSMENT**)
- Level of understanding of transboundary risks (**ASSESSMENT**)
- Quality of institutions for ongoing implementation (**CAPACITY**)

(Note attribute types not included: planning, consultative process, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (**SUPPORT**)
- Level of regulator support (**SUPPORT**)
- Degree of conformance with relevant regional and international protocols and conventions (**COMPLIANCE**)
- Degree to which conflict is avoided (**ASPECT-SPECIFIC**)
- Degree to which agreements can be reached (**ASPECT-SPECIFIC**)
- Quality of transboundary agreements and frameworks (**ASPECT-SPECIFIC**)

(Note attribute types not included: integration)

EXAMPLES OF EVIDENCE:

- Transboundary agreements and frameworks

7.4 Regulatory Approval

DESCRIPTION: This aspect addresses the preparation for obtaining all relevant project approvals.

This aspect is important because it promotes efficient and effective project development.

POLICY OBJECTIVE: The objective is to ensure that the project is developed in an economically efficient and equitable manner, and to ensure that the legal and institutional regulatory framework is appropriate.

PROCESS ATTRIBUTES:

- Level of understanding of approval processes and requirements (**ASSESSMENT**)
- Quality of the developer's risk assessment for obtaining regulatory approvals (**ASSESSMENT**)

- Quality of management planning for obtaining regulatory approvals (**ASSESSMENT**)
- (Note attribute types not included: planning, consultative process, transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (**SUPPORT**)
- Level of regulator support (**SUPPORT**)
- Degree of adherence to the assessment and approval process (**COMPLIANCE**)
- Likelihood of obtaining approval (**ASPECT-SPECIFIC**)
- Degree of efficiency of preparations for project approvals (**ASPECT-SPECIFIC**)

(Note attribute types not included: integration)

EXAMPLES OF EVIDENCE:

- Regulatory agreements
- Interviews with regulators
- Authoritative assessment of likelihood of obtaining regulatory approval, including timeframe and conditions

7.5 Site Selection and Design Optimisation

DESCRIPTION: This aspect addresses the evaluation of site selection and design options for the project.

This aspect is important because it optimises the final project location and design, and ensures that technical, economic, environmental and social considerations are adequately factored into the process.

POLICY OBJECTIVE: The objective is to ensure that the project is optimally and efficiently located and designed with respect to technical, economic, environmental and social considerations.

PROCESS ATTRIBUTES:

- Quality of investigations and data collection relevant to the identification and consideration of location and design options (**ASSESSMENT**)
- Level of comprehensiveness of the risks and opportunity analysis of location and design options (**ASSESSMENT**)
- Level of understanding of relevant standards and procedures (**ASSESSMENT**)
- Quality of analysis of design alternatives and their optimization (**ASSESSMENT**)
- Quality of the participatory process (**CONSULTATIVE PROCESS**)
- Degree to which the options generation, analysis and selection is transparent (**TRANSPARENCY**)

(Note attribute types not included: planning, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder and regulatory support for the final project location and design (**SUPPORT**)
- Level of compatibility of the final project location and design with demonstrated needs (**ASPECT-SPECIFIC**)
- Degree to which the final project location and design avoids exceptional environmental and cultural heritage sites (**ASPECT-SPECIFIC**)
- Degree to which the final project location and design practicably minimises disturbance to existing features and activities (**ASPECT-SPECIFIC**)
- Degree to which the final project location and design practicably minimizes social, environmental and economic opportunities (**ASPECT-SPECIFIC**)
- Degree to which the final project location and design practicably maximises social, environmental and economic opportunities (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Site selection criteria and assessment
- Design criteria, planning process, verification, and reviews
- Records of design change to avoid or minimise disturbance and/or maximise opportunities

7.6 Integrated Programme Management

DESCRIPTION: This aspect addresses the developers' capacity to coordinate and manage all components of the hydropower project including construction, environmental, social, resettlement, contracts and procurement.

This aspect is important for efficient and sustainable planning, implementation and future operation of the project, and to ensure that all programme elements progress without hindering other elements.

POLICY OBJECTIVE: The objective is to ensure that the developer is aware of and makes provision for the complex nature of hydropower development, with particular regard to integrating technical, social and environmental elements of the overall programme, ensuring one does not progress at the expense of another, and that interfaces and feedback loops across elements are managed well.

PROCESS ATTRIBUTES:

- Quality of the integrated management plan (PLANNING)
- Quality of the communication plan (PLANNING)
- Level of accountability for all aspects of project management (PLANNING)
- Quality of the monitoring and response system (PLANNING)
- Quality of plans to mitigate and overcome capacity gaps (CAPACITY)

(Note attribute types not included: assessment, consultative process, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (SUPPORT)
- Level of regulator support (SUPPORT)
- Degree to which potential interface problems are likely to be mitigated (ASPECT-SPECIFIC)
- Degree to which project scheduling is controlled (ASPECT-SPECIFIC)
- Degree to which costs are controlled (ASPECT-SPECIFIC)
- Degree to which adaptive management can be demonstrated (ASPECT-SPECIFIC)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Integrated programme management plan
- Programme management reports
- Records of meetings

7.7 Corporate Governance

DESCRIPTION: This aspect addresses corporate governance of the developer with respect to ethical business practices; addressing corruption risks; management of risk; business administration, policies and processes; corporate social responsibility; stakeholder relations; and compliance.

This aspect is important to minimise corporate reputational risk and thereby facilitate multi-stakeholder support for the project and the developer going forward.

POLICY OBJECTIVE: The objective is to ensure that the developer has sound business structures, policies and practices and that every action of the developer that could affect the project is undertaken with due attention to transparency, integrity and accountability.

PROCESS ATTRIBUTES:

- Level of comprehensiveness of business policies and processes (**PLANNING**)
- Quality of the corporate risk assessment and management processes (**PLANNING**)
- Quality of systems to ensure compliance (**PLANNING**)
- Degree to which accountability is defined at the executive and board level (**PLANNING**)
- Quality of plans to identify and mitigate corruption risks, including relationships with external partners and country and project risk (**PLANNING**)
- Level of transparency (**TRANSPARENCY**)

(Note attribute types not included: assessment, consultative process, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of compliance (**COMPLIANCE**)
- Level of conformance with established policies and procedures, both internal and external (**COMPLIANCE**)
- Level of effectiveness of risk assessment and management processes (**ASPECT-SPECIFIC**)
- Level of effectiveness of corporate anti-corruption program, including relationship with external partners and country and project risk (**ASPECT-SPECIFIC**)

(Note attribute types not included: stakeholder support, integration)

EXAMPLES OF EVIDENCE:

- Corporate policies and programs with particular attention to sustainability, corporate social responsibility and ethics
- Corporate annual reporting
- Document setting out developer's policy and detailed program to address bribery and other corrupt practices, including addressing relationships with external partners and country and project risk

7.8 Economic Viability

DESCRIPTION: This aspect addresses the economic viability of the project based on cost-benefit analyses.

This aspect is important because judgements on project benefit made only on financial criteria can neglect major public good costs and benefits such as environmental and social costs, or multi-purpose benefits.

POLICY OBJECTIVE: The objective is to ensure that there is a net benefit from the project once all economic, social and environmental costs and benefits are factored in, and that costs and benefits are equitable, transparent and have stakeholder support.

PROCESS ATTRIBUTES:

- Comprehensiveness of the scope of the cost benefit analysis includes social, environmental and economic aspects (**ASSESSMENT**)
- Frequency of updates of cost-benefit analysis based on emerging technical, social, environmental and economic data (**ASSESSMENT**)
- Level of comprehensiveness and quality of the input data (**ASSESSMENT**)

- Degree of sophistication of the analytical process (**ASSESSMENT**)
 - Degree of transparency in the analytical process, outputs and decision-making (**TRANSPARENCY**)
- (Note attribute types not included: planning, consultative process, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (**SUPPORT**)
 - Level of net project benefit (**ASPECT-SPECIFIC**)
- (Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Cost/benefit analysis
- Independent analysis
- Interviews with stakeholders

7.9 Financial Viability

DESCRIPTION: This aspect addresses both access to finance, and the ability of the project to generate the required cash flow to meet project funding requirements and fund the obligations pertaining to profit and shareholders' return and sustainability.

This aspect is important because it ensures that the implementation and operation of the project and all the associated programmes and commitments.

POLICY OBJECTIVE: The objective is to ensure that projects proceed with a sound financial basis that supports financing, covers all project costs and enables a return to shareholders/investors.

PROCESS ATTRIBUTES:

- Level of quality of project financial model (including all planned sustainability obligations / plans / commitments) (**ASSESSMENT**)
- Level of understanding of financial obligations arising from all programme streams (**ASSESSMENT**)
- Level of access to financial information (**ASSESSMENT**)
- Level of understanding of risks and opportunities relating to cash flow (**ASSESSMENT**)

(Note attribute types not included: planning, consultative process, transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of ability to meet financial obligations including return to shareholders (**COMPLIANCE**)
- Level of ability to attract finance (**ASPECT-SPECIFIC**)
- Degree of financial risk mitigation (**ASPECT-SPECIFIC**)

(Note attribute types not included: support, integration)

EXAMPLES OF EVIDENCE:

- Financial modeling reports
- Finance risk analysis
- Assessment of favorability of long and short-term conditions of finance

7.10 Management of the Hydrological Resource

DESCRIPTION: This aspect addresses the planning for short and long term management of the hydrological resource, with respect to understanding the water resource and efficiency of use in sustainable hydropower generation. This aspect must be considered in conjunction with other uses of the resource as covered in other planning activities, including downstream uses.

This aspect is important because it ensures efficient and sustainable use across water management objectives, through an understanding of the variability and longer term reliability of the hydrological resource. It also ensures the value of water allocated to power generation is maximised.

POLICY OBJECTIVE: The objectives are to understand (i) what water is available (in the short term and longer term) taking into account climate change, and (ii) to ensure efficiency of use in hydropower generation whilst meeting all environmental, social and multiple-use obligations.

PROCESS ATTRIBUTES:

- Level of understanding of hydrological resource (short and long term, variability, trends, reliability) (**ASSESSMENT**)
- Quality of hydrologic modelling (**ASSESSMENT**)
- Quality of power system planning (**ASSESSMENT**)
- Level of integration with economic, social and environmental impact assessments (**INTEGRATION**)

(Note attribute types not included: planning, consultative process, transparency, capacity)

PERFORMANCE ATTRIBUTES:

- Level of conformance to regulatory and policy requirements in relation to water use and quality (e.g., approval of conditional water rights) (**COMPLIANCE**)
- Level of likelihood of maximum efficiency of use of water resource for power generation (subject to other competing uses) (**ASPECT-SPECIFIC**)
- Level of likelihood of longer term viability of hydropower generation in the face of water stress over time (including over a range of climate change scenarios) (**ASPECT-SPECIFIC**)

(Note attribute types not included: support, integration)

EXAMPLES OF EVIDENCE:

- Analysis of long and short-term resource availability
- System modeling reports
- Analysis of efficiency constraints or opportunities arising from broader system configuration

7.11 Construction Management Plan

DESCRIPTION: This aspect addresses the construction planning requirements, including contractual arrangements, bid documents and scheduling, including managing the environmental, social and safety aspects of construction.

This aspect is important because it promotes efficient project construction.

POLICY OBJECTIVE: The objective is to ensure that the construction of the project will proceed in a well-planned, coordinated, transparent and cost-effective manner, including management of the environmental, social and safety aspects of construction.

PROCESS ATTRIBUTES:

- Quality of the planning for environmental, social and safety aspects of construction planning (**PLANNING**)

- Level of accountability for all aspects of planning for construction management (**PLANNING**)
- Level of transparency in the bidding process (**TRANSPARENCY**)
- Quality of the scheduling and interface among different components, including the critical path linking social, environmental and technical activities assessments (**INTEGRATION**)
- Degree to which local labour and industry is included in the plan (**CAPACITY**)
- Level of capacity to manage project construction (**CAPACITY**)
- Quality of the contractual arrangements (**ASPECT-SPECIFIC???**)
- Quality of the bidding documents (**ASPECT-SPECIFIC???**)

(Note attribute types not included: assessment, consultative process)

PERFORMANCE ATTRIBUTES:

- Level of compliance (**COMPLIANCE**)
- Explicit coordination and linked decisions/milestones among technical, social and environmental activities (**INTEGRATION**)
- Level of completeness of the bidding document preparation (**ASPECT-SPECIFIC**)
- Degree to which potential interface problems are likely to be mitigated (**ASPECT-SPECIFIC**)
- Degree to which project scheduling is controlled (**ASPECT-SPECIFIC**)
- Degree to which costs are controlled (**ASPECT-SPECIFIC**)

(Note attribute types not included: support)

EXAMPLES OF EVIDENCE:

- Construction management plan
- Protocols and agreements regarding construction workforce
- Social and environmental plans relating to construction impacts, including associated infrastructure, e.g. roads

7.12 Procurement

DESCRIPTION: This aspect addresses the procurement of civil works, goods and services (including consultancies) relevant to development of the hydropower project, not just relating to the site development but also to any project-related activities including associated off-site works and social and environmental assessment and planning.

This aspect is important because (i) timely and reliable procurement of civil works contracts, services and supplies is critical for the project to meet its scheduling milestones to deliver on the development objectives; (ii) the quality of components and maximizing local procurement are important dimensions of the sustainable performance of the project, and (iii) all aspects of procurement need to be undertaken transparently and with full accountability.

POLICY OBJECTIVE: The objective is to ensure that procurement is equitable, transparent, and accountable; promotes opportunities for local industries; and articulates and ensures developer and contractor obligations for environmental, social and ethical obligations.

PROCESS ATTRIBUTES:

- Level of understanding of sustainability issues and corruption risks in procurement of project contracts, goods and services (**ASSESSMENT**)
- Level of independent monitoring of the procurement processes (**PLANNING**)
- Quality of the complaints and dispute resolution system, including an effective and timely appeal mechanisms (**CONSULTATIVE PROCESS**)
- Level of transparency in the bidding process (**TRANSPARENCY**)
- Quality of the contract supervision mechanisms and of the internal and external government control bodies with responsibilities on overseeing the procurement processes. (**CAPACITY**)

- Degree to which local labour and industry is included (**CAPACITY**)
- Level of competence of the suppliers and service providers (**CAPACITY**)
- Quality of the contractual arrangements including penalties for the developer and bidders relating to non-compliance with anti-bribery requirements (**ASPECT-SPECIFIC???**)
- Quality of the bidding documents, including addressing antibribery issues (**ASPECT-SPECIFIC???**)

(Note attribute types not included: integration)

PERFORMANCE ATTRIBUTES:

- Degree to which procurement decisions are accepted as economically efficient, fair, transparent and accountable by project stakeholders, including civil society (**SUPPORT**)
- Quality and reliability of procured goods and services (**ASPECT-SPECIFIC**)
- Degree to which sustainability issues are factored into procurement decisions and documentation (**ASPECT-SPECIFIC**)
- Number of disputes (**ASPECT-SPECIFIC**)
- Percentage of disputes successfully resolved (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Tender requirements / specifications
- Evaluation of supplier performance
- Purchasing policy / procedures

7.13 Social Impact Assessment

DESCRIPTION: This aspect addresses the assessment of social impacts associated with the planned hydropower development and operation.

This aspect is important because it identifies and assesses the social issues as a basis for developing social management measures; if done well, many social issues can be avoided, minimised and mitigated at an early stage and opportunities for positive impacts identified.

POLICY OBJECTIVE: The objective is to ensure that social impacts are properly identified and assessed such that effective avoidance, minimisation, mitigation and compensation measures can be designed and implemented for the various stages of the project.

PROCESS ATTRIBUTES:

- Quality of the treatment of uncertainty (**ASSESSMENT**)
- Quality of the social baseline survey (e.g. scope, data collection) (**ASSESSMENT**)
- Quality of the review and revision process (**PLANNING**)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (**CONSULTATIVE PROCESS**)
- Quality of the stakeholder identification process (**CONSULTATIVE PROCESS**)
- Level of disclosure of information (**TRANSPARENCY**)
- Level of appropriate expertise of personnel involved (**CAPACITY**)

(Note attribute types not included: integration)

PERFORMANCE ATTRIBUTES:

- Level of regulatory support for SIA (**SUPPORT**)
- Level of stakeholder support for SIA (**SUPPORT**)

- Degree to which the SIA informs site selection, design optimisation and the integrated project management plan (**INTEGRATION**)
- Degree to which the SIA is a comprehensive foundation for the social management plan (**INTEGRATION**)

(Note attribute types not included: compliance, aspect-specific)

EXAMPLES OF EVIDENCE:

- Regulatory requirements for SIA
- Plans for SIA or actual SIA
- Plans for involvement and/or consultation with directly affected stakeholders during assessment process

7.14 Social Management Plan

DESCRIPTION: This aspect addresses the planning for management of social impacts associated with the planned hydropower development and operation.

This aspect is important because it identifies and assesses the social management measures to avoid, minimise, mitigate and compensate for social impacts and, where possible, enables enhancement of social benefits.

POLICY OBJECTIVE: The objective is to ensure that management measures are designed that will comprehensively and effectively address social impacts for the various stages of the project, and seek opportunities for positive impacts.

PROCESS ATTRIBUTES:

- Quality of social management planning (**PLANNING**)
- Quality of mechanisms for monitoring and continual improvement throughout the life of the project (**PLANNING**)
- Degree to which the SMP has been integrated with site selection, design optimisation and project management plan (**PLANNING**)
- Degree of alignment with the social impact assessment (**PLANNING**)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (**CONSULTATIVE PROCESS**)
- Level of adequacy of capacity and resources to implement (**CAPACITY**)

(Note attribute types not included: assessment, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulatory support for SMP (**SUPPORT**)
- Level of stakeholder support for SMP (**SUPPORT**)
- Degree to which SMP has been costed and integrated within the overall project budget (**INTEGRATION**)
- Level of well-being of groups directly and indirectly affected by the project (**ASPECT-SPECIFIC**)
- Degree to which the SMP has effective measures to comprehensively avoid, minimise, mitigate and compensate for social impacts and where possible enable social enhancement (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance)

EXAMPLES OF EVIDENCE:

- Plans for or the actual SMP
- Agreements with stakeholders and/or regulators
- Independent expert testimony on SMP plans or contents

7.15 Cultural Heritage

DESCRIPTION: This aspect addresses the level of impact and planning for protection and conservation of tangible and intangible forms cultural heritage.

This aspect is important because cultural heritage artifacts can be damaged or lost through the physical landscape changes brought about by hydropower project construction and operation, as well as through associated infrastructure impacts (e.g. new roads, transmission lines). Furthermore, non-physical cultural heritage such as traditions, festivals and rituals can also be impacted through hydropower project impacts to local communities.

POLICY OBJECTIVE: The objective is to ensure that cultural heritage is identified, recognised and conserved.

PROCESS ATTRIBUTES:

- Comprehensiveness of the list of cultural heritage identified (**ASSESSMENT**)
- Quality of the cultural heritage management plans (**PLANNING**)
- Quality of the consultative process (**CONSULTATIVE PROCESS**)
- Degree to which local knowledge and expertise is utilised in assessment and development of management plans (**CAPACITY**)

(Note attribute types not included: transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support/community acceptance (**SUPPORT**)
- Level of regulator support (**SUPPORT**)

(Note attribute types not included: compliance, integration, aspect-specific)

EXAMPLES OF EVIDENCE:

- Heritage impact statements
- Conservation plans
- Heritage plans and agreements

7.16 Indigenous Peoples and Ethnic Minorities

DESCRIPTION: This aspect addresses the particular issues, risks and opportunities of the project with respect to indigenous people and ethnic minorities.

This aspect is important because indigenous peoples and ethnic minorities may be more vulnerable and face greater risks due to a hydropower development, and may need support to understand the project proposal, what it means for them, what their options and rights are with respect to the project, and to not be disempowered by the project. Meaningful engagement with indigenous peoples and ethnic minorities might also help inform on other aspects (e.g. cultural heritage).

POLICY OBJECTIVE: The objective is to ensure that indigenous and ethnic minority communities affected either directly or indirectly by the project should be specifically identified, adequately represented in any consultation process, and not adversely affected by the project.

PROCESS ATTRIBUTES:

- Quality of the identification process of indigenous people and ethnic minorities (**ASSESSMENT**)
- Understanding of legal rights as embedded in national and international law (**ASSESSMENT**)
- Quality of identification of special requirements of indigenous peoples and ethnic minorities (**ASSESSMENT**)

- Comprehensiveness of the plan to address project-related issues for indigenous peoples and ethnic minorities (**PLANNING**)
- Quality of the monitoring program (**PLANNING**)
- Level of participation of indigenous peoples and ethnic minorities (**CONSULTATIVE PROCESS**)
- Degree to which indigenous people's plan is developed with comprehensive participation of indigenous peoples and ethnic minorities and mutually acceptable independent experts (**CAPACITY**)

(Note attribute types not included: transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support for plan (**SUPPORT**)
- Level of support for plan from indigenous peoples and ethnic minorities (**SUPPORT**)
- Level of integration of indigenous peoples and ethnic minorities issues, values and knowledge in other aspects of project planning and preparation (**INTEGRATION**)

(Note attribute types not included: compliance, aspect-specific)

EXAMPLES OF EVIDENCE:

- Assessment report of indigenous peoples and ethnic minorities
- Management plan
- Records of meetings and interviews

7.17 Public Health

DESCRIPTION: This aspect addresses public health risks and opportunities associated with the hydropower project throughout the project life cycle.

This aspect is important because hydropower projects can create public health risks through introduction of the construction workforce, impacts to local communities, and through creating conditions conducive to waterborne diseases (e.g. schistosomiasis). At the same time, through stimulating the local economy, developing new infrastructure and provision of electricity, water supply, and sanitation there is the potential to upgrade the existing public health facilities in the project affected area.

POLICY OBJECTIVE: The objective is to ensure that public health risks are avoided and opportunities to enhance public health are identified alongside other potential project benefits.

PROCESS ATTRIBUTES:

- Quality of assessment of public health risks and opportunities (**ASSESSMENT**)
- Quality of collection of public health baseline data (**ASSESSMENT**)
- Thoroughness of identification of relevant public health standards (**ASSESSMENT**)
- Quality of public health management plan (**PLANNING**)
- Quality of the communications / engagement planning (**CONSULTATIVE PROCESS**)
- Degree to which an indigenous people's public health plan is developed with comprehensive participation of indigenous peoples and ethnic minorities and independent experts (**CONSULTATIVE PROCESS**)

(Note attribute types not included: transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support for public health management plan (**SUPPORT**)
- Level of compliance with public health legislation, standards, and management plan targets (**COMPLIANCE**)
- Degree of mainstreaming of public health plan into public health system (**INTEGRATION**)

- Level of public health impact and risk minimisation and mitigation (ASPECT-SPECIFIC)
- Degree to which public health benefits can be realized (ASPECT-SPECIFIC)

EXAMPLES OF EVIDENCE:

- Public health risk assessment
- Assessment of public health enhancement opportunities
- Public health management plans

7.18 Resettlement

DESCRIPTION: This aspect addresses voluntary and involuntary resettlement relating to the hydropower development.

This aspect is important because poor management of involuntary resettlement has been one of the most high profile issues creating controversy with hydropower projects, in cases resulting in disenfranchisement and negative impacts on living standard and quality of life, especially for the rural poor. It needs to be managed well.

POLICY OBJECTIVE: The objective is to ensure that project resettlement is dealt with in a fair and equitable manner, that displaced groups are at a minimum re-established at no disadvantage, and ideally that standards of living are improved for both displaced and host communities.

PROCESS ATTRIBUTES:

- Quality of the resettlement baseline survey (ASSESSMENT)
- Quality of the stakeholder identification process (ASSESSMENT)
- Quality of the options assessment (ASSESSMENT)
- Quality of the monitoring, evaluation and review process (PLANNING)
- Quality, funding and management structure of resettlement plan (PLANNING)
- Level of informed participation of affected peoples (CONSULTATIVE PROCESS)
- Quality of the consultation and negotiation process (CONSULTATIVE PROCESS)
- Quality of the communications and engagement planning (CONSULTATIVE PROCESS)
- Level of disclosure of information relating to resettlement (TRANSPARENCY)

(Note attribute types not included: integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder / regulator support for resettlement plan (SUPPORT)
- Level of compliance with resettlement legislation and standards requirements (COMPLIANCE)
- Level of compliance with resettlement plan targets and commitments (COMPLIANCE)
- Degree of resettlement impact avoidance, minimisation, mitigation (ASPECT-SPECIFIC)
- Appropriateness of timing of resettlement (ASPECT-SPECIFIC)
- Degree of change in living standard of directly affected stakeholders (ASPECT-SPECIFIC)
- Degree of cohesiveness of resettled communities (ASPECT-SPECIFIC)

(Note attribute types not included: integration)

EXAMPLES OF EVIDENCE:

- Documented compensation agreements
- Resettlement plan
- Minutes from meetings

7.19 Community Acceptance

DESCRIPTION: This aspect addresses the degree of community acceptance for the project and all associated assessments, programs and plans, and the processes used to maintain that acceptance. This aspect addresses acceptance in aggregate; other aspects include attributes related to stakeholder acceptance on specific items (e.g. cultural heritage management plan).

This aspect is important because developing and maintaining community engagement and support for a project can considerably facilitate many aspects of hydropower project development and ongoing operations.

POLICY OBJECTIVE: The objective is to gain acceptance of communities for the project construction and operations, and to achieve the confidence of communities in project impact avoidance, mitigation and management plans, through negotiated agreements with affected communities where possible.

PROCESS ATTRIBUTES:

- Quality of the stakeholder / community identification process (ASSESSMENT)
- Quality of the community participation and consultation plan (PLANNING)
- Quality of the communication strategies / engagement planning (PLANNING)
- Quality of the grievance process / dispute resolution planning (PLANNING)
- Level of disclosure of information (TRANSPARENCY)

(Note attribute types not included: consultative process, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of community / stakeholder support (SUPPORT)
- Quality of the community / stakeholder confirmation / agreements (ASPECT-SPECIFIC)
- Comprehensiveness of meeting targets of consultation plan (ASPECT-SPECIFIC)
- Quality of resolution of grievances / disputes (ASPECT-SPECIFIC)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Records of meetings
- Documentation of agreements
- Surveys and polls

7.20 Asset and Community Safety

DESCRIPTION: This aspect addresses planning for asset and community safety through construction and operation periods.

This aspect is important because the first priority for dam designers, builders, owners and operators is dam safety and the protection of life, property and the environment from the consequences of dam failure and other safety risks (e.g. road, construction and water management, or personal safety of non-project locals).

POLICY OBJECTIVE: This objective is to ensure the protection of life, property and the environment from the consequences of dam failure and other safety risks.

PROCESS ATTRIBUTES:

- Comprehensiveness of the identification and prioritisation of risks (ASSESSMENT)
- Quality of the safety management and monitoring plan (PLANNING)
- Quality of the Emergency Preparedness Plan (EPP) / asset safety planning (PLANNING)
- Quality of the communications / engagement planning (PLANNING)

- Quality of the auditing and reporting on safety performance (PLANNING)
- Quality of the community and staff consultations and training for safety and EPP (CONSULTATIVE PROCESS)
- Degree of involvement of regulators and safety-oriented stakeholders in monitoring, testing, reporting (CONSULTATIVE PROCESS)
- Quality of the log of complaints and suggestions (CONSULTATIVE PROCESS)

(Note attribute types not included: transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of community participation and support (SUPPORT)
- Level of performance on safety performance statistics (ASPECT-SPECIFIC)
- Level of adherence to planned arrangements during safety drills and incidents (ASPECT-SPECIFIC)
- Degree of effectiveness of the complaints mechanism (Aspect Attribute: ?)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Safety management plans
- Emergency preparedness plans
- Safety monitoring reports and records

7.21 Labour and Working Conditions

DESCRIPTION: This aspect addresses labour and working conditions, including employee opportunity, equity, diversity, health and safety

This aspect is important because workers need to be treated fairly and protected, and expectations on labour and working conditions are well-established in national and international standards and comparable industry practice.

POLICY OBJECTIVE: This objective is to ensure that workers are treated fairly and protected.

PROCESS ATTRIBUTES:

- Quality of issues and risk identification and prioritization (ASSESSMENT)
- Thoroughness of identification of relevant policy, law and standards (ASSESSMENT)
- Quality of the labour management system (PLANNING)
- Quality of workforce planning (PLANNING)
- Quality of the occupational health and safety program (PLANNING)
- Quality of the negotiation process where relevant (CONSULTATIVE PROCESS)
- Quality of communications and engagement planning (CONSULTATIVE PROCESS)

(Note attribute types not included: transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of compliance (COMPLIANCE)
- Degree of risk of labour conflicts or interruptions (ASPECT-SPECIFIC)
- Degree of risk of staff safety incidents (ASPECT-SPECIFIC)
- Levels of employee safety, occupational health and wellbeing performance (ASPECT-SPECIFIC)
- Levels of employee equity, opportunity, diversity (ASPECT-SPECIFIC)
- Level of engagement / relationship with labour representatives (ASPECT-SPECIFIC)
- Level of staff satisfaction (ASPECT-SPECIFIC)
- Levels of conflicts and disputes (ASPECT-SPECIFIC)

(Note attribute types not included: support, integration)

EXAMPLES OF EVIDENCE:

- Staff satisfaction surveys
- Corporate policies and programs, e.g. on equity, occupational health & safety, workforce planning
- Employee and management profiles

7.22 Communications

DESCRIPTION: This aspect addresses the effective use of communication to measure and address expectations and risks regarding the sustainable performance of the hydropower project as seen from all stakeholder perspectives. It encompasses communication within the company, communication between the company and external stakeholders (e.g. affected communities, governments, key institutions, partners, contractors, catchment residents, etc), communication mechanisms used by the developer to ensure sound business management and stakeholder relations, and the overall level of transparency in the communications about the project.

This aspect is important because of the cross-cutting need to coherently involve people in decisions that affect them and to support functional partnerships essential to deliver sustainable performance in all dimensions of hydropower development and operation. The quality of communications (alongside quality processes and products) can greatly influence the employee, contractor, regulator and stakeholder trust and confidence in the developer, and the efficiency of business processes.

POLICY OBJECTIVE: To ensure that project communications support all aspects of the project's sustainability performance, address stakeholder perceptions and concerns, and add value for all involved.

PROCESS ATTRIBUTES:

- Degree to which analytical based-assessments are used to identify communication needs of stakeholders (**ASSESSMENT**)
- Quality of the project communications strategy (e.g. comprehensive, linked to project objectives, prepared collaboratively) (**PLANNING**)
- Quality of the processes to review, refine and adjust communication strategies over time (**PLANNING**)
- Level of communication support to empower stakeholder voices (**CONSULTATIVE PROCESS**)
- Degree to which stakeholder views are reflected in the project communication strategy (**CONSULTATIVE PROCESS**)
- Adequacy of a developer's communication unit (with qualified staff) in the project management structure to coordinate communication inputs (**CAPACITY**)

(Note attribute types not included: transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of communication support for key project partnerships (**SUPPORT**)
- Number of stakeholder complaints on lack of project status information or responsiveness to raised concerns (**ASPECT-SPECIFIC**)
- Number of communication failures on key project partnerships (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Project communication plans and strategies
- Independent surveys
- Records of stakeholder input and feedback

7.23 Project Benefits

DESCRIPTION: This aspect addresses project benefits with a particular focus on benefit sharing, including revenue sharing, entitlements and access to resources and equitable access to electricity for those in the resettlement zone and immediate project area.

This aspect is important because through project benefits there is the potential to improve livelihoods of host communities and the broader region, and to potentially support broader economic development, and through benefit sharing strategies it can clearly be demonstrated that the project adds value to all affected parties.

POLICY OBJECTIVE: The objective is to ensure that (i) opportunities for provision of benefits to the region are identified and explored; and that (ii) opportunities for provision of benefits to project affected people are identified and implemented, that project affected people share in those benefits, and that they have a role in decision making on optimizing and sharing of those benefits throughout the project life.

PROCESS ATTRIBUTES:

- Quality of the project benefit analysis (**ASSESSMENT**)
- Quality of the benefit sharing assessment (**ASSESSMENT**)
- Quality of the benefit sharing plan (**PLANNING**)
- Quality of the monitoring, evaluation and review plan to ensure commitments are met (**PLANNING**)
- Quality of the participatory process (**CONSULTATIVE PROCESS**)

(Note attribute types not included: transparency, integration, capacity)

PERFORMANCE ATTRIBUTES:

- Level of stakeholder support (**SUPPORT**)
- Level of finance secured for revenue sharing (**ASPECT-SPECIFIC**)
- Likelihood of extent to which opportunities identified and prioritised by project affected people can be realised. (**ASPECT-SPECIFIC**)
- Extent of livelihood restitution and food security attained (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance, integration)

EXAMPLES OF EVIDENCE:

- Benefit sharing plan
- Independent assessments of poverty, living standards, food security, access to electricity and access to resources
- Stakeholder interviews

7.24 Environmental Impact Assessment

DESCRIPTION: This aspect addresses the assessment of environmental impacts associated with the planned hydropower development and operation.

This aspect is important because it identifies and assesses the environmental issues as a basis for developing environmental management measures; if done well, many environmental risks can be avoided, and future costs saved by avoiding, minimizing and mitigating environmental issues at an early stage.

POLICY OBJECTIVE: The objective is to ensure that environment impacts are properly identified and assessed such that effective avoidance, minimisation, mitigation and/or compensation measures can be designed and implemented for the various stages of the project.

PROCESS ATTRIBUTES:

- Quality of the environmental baseline survey (e.g. scope, data collection) (ASSESSMENT)
- Quality of the issues identification process (ASSESSMENT)
- Quality of the treatment of uncertainty (ASSESSMENT)
- Quality of the review and revision process (PLANNING)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (CONSULTATIVE PROCESS)
- Level of disclosure of information (TRANSPARENCY)
- Level of appropriate expertise of personnel involved (CAPACITY)

(Note attribute types not included: integration)

PERFORMANCE ATTRIBUTES:

- Level of regulatory support for EIA (SUPPORT)
- Level of stakeholder support for EIA (SUPPORT)
- Degree to which the EIA informs site selection, design optimisation and the integrated project management plan (INTEGRATION)
- Degree to which the EIA is a comprehensive foundation for the environmental management plan (ASPECT-SPECIFIC)

(Note attribute types not included: compliance)

EXAMPLES OF EVIDENCE:

- Regulatory requirements for project EIA
- Plans for environmental impact assessment or the actual assessment
- Independent expert testimony on EIA plans or content

7.25 Environmental Management Plan

DESCRIPTION: This aspect addresses the planning for management of environmental impacts associated with the planned hydropower development and operation.

This aspect is important because it identifies and assesses the environmental management measures to avoid, minimise, mitigate and/or compensate for environmental impacts and, where possible, enables environmental enhancement.

POLICY OBJECTIVE: The objective is to ensure that management measures are designed that will comprehensively and effectively address environment impacts for the various stages of the project.

PROCESS ATTRIBUTES:

- Quality of environmental management planning (PLANNING)
- Degree of alignment with the environmental impact assessment (PLANNING)
- Quality of mechanisms for monitoring and continual improvement throughout the life of the project (PLANNING)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (CONSULTATIVE PROCESS)
- Level of adequacy of capacity and resources to implement (CAPACITY)

(Note attribute types not included: assessment, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulatory support for EMP (SUPPORT)
- Level of stakeholder support for EMP (SUPPORT)

- Degree to which the EMP has been integrated with site selection, design optimisation and the project management plan (**INTEGRATION**)
- Degree to which the EMP has effective measures to comprehensively avoid, minimise, mitigate and compensate for environmental impacts and where possible enable environmental enhancement (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance)

EXAMPLES OF EVIDENCE:

- Plans for EMP or the actual EMP
- Agreements with stakeholders and/or regulators
- Independent expert testimony on EMP plans or content

7.26 Catchment Management

DESCRIPTION: This aspect addresses the proponent's role in catchment management in relation to other stakeholders and managers.

This aspect is important because (i) the health of the catchment and present and future land uses may have implications for hydropower operations; and (ii) management actions of the developer can affect environmental, social and economic values in the catchment.

POLICY OBJECTIVE: The objective is to promote catchment management that ensures good environmental, social and economic outcomes, taking into consideration the specific role and responsibility of the proponent.

PROCESS ATTRIBUTES:

- Level of understanding of the catchment, land uses, interactions and other influences on catchment condition (**ASSESSMENT**)
- Clarity of definition of the role and responsibility of the proponent and accountability of other parties (**PLANNING**)
- Quality of identification of environmental, social and economic objectives for catchment management (**PLANNING**)
- Quality of the catchment management planning process (**PLANNING**)
- Degree of integration of catchment management planning with broader regional conservation and land-use priorities (**PLANNING**)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (**CONSULTATIVE PROCESS**)
- Degree to which the monitoring and adaptive management programme is adequately resourced and likely to achieve desired outcomes (**CAPACITY**)

(Note attribute types not included: transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (**SUPPORT**)
- Level of stakeholder support (**SUPPORT**)
- Degree to which the catchment management plan is likely to achieve desired specific environmental, social and economic outcomes (**COMPLIANCE**)

(Note attribute types not included: integration)

EXAMPLES OF EVIDENCE:

- Design plans for land restoration and rehabilitation
- Catchment management agreements or planning

- High-value terrestrial habitat retention or protection programs

7.27 Reservoir Management

DESCRIPTION: This aspect addresses the planning for management of environmental, social and economic issues within and around the reservoir area during project development and operation.

This aspect is important because there are some particularly critical issues relevant to the reservoir area to be addressed at all stages: (i) during construction (e.g. clearing of vegetation, contaminated sites, cultural heritage); (ii) during reservoir filling (e.g. water quality, wildlife management, community impacts, land stability); and (iii) during operations (e.g. optimising power generation, integrating multiple uses, commercial uses, rights of access, safety, aesthetics). The potential for production of greenhouse gases needs assessment at the project preparation stage with feedback into siting and design considerations.

POLICY OBJECTIVE: The objective is to ensure that the reservoir is designed, prepared and managed to achieve a balance among biodiversity, habitat and ecosystem services and social and economic objectives, including power and other multi-purpose outcomes of the hydropower facility.

PROCESS ATTRIBUTES:

- Quality of identification of environmental, social and economic objectives for reservoir management (**ASSESSMENT**)
- Quality of the assessment of greenhouse gas emissions (**ASSESSMENT**)
- Quality of design of the reservoir, preparation of the reservoir and ongoing operation and maintenance of the reservoir (**PLANNING**)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (**CONSULTATIVE PROCESS**)
- Degree to which monitoring and adaptive management programme is adequately resourced and likely to achieve desired outcomes. (**CAPACITY**)

(Note attribute types not included: transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (**SUPPORT**)
- Level of stakeholder support (**SUPPORT**)
- Degree to which reservoir design, preparation and management is likely to achieve desired specific environmental, social and economic outcomes (**COMPLIANCE**)
- Degree to which reservoir management is fully integrated in infrastructure design, operations management and economic / financial analysis (**INTEGRATION**)

(Note attribute types not included: aspect-specific)

EXAMPLES OF EVIDENCE:

- Reservoir design documents
- Model output for reservoir operations
- Documented environmental, social, and economic objectives for reservoir management

7.28 Environmental Flows and Downstream Sustainability

DESCRIPTION: This aspect addresses the design of environmental flows in relation to environmental, social and economic impacts and benefits downstream of the planned hydropower development and operation.

This aspect is important because flow regulation can affect the viability of representative ecosystems and habitats for rare, endemic and endangered fresh water dependant species, and ecosystem services as well as social and economic objectives.

POLICY OBJECTIVE: The objective is to ensure that a downstream flow regime is designed to achieve the best fit between biodiversity, habitat, ecosystem services and social and economic objectives, including power and other multi-purpose outcomes of the hydropower facility.

PROCESS ATTRIBUTES:

- Level of understanding of relationship between hydrology, ecosystems and social uses (**ASSESSMENT**)
- Level of understanding of relationship between hydrology and environmental, social and economic objectives (**ASSESSMENT**)
- Quality of identification of environmental, social and economic objectives for environmental flows (**PLANNING**)
- Quality of design of the environmental flow (e.g. pattern of flow, balance between objectives) (**PLANNING**)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (**CONSULTATIVE PROCESS**)
- Degree to which the monitoring and adaptive management programme is adequately resourced and likely to achieve desired outcomes (**CAPACITY**)

(Note attribute types not included: transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (**SUPPORT**)
- Level of stakeholder support (**SUPPORT**)
- Degree to which the flow regime is likely to achieve environmental, social and economic objectives (**COMPLIANCE**)
- Degree to which the environmental flow is fully integrated in infrastructure design, operations management and economic / financial analyses (**INTEGRATION**)

(Note attribute types not included: aspect-specific)

EXAMPLES OF EVIDENCE:

- Documented environmental, social, and economic objectives for downstream flows
- Surveys or other measures of stakeholder opinion
- Investigations and scientific reports

7.29 Biodiversity, Habitats and Protected Areas

DESCRIPTION: This aspect addresses ecosystem values, habitat and specific issues such as threatened species and fish passage in the catchment, reservoir and downstream areas. It also looks at management actions to protect habitats and specific areas of high conservation value and assesses opportunities for enhancement / restoration of biodiversity resources.

This aspect is important because hydro projects can have significant impacts on biodiversity and because development of all types may create cumulative impacts on biodiversity.

POLICY OBJECTIVE: The objective is to ensure the protection of biodiversity and high conservation value areas through the design and operation of the project, and to enhance where practicable opportunities arise.

PROCESS ATTRIBUTES:

- Quality of identification of objectives for biodiversity and conservation area management, including target species and habitats (**PLANNING**)
- Quality of plans to manage for biodiversity and conservation objectives (**PLANNING**)
- Degree of integration with broader regional conservation and biodiversity priorities (**PLANNING**)
- Quality of participatory process (stakeholder engagement / regulator, variety of perspectives) (**CONSULTATIVE PROCESS**)

- Degree to which monitoring and adaptive management programme is adequately resourced and likely to achieve objectives (**CAPACITY**)

(Note attribute types not included: assessment, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (**SUPPORT**)
- Level of stakeholder support (**SUPPORT**)
- Degree to which biodiversity and habitat management plan is likely to achieve objectives (**COMPLIANCE**)

(Note attribute types not included: integration, aspect-specific)

EXAMPLES OF EVIDENCE:

- Research and database on biodiversity and threatened species
- Interviews with regulators
- Independent assessment by appropriately qualified individuals or groups

7.30 Pest and Invasive Species

DESCRIPTION: This aspect addresses potential impacts arising from pest and invasive species associated with the planned hydropower project.

This aspect is important because pests and invasive species can have significant impacts on indigenous biodiversity and the social and economic activities in the project area including the future operation of the hydropower project.

POLICY OBJECTIVE: The objective is to ensure the protection of biodiversity and social and economic values in the catchment area, reservoir and downstream environment from the impacts of pest and invasive species.

PROCESS ATTRIBUTES:

- Quality of the risk assessment of potential pests and invasive species (**ASSESSMENT**)
- Degree of integration with broader regional pest and invasive species management programmes (**PLANNING**)
- Quality of planning to prevent the introduction and manage the spread of pests and invasive species, including setting objectives (**PLANNING**)
- Degree to which monitoring and adaptive management programme is adequately resourced and is likely to achieve objectives (**CAPACITY**)

(Note attribute types not included: consultative process, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (**SUPPORT**)
- Degree to which pest and invasive species management plan is likely to achieve objectives (**COMPLIANCE**)

(Note attribute types not included: integration, aspect-specific)

EXAMPLES OF EVIDENCE:

- Research and database on pest and invasive species
- Interviews with regulators
- Independent assessment by appropriately qualified individuals or groups

7.31 Sedimentation and Erosion

DESCRIPTION: This aspect addresses the management of potential impacts arising from sedimentation and erosion associated with the planned hydropower development.

This aspect is important because sedimentation and erosion can affect the functioning of the hydropower facility, the lifetime of the reservoir, and the environmental, social, economic values and safety in the reservoir and downstream areas.

POLICY OBJECTIVE: The objective is to ensure that the project as a whole is designed and managed to avoid, minimise and mitigate reservoir and downstream impacts related to sedimentation and erosion.

PROCESS ATTRIBUTES:

- Quality of risk assessment of potential sedimentation and erosion issues in the reservoir and downstream area (**ASSESSMENT**)
- Quality of the planning for the siting, design and operations of the hydropower project to manage risks associated with sedimentation and erosion. (**PLANNING**)
- Degree to which the sedimentation and erosion management is fully integrated in site selection, design, operations planning, economic / financial analysis and environmental flow planning. (**PLANNING**)
- Degree to which the monitoring and adaptive management programme is adequately resourced and likely to achieve desired outcomes. (**CAPACITY**)

(Note attribute types not included: consultative process, transparency, integration)

PERFORMANCE ATTRIBUTES:

- Level of regulator support (**SUPPORT**)
- Degree to which siting, design and operations of the hydropower project are likely to achieve desired level of risk management in relation to sedimentation and erosion (**ASPECT-SPECIFIC**)

(Note attribute types not included: compliance, integration)