

Forum Meeting 8 commenced at 9:00 am on Tuesday 2 February 2010 and closed at 15:00 on Friday 5 February 2010. The meeting was hosted by Electricité de France (EdF), and located at their Centre d'Ingénierie Hydraulique at Bourget du Lac near Chambéry, France.

Not all agenda items were addressed in the order presented in the meeting agenda, and some agenda items were partially covered one day and completed on another. To avoid any confusion, these minutes record the meeting by agenda item in the order presented in the meeting agenda.

### **AGENDA ITEM 1 – OPENING**

**Present:** Forum Members - Refaat Abdel-Malek (IHA), Daryl Fields (World Bank), David Harrison (TNC), Joerg Hartmann (WWF), Geir Hermansen (Norway), Kirsten Nyman (Germany), Donal O'Leary (Transparency International), Israel Phiri (Zambia), Andrew Scanlon (Hydro Tasmania), Michael Simon (Oxfam), Richard Taylor (IHA), Gwen Terras (Equator Banks), Yu Xuezhong (China)  
Meeting Chair - André Abadie  
Coordination Team – Helen Locher (Forum Coordinator), Kristin Schumann (IHA)

**Apologies:** Forum Members – Gudni Johanneson (Iceland), Zhou Shichun (China)

Jean-Michel Devernay, Deputy Managing Director of EdF's hydropower engineering centre welcomed the Forum members to the CIH offices.

The Forum members reviewed and agreed on the meeting agenda provided as Meeting Paper 1. The highest meeting priorities were agreed to be:

- Review issues raised during consultation and trialling and agree on responses;
- Agree on edits to be made to the Draft Hydropower Sustainability Assessment Protocol; and
- Discussions of pathways forward.

It was recognized that a high degree of flexibility with the planned agenda would be required, as the Forum members would be reviewing all issues raised through the consultation and trialling on Day 1 and this might influence the agenda for the following days.

### **AGENDA ITEM 2 – MINUTES & ACTIONS FROM MEETING 7 & DEC 09 WEBINAR**

The minutes from Meeting 7 were provided as Meeting Paper 2a but were not discussed, as they had already been accepted as final by agreement of Forum members out of session.

The status of actions from Forum Meeting 7, summarised in Meeting Paper 2b, was noted. All actions were completed or did not require any further focus.

The minutes from the December 2009 webinar ("Forum Webinar 2") were provided as Meeting Paper 2c but were not discussed, as they had already been accepted as final by agreement of Forum members out of session.

### **AGENDA ITEM 3 – CONSULTATION AND TRIALLING – SUMMARY OF ISSUES**

This agenda item was to provide an overview of the consultation and trialling activities undertaken between 1 September and 11 December 2009, and issues raised on the Draft Protocol.

The Forum Coordinator presented some slides showing the extent of activity undertaken, which are provided as Attachment 1. The Forum noted with great appreciation the extensive efforts and contribution of Forum members, IHA members and particularly the IHA Reference Group, and supporting organisations.

An error was noted in the number of people from dam-affected communities participating in engagement activities, which should be much higher than 81 based on the number present at the Ghana consultation events.

**Mtg 8 Action 1:** *The Forum Coordinator to ensure that the correct number of people from dam-affected communities participating in engagement activities is put into the Consultation Outcomes Report before it is made publicly available.*

Meeting Paper 3 presents issues raised in both the Consultation Outcomes Report and the Trialling Outcomes Report, grouped around the key consultation questions. The Forum Coordinator presented the following situation analysis on the extensive list of issues summarised in Meeting Paper 3, noting that many concerns had come from the IHA Reference Group and its members:

- IHA is in a multi-stakeholder process in which it asked for the views and inputs of non-industry sectors.
- The Draft Protocol contains views and contributions of many actors who envisage it being used many different ways.
- Feedback on the Draft Protocol is that it is complex, not practical in its present form, and some of the concepts and proposals are difficult for industry to accept.
- The Forum needs to obtain greater industry buy-in to the final draft if it wants a Protocol that industry widely promotes and applies.
- There is strong support for work to be done in this space, and there is now a wealth of inputs.

She drew attention to the issues that she felt were of highest priority to address as a Forum, in order for it to be able to move towards a successful final product:

- Tighten the Forum aim, which at present is “to develop a broadly endorsed sustainability assessment tool to measure and guide performance in the hydropower sector”.
- Tighten the most likely users and use of the Protocol, which at present is a very long list of possibilities covering all sectors represented by the Forum, and design the Protocol more directly for the most likely users and use.
- Work on methods of presentation that are more readily able to be understood by stakeholders, because if they are overwhelmed and do not understand the Protocol they are less likely to support it.

#### **AGENDA ITEM 4 – DRAFT PROTOCOL HIGH LEVEL ISSUES**

Forum members reviewed the summary of issues presented in Meeting Paper 3, tackling these by each of the consultation questions in turn. The minutes below are grouped by consultation question, and show the relevant issues from Meeting Paper 3. Letters and numbers for issues correspond with those used to code the issues in the consultation and trialling outcomes reports. The Consultation Outcomes Report and the Draft Trialling Outcomes Report were referred to alongside these discussions to get more understanding of the particular issues that were raised. Due to time constraints, Forum members indicated those within each group that they felt were of highest priority for this meeting, so not all issues were able to be directly discussed nor were they necessarily discussed in the order they appear in Meeting Paper 3.

#### **GENERAL COMMENTS**

**Issue g** – *Purpose and use of the Protocol are not clearly identified.*

Forum members discussed most likely users, and the need to tighten the document to be more specific to these.

**Mtg 8 Agreement 1:** *The Forum members agreed that the most likely users would be assessors (those doing the assessment, which could be experienced assessor, professional 3<sup>rd</sup> party auditor, business internal auditor, agreed external stakeholder) and representatives of the project. These would not be the only users and it would be open to anyone to use. The Forum members agreed that the Protocol language and guidance should be tailored for the most likely users.*

It was discussed that projects are conceived and developed by a heterogenous group with many players. However when doing an assessment there is must be a principle proponent who is likely to be the developer, owner or operator, who must understand all the other players and issues. Unless there is a supportive host for the assessment, the reality is that the assessor will not have good access to project information. It was recommended to avoid the word audit, because the Protocol is an assessment tool and the word audit can imply more than this.

The Forum discussed that the users of the Protocol in an assessment is a different consideration than users of assessment results for decision-making. For example, the Equator Banks advised that they might use the results of an assessment to inform their decision-making about finance for a project, but they would most likely have a consultant apply the Protocol for the actual assessment.

It was noted that the Forum has raised expectations with stakeholders about the product serving a broader range of users and uses. The Forum noted that it will need to given special attention to how it communicates on this matter.

**Issue f** – *Need industry consensus / commitment to use protocol.*

**Issue a** – *Should be linked to a set of core sustainability requirements.*

Forum members agreed with the comments that industry consensus and commitment are necessary to use the Protocol, because it is an aspiration that the Protocol is widely applied and without industry support this would be difficult to achieve. The Forum members recognised the close link with this and the comments that the Protocol should be linked to a set of core sustainability requirements; in the existing IHA Sustainability Assessment Protocol 2006, the scores of 3 were linked to performance expectations for IHA members in the IHA Sustainability Guidelines 2004, and IHA members reviewing the Draft Protocol are looking at the scores of 3 in the same light. The present bulk and complexity of the Draft Protocol makes it difficult for industry to see what might in the future be performance expectations for themselves, defined by the 3 scores, in a simple and condensed manner.

The IHA representatives submitted that it would be considerably helpful towards gaining industry support to provide in a condensed manner the scores of 3 and 5 on each aspect as a first re-drafting step, so that industry could understand these important performance benchmarks and focus its discussions on these. IHA described a vision where a score of 3 on each sustainability topic in the Protocol would establish expectations of basic good practice that could be reflected in an IHA Sustainability Charter or some such equivalent of an updated IHA Sustainability Guidelines. Other components of the vision described by the IHA representatives relate to promotion and dissemination of the Protocol, training initiatives, self-assessments and third-party assessments of projects, incentives for Protocol application, sharing of assessment results, development of a verification / certification scheme against a standard, and measures to address low performers. The Forum noted that if it can recommend a product that IHA can fully understand and commit to, then there is potential to have the voice of industry communicating and putting pressure on hydropower projects to at a minimum meet a set of basic expectations and to work towards continuous improvement.

**Issue b** – *Major condensation and simplification is required.*

**Mtg 8 Agreement 2:** *The Forum members agreed that condensation and simplification of the Draft Protocol are required, in order to reduce duplication, enable an assessment to be conducted in a practical time frame, and to give more emphasis on the most critical sustainability issues.*

*Issue c – Project proponents cannot be measured on issues outside their sphere of influence.*

**Mtg 8 Agreement 3:** *The Forum members agreed that the Protocol is assessing projects, including elements outside the proponent's control. In the Protocol it will endeavour to articulate where responsibilities lie.*

*Issue d – Conflicts with / duplicates other standards, regulation and evaluation processes.*

The duplication with existing standards and evaluation processes was considered by Forum members as essential, and that consistency is an important consideration; however conflict amongst standards and evaluation processes is to be avoided. The Equator Banks advised that their interest in being on the Forum was to bring to the Forum's attention what is in the IFC Performance Standards and to seek consistency. It was noted that this comment may reflect a feeling by some projects that they are subject to too many assessments.

The Forum discussed what to do in the situation where a regulatory requirement or process is inconsistent with what the Protocol identifies as basic good practice. Forum members were not comfortable with basic good practice deferring to local law if local law has deficiencies; however neither were they comfortable with a Protocol that might be seen to be criticizing national policies. It was noted that in cases where, for example, local law sets out the compensation measures then it can be a problem for a proponent to go beyond this. The Bank representatives advised that IFIs set requirements according to safeguards or performance criteria, that may or may not equal to national legislation, which must be met in order to qualify for financing.

**Mtg 8 Agreement 4:** *The Forum members agreed that clear guidance needs to be given to the assessor on how to deal with national requirements that may differ from expectations set out in the Protocol.*

**Mtg 8 Action 2:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to further discuss the relationship between Protocol requirements and national requirements.*

*Issue e – Not all aspects are relevant to all projects.*

The Forum noted that good guidance needs to be given on aspect relevance to different projects and contexts.

*Issue h – Need to mention non-hydro benefits.*

The issue of non-hydro benefits was felt to be relevant to the Additional Benefits and Benefit Sharing aspects, and will be considered in the re-drafting of these.

*Issue i – Capacity building is needed to use Protocol.*

The Forum supports the call for capacity building to use the Protocol.

*Issue j – Consider a section on dam decommissioning.*

The Forum recognises that decommissioning of a dam is its own project with a special set of considerations, but that a Protocol section on dam decommissioning is seen to be beyond the scope of the Forum process.

### **Re-assessment of Forum Aim and Protocol Purpose**

Given a better understanding of IHA's vision and potential commitments for the Protocol, the Forum members revisited the Forum aim. It first looked at a slide developed in its March 2009 meeting, developed during a process review which had revealed a diversity of expectations and ambitions amongst the Forum members for the Forum process and outcomes:

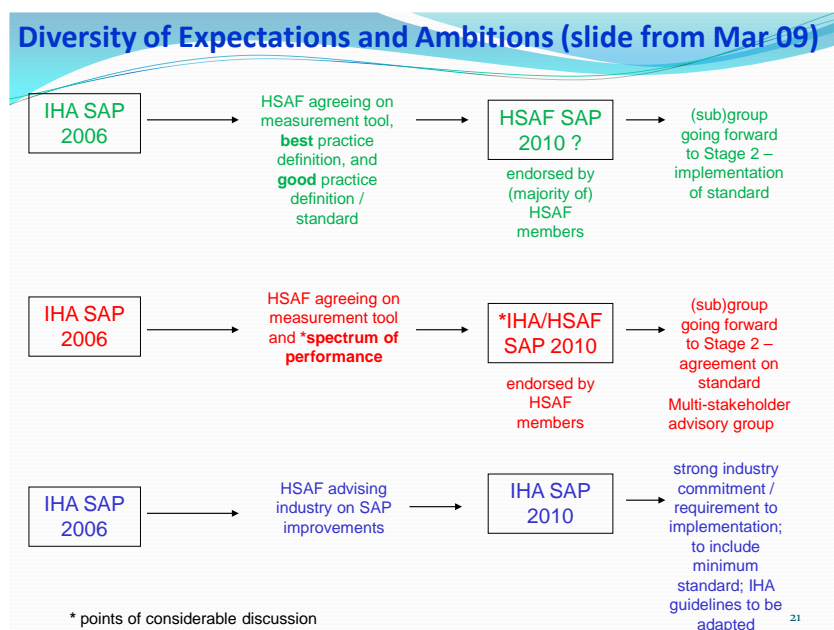


Figure 1: Diversity of Forum Member Expectations and Ambitions (slide from March 2009)

The Forum members thought that out of the recent discussions a unifying ambition was neither of the three horizontal scenarios shown in the March 2009 slide, but in fact could be a hybrid. Some of the elements proposed (but not agreed) that could be in a hybrid include:

- HSAF agreement on a measurement tool that defines basic good and proven best practice;
- An IHA/HSAF SAP 2010 formally adopted by IHA and endorsed by a majority of Forum member organizations;
- Follow up including:
  - strong IHA commitment to implementation;
  - definition by IHA of a minimum standard for its members through an update to the IHA Sustainability Guidelines 2004;
  - some sort of multi-stakeholder advisory group for future Protocol reviews; and
  - some sort of follow on work perhaps by a sub-set of Forum members working towards a hydropower industry standard.

**Mtg 8 Action 3:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to clarify a unified view on Forum member expectations and ambitions for its work, expressed in a variation to Figure 1 in the Minutes to Forum Meeting 8.*

The Forum then spent some time working on a scope clarification. It examined the present statement of the Forum Aim captured in the Memorandum of Understanding signed by Forum members, which reads “To establish a broadly endorsed sustainability assessment tool to measure and guide performance in the hydropower sector, based on the hydropower sustainability guidelines and assessment protocol as developed by the IHA”. A discussion point was IHA’s interest to formally adopt the end-product, and to use it as a launching point for a number of its sustainability advancement initiatives. Forum members thought that the end product must be bought into by industry or it makes no sense, but also that it must be associated with improvement and not just confirmation of the status quo. The Forum members agreed on refinements / clarifications to the Forum aim and Protocol purpose as follows:

**Mtg 8 Agreement 5:** *The Forum aim is to develop an enhanced sustainability assessment tool to measure and guide performance in the hydropower sector, based on the hydropower sustainability guidelines and assessment protocol as developed by the IHA, that the Forum would recommend for adoption by IHA and endorsement by HSAF members*

\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.

**Mtg 8 Agreement 6:** *The Protocol purpose is to inform decisions and continuous improvement efforts through evaluation of a hydropower project against a systematic set of sustainability criteria and with respect to basic good practice. Reasons for undertaking an assessment are not limited; they could be for example for industry planning, to assist in external dialogue, or to support a case for decision-making*

#### **PRACTICABILITY AND EASE OF USE**

**Issue 1e** – *Confusing language and terminology.*

The language and terminology issues with the Draft Protocol are fully acknowledged. The Forum will be very conscious of this in the re-drafting process, seeking to write the content as clearly and concisely as possible, and to get opinions on ease of translation.

**Mtg 8 Agreement 7:** *The Forum members agreed that language and terminology in the Protocol will be kept simple, and highly conscious of translation requirements.*

**Mtg 8 Agreement 8:** *The Forum members agreed due to language difficulties to rename “aspects” to “topics”, and “attributes” to “criteria”, based on the advice that topics and criteria are readily translatable in most languages.*

**Issue 1a** – *Overwhelming and complex.*

**Mtg 8 Agreement 9:** *The Forum members agreed with the concerns that the Draft Protocol is over-whelming and complex, and will work on measures to address this and still sustain the expectation of objectivity, comparability and replicability of the assessment results.*

The Forum members spent considerable discussion on the potential for grouping of topics around themes, to explore if this would assist in stakeholders’ abilities to more quickly understand the commonalities amongst topics. It was also noted that grouping of topics could be done mindful of common interviewees and evidence in an assessment, and so may help preparation and planning for an assessment. Table 1 in the Introduction to the Draft Protocol showed an example of grouping by perspectives (development, governance, technical, financial and economic, social, environmental, geographic/spatial), which some stakeholders in their feedback during the HSAF Phase 2 Consultation advised was very helpful. The Forum members felt comfortable in communicating that there were common themes for topics, but were cautious about formalising groupings of topics into themes because there was not always clarity around boundaries. No agreement was reached on any particular grouping approach.

**Mtg 8 Action 4:** *Recognising that the Draft Protocol is overwhelming and complex on a first presentation, in the re-drafting effort the Forum will initially prepare an “outline document” for each section, initially just for Section II, and get feedback from reference groups on this document. This Outline Document will capture for each topic the description, intent, criteria, and for each criterion the scores of 3 and 5.*

It was recognised that without an introduction, guidance notes or clear mapping of cross-cutting issues that it will be difficult to fully evaluate the outline document, but it was seen as something that could be done relatively quickly and despite these limitations would still be helpful as a first step to demonstrate that a simpler and clearer approach can be taken in the re-drafting of the Draft Protocol.

**Issue 1b** – *Difficulty of conducting a robust audit in a realistic time frame.*

**Issue 3.7.5** – *Missing guidance on length of a typical trial.*

**Mtg 8 Agreement 10:** *The Forum members agreed that, as a guide, an assessment would be approximately 5 working days from arrival to departure of the assessors, more or less depending on project scale and purpose of the assessment. One to two assessors would be considered appropriate for an assessment; the advantage of two would be to provide different experiences, expertise and insights into the evaluation process. Considerable preparation, in the order of one month for multiple representatives of the company, would be expected prior to an assessment. As a guide, up to ten person-days*

\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.

*would be anticipated as necessary to write and finalise the assessment report; again, more or less depending on project complexity.*

The Forum noted that a full-blown in-depth sustainability assessment might be done where the purpose is to support external decision-making, whereas a more cursory assessment might be done for internal self-assessments to guide business management directions by identifying project opportunities for improvement. Preparation time should diminish as users become more familiar with the Protocol.

**Issue 1c** – *Need to reduce number of aspects / attributes / sub-attributes.*

**Mtg 8 Agreement 11:** *The Forum members agreed on the necessity of reducing the number of topics and criteria. For each topic, the 3 or 4 most insightful criteria for assessment will be identified.*

Figure 2 provides an example of a more simplified topic template with a smaller number of criteria to be assessed.

SECTION NUMBER	TOPIC NUMBER	TOPIC NAME		
This topic addresses xxxx.				
The intent is that xxxx.				
<b>Criterion A: xxxxxx</b>				
<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Xxx	Xxx	Xxx	Xxx	Xxx
AUDITING GUIDANCE NOTES:				
o Xxxx				
<b>Criterion B: xxxxxx</b>				
<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Xxx	Xxx	Xxx	Xxx	Xxx
AUDITING GUIDANCE NOTES:				
o xxxx				
<b>Criterion C: xxxxxx</b>				
<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Xxx	Xxx	Xxx	Xxx	Xxx
AUDITING GUIDANCE NOTES:				
o xxxx				

*Figure 2: Example of Simplified Topic Template*

**Issue 1d** – *Protocol is too focussed on large hydropower projects.*

The Forum accepted that there is an element of truth in the Draft Protocol being too focused on large hydropower projects. It was noted that projects up to 25 MW in Nepal do not require an EIA, but rather require an initial environmental determination. However the Forum does not support any sort of exemption for small projects, given that the proliferation of small projects is a significant sustainability issue from a river basin development perspective. The Forum felt that simplifying and condensing the Protocol may help this issue to some degree, but that greater guidance will be required on how to apply the Protocol to small projects.

**Issue 1f** – *Too much redundancy and repetitiveness.*

The Forum recognises that there is too much redundancy and repetitiveness in the Draft Protocol, and will be very conscious of this in the re-drafting process.

**Issue 1g** – *Inconsistency with industry practice and reality of a project life cycle.*

*\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.*

The Forum recognises that the sequencing between Section I and II can vary by jurisdiction, and this will need to be considered in any re-formulation particularly of Section I. The Forum recognises that all seven of the standard attributes are not the most pertinent at each of the project stages represented by the four sections. For example, compliance and conformance with plans are not the most pertinent at the project preparation stage, but are highly pertinent at the project implementation and operations stages. By moving to the most pertinent criteria for assessment for each topic this should help address concerns about lack of adjustment to project stage.

**Issue 1h** – *Protocol should be goal and outcome oriented.*

The Forum does not want to lose the emphasis on assessing quality of processes, but at the same time recognises the need to be very careful about overly specifying methodologies and techniques.

**Issue 1i** – *Stakeholder and consultation requirements are too onerous.*

The Forum recognises that the stakeholder and consultation requirements in the Draft Protocol appear very onerous because they are repeated so frequently, encapsulated in standard attributes replicated for each aspect. Identifying the most pertinent criteria for assessment for each topic should help address this issue.

**Issue 1j** – *Introduce a test period during which modification to the Protocol may be carried out as a result of ongoing development of the Protocol.*

A test period during which modification to the Protocol can be carried out was believed to have relevance to two perspectives: 1) would there be an additional period of consultation and trialling before the Forum delivers on its final recommendations; and 2) would there be a review of the Protocol in one or several years time? The Forum does not have budget for another period of consultation and trialling within the Forum process, but will allow for reference group review and feedback on the re-drafting efforts between Forum Meetings 8 and 9. Regarding review after a period of application, the Forum strongly advocates this, and is drafting the Protocol with the recommendation that such a review will take place.

**Mtg 8 Agreement 12:** *The Forum members envisage and strongly recommend a commitment to review of the Protocol after a period of application, and that this review should be conducted by a multi-stakeholder group similar to the Forum.*

**Issue 1k** – *Concern about expertise and training of auditors.*

The Forum recognises the need for guidance on the composition of the assessment team, and a need for expertise and training of third-party assessors if the Protocol is to be widely applied.

**Issue 3.2.2** - *Attribute phrasing as descriptions rather than questions.*

Attribute phrasing as questions rather than descriptions relates to the need to be more direct about what it is that is being assessed. Guidance questions were thought to be very helpful for non-assessors, but may be too restrictive for experienced assessors. Assessors need to know more clearly what is the intent so that they can formulate the discussions they will have with the interviewees.

**Issue 3.4.2** – *Not the most logical ordering of aspects.*

**Mtg 8 Action 5:** *The Forum Coordinator to ensure that a review of the ordering of aspects will be undertaken.*

## **GUIDANCE**

**Issue 3.7.2** – *Draft Protocol Introduction – remove standardised attributes.*

The Forum recognises that the systematic approach represented in the Draft Protocol which uses standard attributes was very helpful in the Protocol developmental process, but that retaining such an approach in the final protocol carries with it many practical problems.

**Mtg 8 Agreement 13:** *The Forum members agreed on the removal of standard attributes in the Protocol Introduction.*

**Issue 3.7.10 – Aspect-specific guidance notes – target more clearly to auditing needs.**

**Mtg 8 Agreement 14:** *The Forum members agreed that auditing guidance notes will be tailored to the most likely users of the protocol, being those parties undertaking the assessment and the representatives of the project being assessed.*

**Mtg 8 Action 6:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to discuss guidance notes.*

## **CONTENT**

The Forum reviewed the content issues raised. Agreements on content changes are captured under the minutes for Agenda Item 5 – Draft Protocol Section II. The Forum did not get a chance to discuss cross-cutting issues during Forum Meeting 8.

**Mtg 8 Action 7:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to discuss cross-cutting issues.*

## **SCORING**

**Issue 4d – Change the number of scoring levels.**

**Mtg 8 Agreement 15:** *The Forum members agreed to keep the five level scoring system. They agreed to first focus on identifying the 3 and 5 scores, and then to work on the expressions of the other scoring levels.*

Some consideration was given to only providing information on the 1, 3 and 5 scores. There was some resistance to this because in previous versions of the IHA Sustainability Assessment Protocol a strong recommendation had been to spell out all five levels. Also it was noted that if 3 in the future was an expression of a minimum expectation of basic good practice for IHA members, or even the basis for future development of a global standard, then there will be a lot of attention on the difference between 2 and 3.

**Issue 4e – Large leap in criteria between scores seen as problematic.**

The Forum members noted that in cases there was a large leap between a 2 and a 3, and that the gradation will need to be carefully considered in the re-drafting process.

**Issue 4f – Scoring masking low performance.**

The Forum members noted that averaging was an issue with the sub-attribute content in the Draft Protocol, and that this concern should be dispelled with the elimination of sub-attributes.

**Mtg 8 Agreement 16:** *The Forum agreed that averaging would not be recommended for any part of the Protocol scoring approach.*

**Issue 4g – Change Section I scoring to a Yes/No format.**

The Forum members felt that grading in Section I increases the significance of this section. They noted that there were considerable discussions early in the Forum process which led to the agreement to use scoring in Section I. Section I issues were further discussed under Agenda Item 8.

**Issue 4j – Unclear how to score non-relevant aspects.**

Options for scoring of non-relevant topics and criteria were seen to be either to remove them, or to give them a 5. The merits of giving a 5 would be to recognise positive avoidance of a negative sustainability outcome. One approach proposed was to give a 5 if there was evidence of active avoidance (e.g. siting changed to avoid impacting on indigenous peoples), but to remove from giving a score if it is clearly not relevant (e.g. no indigenous peoples in the region in which the project is being considered). It was felt that this is an issue of presentation and communication of the outcomes of the assessment. One idea was to present as an inverted spidergram with the 5 in the centre and 1 on the outside; then if there was a not relevant topic it would not show a bar just the same as if a 5 score were given.

**Mtg 8 Action 8:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to further discuss scoring of non-relevant topics.*

## **BASIC GOOD PRACTICE**

**Issue 6a** – *Clear definitions and examples of basic good practice required.*

The Forum supported the need for clear definitions of basic good practice, but felt that examples are educational and beyond the scope of work the Forum will be able to achieve.

**Issue 6b** – *Confusion about how basic good practice corresponds to national laws and regulations.*

The Forum discussed that compliance is a 3, in that it is basic good practice to be compliant with the law. However this was not completely reconciled with earlier discussions about how the protocol aligns with national requirements, and will need further discussion. See Mtg 8 Agreement 4 and Action 2.

**Issue 6d** – *Concern about good practice not being good enough.*

The concern about the expression of basic good practice not being enough was noted, and the reality that some stakeholders will want best practice as a basic performance expectation was discussed. This will be an important consideration in the definition of 3s and 5s for each topic criteria.

A number of Forum members expressed their view that the most important objective is the 3, as it addresses the greatest needs in the hydropower sector globally. The Forum discussed whether a score of 3 should be achievable in all contexts. It was seen that this might be difficult in some contexts with some issues, for example corruption in some countries. Better language was thought to be that a score of 3 is expected in all contexts. Therefore if a project is below 3 on any aspect, it is expected that the proponent will be working on measures to lift the performance to a 3 at a minimum. However this was mindful that expectations on performance levels are not defined within the Protocol itself, but are to be defined by organizations who use the Protocol. The Forum members recognised that in the future a score of 3 could define the level of practice that at a minimum is expected by IHA for projects in all contexts.

**Mtg 8 Agreement 17:** *The Forum agreed that a score of 3 is an expression of basic good practice on a particular sustainability issue for which it is expected that projects in all contexts will be working towards as a minimum performance level.*

## **PROVEN BEST PRACTICE**

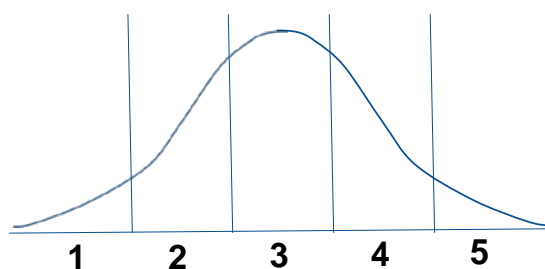
The Forum noted that some companies in developed countries feel they will be held to account for a score of 5 on all topics and criteria. Some Forum members expressed the view that for them the score of 5 as expressed in the Draft Protocol are the most important. The Forum discussed whether a project could realistically get 5s on every topic and criteria, and if that that is even a sustainable thing to strive for. The Forum discussed whether a project with all scores of 3 is sustainable, and with higher scores is more sustainable.

*\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.*

**Mtg 8 Agreement 18:** *The Forum members agreed that sustainability is a view formed from the integrated assessment, and is not an aspect-by-aspect judgement.*

The Forum members discussed that in the future if an organization such as IHA uses the 3 scores in the Protocol to define its minimum performance expectations for its members, then a project that has all 3 scores (or higher) would be viewed by IHA members as a sustainable project. Higher scores represent higher topic-by-topic performance on particular sustainability criteria on a benchmarking basis, with or without any organizational definition of sustainability performance levels, and should not be assumed to make a project “more sustainable”.

The Forum discussed the expected calibration for scores of 5, i.e. do 20% of projects get them, or 5%? *A general view was that the performance spread by projects is likely to be a bell curve spread – most projects in the middle, few on the ends, as shown in Figure 3 - but this discussion was conceptual only and does not portray any aspirational view.*



*Figure 3: View of likely spread of projects with respect to scoring levels*

The Forum discussed how a “stretch” is factored into the Protocol. Forum members felt that if every project could get a 5, it results in a watered down assessment tool and reduces the credibility of the Forum. The Forum discussed that a 5 should be achievable but hard to get, and may not be possible in all contexts. The Forum noted the need to be careful saying everyone should be a 3 striving to be a 5. An expectation by organizations who might define an organizational standard using 3s as a minimum performance expectation would be that all projects should score 3s, with a hope for scores as high as 5, but it is a choice of the project proponent whether they aim for 5s.

The Forum discussed whether a 5 is just about hydropower, or about sustainability in a broader context across industries. The proposed definition for 5 is proven best practice on a particular sustainability issue that is demonstrable in multiple country contexts, but it was not agreed whether this was to be demonstrable in hydropower and/or relevant industries.

**Mtg 8 Action 9:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to resolve the definition of proven best practice.*

Some Forum members were not so interested in articulating proven best practice in the hydropower sector, but more interested in articulating global norms such as international standards. The idea was proposed for an accompanying document to the Protocol that could be more educational and could capture information on global norms and international standards, but there was insufficient time to discuss this.

The Forum discussed that maybe there is a Protocol developmental consideration to think about. 5 might be achievable today, but there is something more aspirational, and over time the 5 might be re-phrased with a higher level of expectation. Continuous improvement was considered to be key. The Forum felt that the issue of future reviews needed to be communicated clearly; stakeholders would need to know that the Protocol can change in the future. See Mtg 8 Agreement 12 about the Forum recommendation on future reviews.

## PRESENTATION OF RESULTS

*Issue 5a – Content of auditor report should include recommendations for improvement.*

The Forum members noted that a typical audit report would identify gaps and opportunities for improvement, but would not make recommendations to management. The Forum did not have time to discuss its expectations for the contents of the Protocol assessment reports.

*Issue 5b – Suggestions for improving the presentation of results.*

The Forum members expressed some support for a spidergram presentation format of results, with some discussion of whether this could be inverted with the 5 being in the centre and the 1 being on the outside.

*Issue 5d – Need consistent methodology for reporting results.*

The Forum members agreed that a consistent methodology for reporting results is required.

*Mtg 8 Action 10: The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to further discuss presentation of results.*

## AGENDA ITEM 5 – DRAFT PROTOCOL SECTION II

The Forum members spent meeting days 2 and 3 focussed on Section II.

### Review of Section II Topics

The following Section II topic changes were supported by Forum members to work with in the Section II Outline Document (see Mtg 8 Action 3):

- Create a **Project Benefits** topic which merges the additional benefits component of Economic Viability & Additional Benefits with Benefit Sharing.
- Make **Economic Viability** a stand-alone topic. General feeling is that this is a pillar of sustainability; however do not feel that a CBA needs to be done for all projects. Approach typically is that the financial analysis is done, and then externalities (including social and environmental) are taken into account to do the economic viability.
- Create a **Public Sector and Corporate Governance** topic which merges Public Sector Governance and Corporate Governance
- Create a **Communications & Consultation** topic.
- Have an **Integrated Management** topic which includes Construction Management.
- Merge Environmental Impact Assessment & Mgmt and Social Impact Assessment & Mgmt into **Environmental & Social Assessment & Mgmt**. Focus is strongly on the management process. This merger recognises the integration of social and environmental issues. Recognise concern that funding of social management should not be lost, and that EIA people may not have the skills for SIA.
- Broaden Project Affected Communities to **Project Affected Communities & Livelihoods**
- Rename Asset & Community Safety to **Dam & Associated Infrastructure Safety**. Recognises that “asset” does not translate well, and is often associated with a financial perspective.
- Rename Environmental Flows to **Downstream Flow Regimes**
- Delete **Regulatory Approvals**
- Rename Catchment Mgmt to **Land & Catchment Mgmt**
- Rename River Basin & Transboundary Issues to **Transboundary Issues**.
- Ensure the river basin perspective is brought into Project Siting & Design Optimisation, and rename to **Siting & Design**. (Note also the recommendation under Section I to create a River Basin topic in that section).

The Forum had a lengthy discussion on potential for rationalising environmental topics. The discussion revolved around dilemmas about listing specific issues (e.g. water quality) and then listing geographic perspectives (e.g. reservoir management which goes beyond just environmental considerations), and the duplication. Increasing emphasis on aquatic biodiversity in the biodiversity aspect was agreed as necessary, but not to the point of renaming the topic or splitting it into more. In the end the Forum could not resolve any rationalisation solutions without it feeling that some topics would be compromised, so agreed to keep working with the environmental topics as they are.

**Mtg 8 Agreement 19:** *The list of Section II topics which the Forum will work with in creating its Section II Outline document are as follows:*

Hydrological Resource	Consultation & Communications
Siting & Design	Project Affected Communities & Livelihoods
Reservoir Management	Indigenous Peoples
Dam & Other Infrastructure Safety	Resettlement & Land Acquisition
Integrated Project Mgmt	Cultural Heritage
Project Benefits	Public Health
Financial Viability	Environmental & Social Assessment & Mgmt
Economic Viability	Downstream Flow Regimes
Demonstrated Need & Strategic Fit	Land & Catchment Management
Labour & Working Conditions	Biodiversity & Invasive Species
Public Sector & Corporate Governance	Erosion & Sedimentation
Transboundary Rivers	Water Quality
Procurement	

### **Addressing Stakeholder Involvement**

An important consideration extensively discussed by the Forum is how to address consultation and stakeholder support at the topic and criterion level. As shown in the above list, it was agreed to create a Communications & Consultation topic. One of the benefits in doing so was to create a space for dialogue around how the proponent overall has approach stakeholder identification, consultation and communications throughout the project development process.

It was felt still necessary in specific topics to address stakeholder involvement, and the degree to which this needed to be done varied by topic. The Forum members identified four categories of consideration:

1. Consultation is embedded into the language of the higher scores
2. Stakeholder Involvement is a criterion, with higher scores measuring the degree to which stakeholder input is meaningfully reflected in planning. Stakeholder Involvement assesses disclosure of information, inclusiveness, iterativeness, timeliness, and how stakeholder issues have been responded to. Examples of evidence would include minutes of meetings with key stakeholder groups, and evidence of response to issues through documentation. It was felt that topics that were optimization exercises should measure stakeholder involvement but not support, since by their nature they would have produced compromises.
3. Stakeholder Involvement & Support is a criterion, with generally expressed scaling; must state who are stakeholders and what is object of support. Stakeholder support is measured by expressions of support which may be through individuals representing key groups. The scaling would be around all, nearly all, most stakeholder groups, although need to get some wording around this that is clear.
4. Stakeholder Involvement & Support is a criterion, with wording tailored specifically to include consent in a score of 5; must state who are stakeholders and what is object of support. The Resettlement and Indigenous Peoples topics are the focal point of this category.

*\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.*

The Forum members then discussed and tentatively agreed on which stakeholder involvement category was most appropriate to each Section II topic, with the results shown in Attachment 2. This was to help guide development of the Section II Outline Document, and will be re-evaluated in the context of the document as a whole.

The Forum briefly discussed what is the scoring instruction with respect to public hearings and the above categories. This was not resolved and will need to be further addressed.

It was raised that if instructions were provided for the assessment process on how to canvas views of the project-affected communities it may assist in defining how to assess stakeholder support.

With the Project Affected Communities & Livelihoods topic, it was discussed whether stakeholder support was for the project or for the specific compensation measures. It was noted that at Nam Theun II it was very compensation focused, and this may be the reality with most projects. It was proposed for the Section II Outline Document to make this relate to compensation arrangements, and it can be discussed again.

Another point of discussion which will need to be continued is with respect to the Resettlement & Land Acquisition aspect, and how stakeholder support should be expressed for land acquisition where physical resettlement is not required. This was particularly thinking about linear infrastructure associated with hydropower project developments (roads, transmission lines) where land acquisition might be required.

### **Section II Outline Document**

The Forum members worked on Section II Outline Document content in plenary, then in small groups, and then back to plenary for review and discussion.

In developing the Section II Outline Document, guiding considerations were:

- Topic definition and intent should be expressed as simply and directly as possible.
- Criteria are those that most directly assist in forming a view on sustainability of that topic.
- Maximum four criteria per topic; if fewer can be done meaningfully then go this way.
- For the Section II criteria, these would generally focus on assessment, management planning, stakeholder involvement, and likelihood of effectiveness, but should not be locked into these criteria labels.
- Aim for consistency in expression

The Forum produced content in small group work for most of the topics that would be in the Section II Outline Document. Attachment 3 shows the topics and criteria names which were agreed by the end of Forum Meeting 8, subject to further drafting and analysis. There were some gaps in topic content due to a shortage of time, and inconsistencies in approaches across the different small groups were recognised.

**Mtg 8 Action 11:** *The Forum Coordinator will undertake the following further work on the Section II Outline Document:*

- *Ensure each criterion has a statement of 3 and 5 score. 3 statements are succinct, and not overly prescriptive. Statements of 5 are information that is addition to the 3.*
- *For now, ensure each statement of 3 can be expressed as a stand-alone statement reflecting basic good practice, describing practice which every project should exhibit, which can be collated in a single document and be reviewed and discussed. Guidance notes or further word refinements can be made later to tighten to assessment language and needs.*

- *Write statements for which examples can be identified of who would be the interviewee, and examples of what evidence could be tabled to support that score; wherever possible, provide this information.*
- *Ensure consistency in approach across the topics and criteria.*

**Mtg 8 Action 12:** *Forum members will work on drafting the criteria and associated 3 and 5 statements for those aspects which were not able to be completed within the meeting time:*

- *Project Affected Communities & Livelihoods – Helen Locher, Gwen Terras*
- *Indigenous Peoples – Helen Locher, Gwen Terras*
- *Biodiversity & Invasive Species – Andrew Scanlon, David Harrison*
- *Public Sector & Corporate Governance – Donal O’Leary*
- *Land & Catchment Management – Andrew Scanlon, Joerg Hartmann*
- *Procurement – Refaat Abdel-Malek, Donal O’Leary*

### **AGENDA ITEM 6 – DRAFT PROTOCOL SECTION III**

Due to time constraints, Section III was not discussed at Forum Meeting 8.

**Mtg 8 Action 13:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss Section III.*

### **AGENDA ITEM 7 – DRAFT PROTOCOL SECTION IV**

Due to time constraints, Section IV was not discussed at Forum Meeting 8.

**Mtg 8 Action 14:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss Section IV.*

### **AGENDA ITEM 8 – DRAFT PROTOCOL SECTION I**

A number of Section I issues were identified in the Consultation Outcomes Report. Those related to high level directions for this section and not to specific topics are listed below:

Issue 2v - Need to further emphasize which parts are to be completed by government vs developers.

Issue 2w - Aspects labelled “for Developers” should still be addressed even when there are no specific projects on the table.

Issue 2x - Section I needs to be restructured in order to reflect present business practice

Issue 2y - Reduce/limit scoring range for Section 1

Issue 2z - Section I should only be a simple YES/NO checklist with considerations about management options for identified risks, as at this very early stage information regarding specific projects are not yet available and these type of investigations are often of confidential commercial nature (see scoring section).

Issue 2aa - Section I should be split into two parts A and B, with one focused on government responsibilities and the other on industry.

Issue 2ab - Include a strategic assessment of business risks and opportunities related to a potential project region/country

The strategic importance of Section I is considered very high by all stakeholders. Section I was created to be used with or without having a project as the main focus. A major question and discussion point was about who would realistically use it, and did it serve their needs. Reasons for industry application would be either a developer has a region in mind and is assessing projects, or a developer has a project in mind and is assessing risks. Industry advises that they undertake their own internal assessments at this stage, but that they would not be public. The Forum learned that there is a strong interest in Section I in the Mekong region, where several trials were conducted, and that AusAid has funded work in the region largely because there is a gap in this area. In the trialling in this region, it was used by governments (MRC-led workshop)

*\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.*

to assess a river basin, and a planned trial by a range of stakeholders (M-Power led workshops) to assess the Thai electricity master plan.

In the trialling, access to information to support a Section I assessment was an issue. A proposal was to try to link it more clearly to identifiable evidence – quality of masterplans, project identification reports, feasibility studies. There was a strong recommendation to insert a River Basin & Transboundary Issues aspect.

Options discussed for Section I include:

- keep as is with the dual-focus and criteria identified as relevant to the developer or to government;
- elimination;
- make it only project-focussed with the developer in mind;
- make it only government-focussed;
- remove the project focus and frame it around needs, planning and options;
- split it into two sections; and
- change the approach to scoring to a yes/no checklist.

**Mtg 8 Agreement 20:** *The Forum members agreed to keep Section I within the Protocol. They agreed that a Section I assessment informs the decision that there is a good strategic basis with which to proceed with project preparation, which is the purpose of Section I presently stated in the Draft Protocol.*

**Mtg 8 Action 15:** *A Forum sub-group will review the issues and proposals for Section I and develop a concept note to circulate to Forum members for their consideration. Once the approach is agreed, the sub-group will develop a Section I Outline Document for Forum member review. Then full Section I content will be developed for Forum Mtg 9 papers. David Harrison will lead this sub-group, with other members being Refaat Abdel-Malek, Daryl Fields, Joerg Hartmann, Kirsten Nyman and Donal O’Leary.*

## **AGENDA ITEM 9 – RESPONDING TO THE CONSULTATION OUTCOMES REPORT**

This agenda item was broadened to take into consideration both the trialling and consultation outcomes reports.

It was noted that the Draft Trialling Outcomes Report presented at Forum Meeting 8 is not complete. Several more trial reports have been received, and will be incorporated into the report before making it final.

**Mtg 8 Agreement 21:** *The final Trialling Outcomes Report and the Consultation Outcomes Report will be made public alongside Mtg 8 minutes and papers, once the meeting minutes are finalised.*

The Forum felt that a formal response to Consultation Outcomes Report was not an immediate priority, but should be done to be provided with the Meeting 9 papers so that the Forum can show how issues were addressed in the Final Draft.

**Mtg 8 Action 16:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss the remaining and unresolved issues raised in the consultation and trialling, and agreement on Forum responses.*

**Mtg 8 Action 17:** *Forum members to provide comments identifying any factual errors to the Forum Coordinator on either the Draft Trialling Outcomes Report or the Consultation Outcomes Report by Friday 12/2.*

**Mtg 8 Action 18:** *The Forum Coordinator to ensure collection of estimates of in-kind contributions to consultation and trialling.*

## **AGENDA ITEM 10 – FORUM FORWARD WORK PLAN AND CLOSURE**

The Forum members discussed the requirements and target dates between Forum Meetings 8 and 9. Supporting documentation was provided in Meeting Paper 10a (Forum Work Plan) and 10b (Forum Budget). A number of actions from Forum Meeting 8 require review and further discussion by Forum members, for which two more webinar meetings have been planned prior to Forum Meeting 9.

**Mtg 8 Agreement 22:** *The Forum members agreed to the following working schedule for the fifteen weeks post Forum Meeting 8:*

- *Week 8/2 – Drafting of Forum Mtg 8 minutes*
- *Week 15/2 – Forum Mtg 8 Minutes Draft 1 reviewed by Forum members*
- *Week 22/2 – Circulate Section II Outline Document (topics, criteria, proposed 3 and 5 scores); circulate concept note for Section I*
- *Week 1/3 – Webinar 3 (discuss Sec II, Sec I, x-cutting issues, guidance notes)*
- *Week 8/3 – High profile x-cutting issues review; develop guidance notes*
- *Week 15/3 – Expanded Section II; outline documents for Sections I, III and IV*
- *Week 22/3 - Reference Group Meetings to review I, II, III, IV material to date*
- *Week 29/3 – Webinar 4*
- *Week 5/4 – Easter Week*
- *Week 12/4 – Next-to final drafts of Sections I, II, III, IV*
- *Week 19/4 – Auditor review, prepare final drafts for Forum Mtg 9 papers*
- *Week 26/4 – Mtg papers distributed for Forum Mtg 9, Forum member review*
- *Week 3/5 – Forum Mtg 9 (3-6 May 2010, Vientiane, Laos)*
- *Week 10/5 – Drafting of Forum Mtg 9 minutes*
- *Week 17/5 – Forum Mtg 9 Minutes Draft 1 reviewed by Forum members*

**Mtg 8 Action 19:** *The Forum Coordinator to ensure arrangements are made for Webinars 3 and 4.*

The Forum discussed where in this timetable would be a good opportunity for auditor review during re-drafting process, which was a recommendation made in the consultation feedback. An appropriate time from a Forum perspective could be before draft content is circulated to reference groups; reference groups could be encouraged to arrange their own auditor review of this content if they wish. There is no budget for such an exercise, so this would have to be an in-kind contribution.

**Mtg 8 Action 20:** *The Forum Coordinator to investigate the potential to get auditor review of re-drafting Protocol content provided as an in-kind contribution.*

The Forum discussed whether it would be possible with the available budget to afford analysis of alignment with international standards. The Equator Banks in particular was very interested in this. The Forum was advised that there is no provision for this in the remaining Forum budget, so would have to be an in-kind contribution. The only timing that could work is if the analysis is done on the Forum Mtg 9 papers – during the one week before the Forum Mtg 9 – and the analysis report tabled at the Forum meeting.

## **AGENDA ITEM 11 – FOLLOW UP TO THE FORUM**

The purpose of this agenda item was to discuss the way forward following completion of the Forum's work. Due to time constraints, this was unable to be discussed at Forum Meeting 8.

**Mtg 8 Action 21:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss follow up to Forum Meeting 9.*

**AGENDA ITEM 12 – WRAP-UP**

The Forum meeting closed at 15:00 on 5 February 2010. The next meeting of the Hydropower Sustainability Assessment Forum is Forum Meeting 9, 3-6 May 2010 in Vientiane, Laos.

**Mtg 8 Action 22:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss arrangements for Forum Meeting 9.*

## HSAF Meeting 8 Summary of Agreements

- Mtg 8 Agreement 1:** *The Forum members agreed that the most likely users would be assessors (those doing the assessment, which could be experienced assessor, professional 3<sup>rd</sup> party auditor, business internal auditor, agreed external stakeholder) and representatives of the project. These would not be the only users and it would be open to anyone to use. The Forum members agreed that the Protocol language and guidance should be tailored for the most likely users.*
- Mtg 8 Agreement 2:** *The Forum members agreed that condensation and simplification of the Draft Protocol are required, in order to reduce duplication, enable an assessment to be conducted in a practical time frame, and to give more emphasis on the most critical sustainability issues.*
- Mtg 8 Agreement 3:** *The Forum members agreed that the Protocol is assessing projects, including elements outside the proponent's control. In the Protocol it will endeavour to articulate where responsibilities lie.*
- Mtg 8 Agreement 4:** *The Forum members agreed that clear guidance needs to be given to the assessor on how to deal with national requirements that may differ from expectations set out in the Protocol.*
- Mtg 8 Agreement 5:** *The Forum aim is to develop an enhanced sustainability assessment tool to measure and guide performance in the hydropower sector, based on the hydropower sustainability guidelines and assessment protocol as developed by the IHA, that the Forum would recommend for adoption by IHA and endorsement by HSAF members*
- Mtg 8 Agreement 6:** *The Protocol purpose is to inform decisions and continuous improvement efforts through evaluation of a hydropower project against a systematic set of sustainability criteria and with respect to basic good practice. Reasons for undertaking an assessment are not limited; they could be for example for industry planning, to assist in external dialogue, or to support a case for decision-making*
- Mtg 8 Agreement 7:** *The Forum members agreed that language and terminology in the Protocol will be kept simple, and highly conscious of translation requirements.*
- Mtg 8 Agreement 8:** *The Forum members agreed due to language difficulties to rename "aspects" to "topics", and "attributes" to "criteria", based on the advice that topics and criteria are readily translatable in most languages.*
- Mtg 8 Agreement 9:** *The Forum members agreed with the concerns that the Draft Protocol is over-whelming and complex, and will work on measures to address this and still sustain the expectation of objectivity, comparability and replicability of the assessment results.*
- Mtg 8 Agreement 10:** *The Forum members agreed that, as a guide, an assessment would be approximately 5 working days from arrival to departure of the assessors, more or less depending on project scale and purpose of the assessment. One to two assessors would be considered appropriate for an assessment; the advantage of two would be to provide different experiences, expertise and insights into the evaluation process. Considerable preparation, in the order of one month for multiple representatives of the company, would be expected prior to an assessment. As a guide, up to ten person-days would be anticipated as necessary to write and finalise the assessment report; again, more or less depending on project complexity.*
- Mtg 8 Agreement 11:** *The Forum members agreed on the necessity of reducing the number of topics and criteria. For each topic, the 3 or 4 most insightful criteria for assessment will be identified.*
- Mtg 8 Agreement 12:** *The Forum members envisage and strongly recommend a commitment to review of the Protocol after a period of application, and that this review should be conducted by a multi-stakeholder group similar to the Forum.*

*\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.*

**Mtg 8 Agreement 13:** *The Forum members agreed on the removal of standard attributes in the Protocol Introduction.*

**Mtg 8 Agreement 14:** *The Forum members agreed that auditing guidance notes will be tailored to the most likely users of the protocol, being those parties undertaking the assessment and the representatives of the project being assessed.*

**Mtg 8 Agreement 15:** *The Forum members agreed to keep the five level scoring system. They agreed to first focus on identifying the 3 and 5 scores, and then to work on the expressions of the other scoring levels.*

**Mtg 8 Agreement 16:** *The Forum agreed that averaging would not be recommended for any part of the Protocol scoring approach.*

**Mtg 8 Agreement 17:** *The Forum agreed that a score of 3 is an expression of basic good practice on a particular sustainability issue for which it is expected that projects in all contexts will be working towards as a minimum performance level.*

**Mtg 8 Agreement 18:** *The Forum members agreed that sustainability is the view formed from the integrated assessment, and is not an aspect-by-aspect judgement.*

**Mtg 8 Agreement 19:** *The list of Section II topics which the Forum will work with in creating its Section II Outline document are as follows:*

Hydrological Resource	Consultation & Communications
Siting & Design	Project Affected Communities & Livelihoods
Reservoir Management	Indigenous Peoples
Dam & Other Infrastructure Safety	Resettlement & Land Acquisition
Integrated Project Mgmt	Cultural Heritage
Project Benefits	Public Health
Financial Viability	Environmental & Social Assessment & Mgmt
Economic Viability	Downstream Flow Regimes
Demonstrated Need & Strategic Fit	Land & Catchment Management
Labour & Working Conditions	Biodiversity & Invasive Species
Public Sector & Corporate Governance	Erosion & Sedimentation
Transboundary Rivers	Water Quality
Procurement	

**Mtg 8 Agreement 20:** *The Forum members agreed to keep Section I within the Protocol. They agreed that a Section I assessment informs the decision that there is a good strategic basis with which to proceed with project preparation, which is the purpose of Section I presently stated in the Draft Protocol.*

**Mtg 8 Agreement 21:** *The final Trialling Outcomes Report and the Consultation Outcomes Report will be made public alongside Mtg 8 minutes and papers, once the meeting minutes are finalised.*

**Mtg 8 Agreement 22:** *The Forum members agreed to the following working schedule for the fifteen weeks post Forum Meeting 8:*

- *Week 8/2 – Drafting of Forum Mtg 8 minutes*
- *Week 15/2 – Forum Mtg 8 Minutes Draft 1 reviewed by Forum members*
- *Week 22/2 – Circulate Section II Outline Document (topics, criteria, proposed 3 and 5 scores); circulate concept note for Section I*
- *Week 1/3 – Webinar 3 (discuss Sec II, Sec I, x-cutting issues, guidance notes)*
- *Week 8/3 – High profile x-cutting issues review; develop guidance notes*
- *Week 15/3 – Expanded Section II; outline documents for Sections I, III and IV*
- *Week 22/3 - Reference Group Meetings to review I, II, III, IV material to date*
- *Week 29/3 – Webinar 4*

- *Week 5/4 – Easter Week*
- *Week 12/4 – Next-to final drafts of Sections I, II, III, IV*
- *Week 19/4 – Auditor review, prepare final drafts for Forum Mtg 9 papers*
- *Week 26/4 – Mtg papers distributed for Forum Mtg 9, Forum member review*
- *Week 3/5 – Forum Mtg 9 (3-6 May 2010, Vientiane, Laos)*
- *Week 10/5 – Drafting of Forum Mtg 9 minutes*
- *Week 17/5 – Forum Mtg 9 Minutes Draft 1 reviewed by Forum members*

### **HSAF Meeting 8 Summary of Actions**

**Mtg 8 Action 1:** *The Forum Coordinator to ensure that the correct number of people from dam-affected communities participating in engagement activities is put into the Consultation Outcomes Report before it is made publicly available.*

**Mtg 8 Action 2:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to further discuss the relationship between Protocol requirements and national requirements.*

**Mtg 8 Action 3:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to clarify a unified view on Forum member expectations and ambitions for its work, expressed in a variation to Figure 1 in the Minutes to Forum Meeting 8.*

**Mtg 8 Action 4:** *Recognising that the Draft Protocol is overwhelming and complex on a first presentation, in the re-drafting effort the Forum will initially prepare an “outline document” for each section, initially just for Section II, and get feedback from reference groups on this document. This Outline Document will capture for each topic the description, intent, criteria, and for each criterion the scores of 3 and 5.*

**Mtg 8 Action 5:** *The Forum Coordinator to ensure that a review of the ordering of aspects will be undertaken.*

**Mtg 8 Action 6:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to discuss guidance notes.*

**Mtg 8 Action 7:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to discuss cross-cutting issues.*

**Mtg 8 Action 8:** *The Forum Coordinator to ensure opportunities in the forward work plan for Forum members to further discuss scoring of non-relevant topics.*

**Mtg 8 Action 9:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to resolve the definition of proven best practice.*

**Mtg 8 Action 10:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to further discuss presentation of results.*

**Mtg 8 Action 11:** *The Forum Coordinator will undertake the following further work on the Section II Outline Document:*

- *Ensure each criterion has a statement of 3 and 5 score. 3 statements are succinct, and not overly prescriptive. Statements of 5 are information that is addition to the 3.*
- *For now, ensure each statement of 3 can be expressed as a stand-alone statement reflecting basic good practice, describing practice which every project should exhibit, which can be collated in a single document and be reviewed and discussed. Guidance notes or further word refinements can be made later to tighten to assessment language and needs.*
- *Write statements for which examples can be identified of who would be the interviewee, and examples of what evidence could be tabled to support that score; wherever possible, provide this information.*

- *Ensure consistency in approach across the topics and criteria.*

**Mtg 8 Action 12:** *Forum members will work on drafting the criteria and associated 3 and 5 statements for those aspects which were not able to be completed within the meeting time:*

- *Project Affected Communities & Livelihoods – Helen Locher, Gwen Terras*
- *Indigenous Peoples – Helen Locher, Gwen Terras*
- *Biodiversity & Invasive Species – Andrew Scanlon, David Harrison*
- *Public Sector & Corporate Governance – Donal O’Leary*
- *Land & Catchment Management – Andrew Scanlon, Joerg Hartmann*
- *Procurement – Refaat Abdel-Malek, Donal O’Leary*

**Mtg 8 Action 13:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss Section III.*

**Mtg 8 Action 14:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss Section IV.*

**Mtg 8 Action 15:** *A Forum sub-group will review the issues and proposals for Section I and develop a concept note to circulate to Forum members for their consideration. Once the approach is agreed, the sub-group will develop a Section I Outline Document for Forum member review. Then full Section I content will be developed for Forum Mtg 9 papers. David Harrison will lead this sub-group, with other members being Refaat Abdel-Malek, Daryl Fields, Joerg Hartmann, Kirsten Nyman and Donal O’Leary.*

**Mtg 8 Action 16:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss the remaining and unresolved issues raised in the consultation and trialling, and agreement on Forum responses.*

**Mtg 8 Action 17:** *Forum members to provide comments identifying any factual errors to the Forum Coordinator on either the Draft Trialling Outcomes Report or the Consultation Outcomes Report by Friday 12/2.*

**Mtg 8 Action 18:** *The Forum Coordinator to ensure collection of estimates of in-kind contributions to consultation and trialling.*

**Mtg 8 Action 19:** *The Forum Coordinator to ensure arrangements are made for Webinars 3 and 4.*

**Mtg 8 Action 20:** *The Forum Coordinator to investigate the potential to get auditor review of re-drafting Protocol content provided as an in-kind contribution.*

**Mtg 8 Action 21:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss follow up to Forum Meeting 9.*

**Mtg 8 Action 22:** *The Forum Coordinator to ensure the opportunity in the forward work plan for Forum members to discuss arrangements for Forum Meeting 9.*

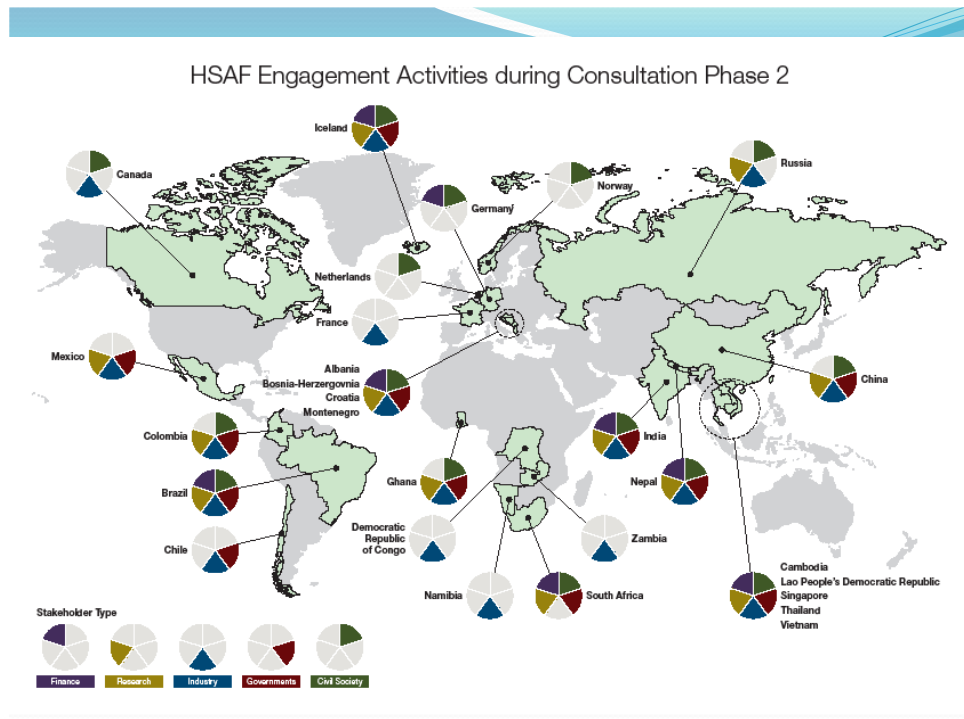
ATTACHMENT 1 – OVERVIEW OF CONSULTATION AND TRIALLING ACTIVITIES

### Draft Protocol Translations

- Full translations of the Draft Protocol:
  - Mandarin (CTGPC)
  - Spanish (HidroAysen)
  - Portuguese (Itaipu Binacional)
  - Russian (RusHydro, gtz)
- Translations of supporting information:
  - French (Hydro Quebec)
  - Spanish (Isagen)
  - Serb/Croat – WWF
  - Khmer, Lao, Mandarin, Thai and Vietnamese –ADB & M-Power

### Extent of Stakeholder Engagement Activities

- No. of countries in which stakeholder engagement activities took place: **24**
- Total number of stakeholders in attendance at engagement activities: **1308**
- Total number of stakeholders receiving regular email updates during consultation period: **3800**
- Approximate number of web hits during consultation period: **3000**
- Government departments contacted by HSAF: **222 in 97 countries**
- Total number of people from Civil Society Organisations participating in HSAF engagement activities, includes meetings, workshops and on-line survey: **118**
- Total number of people from Dam Affected Communities participating in HSAF engagement activities, includes meetings, workshops and on-line survey: **81**
- Total number of respondents to on-line survey: **90**



### Extent of Trialling

- Number of projects identified for trialling: **almost 30**
- Number of trial reports received to date: **20**
- Of reports received, number of countries represented: **15** across 6 continents
- Of reports received, sections utilised:
  - Section I – two
  - Section II – seven
  - Section III – eight
  - Section IV – seven



\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.

**ATTACHMENT 2 – STAKEHOLDER INVOLVEMENT FOR SECTION II TOPICS FROM DAY 4 PLENARY DISCUSSIONS**

Section II Topics	Consultation is embedded into the language of the higher scoring	Stakeholder Involvement is a criteria, with higher scores measuring the degree to which stakeholder input is meaningfully reflected in planning	Stakeholder Involvement & Support is a criteria, with generally expressed scaling; must state who are stakeholders and what is object of support	Stakeholder Involvement & Support is a criteria, with wording tailored specifically to include consent in a score of 5; must state who are stakeholders and what is object of support	Notes
Demonstrated Need & Strategic Fit		*			
Hydrological Resource	*				
Siting & Design		*			
Infrastructure Safety	*				
Biodiversity & Invasive Species	*				
Erosion & Sedimentation	*				
Water Quality	*				
Project Affected Communities & Livelihoods			*		under certain conditions would seek formal agreements
Indigenous Peoples				*	
Resettlement & Land Acquisition				*	
Labour & Working Conditions	*				
Cultural Heritage			*		for critical cultural heritage would seek formal agreements
Public Health	*				
Financial Viability					
Project Benefits		*			
Economic Viability	*				
Public Sector & Corporate Governance	*				
Transboundary Rivers			*		formal agreement if assessment shows there is appreciable transboundary impact of the project
Procurement	*				
Integrated Project Mgmt					
Environmental & Social Assessment & Mgmt		*			
Consultation & Communications	*				
Land & Catchment Management	*				
Reservoir Management	*				
Downstream Flow Regimes		*			

\* Note that agreements reached at a meeting may be revisited and updated at a later meeting based on further information, discussion and analysis.

**ATTACHMENT 3 – PROPOSED SECTION II TOPICS AND CRITERIA FROM DAY 4 PLENARY DISCUSSIONS**

TOPIC	CRITERIA 1	CRITERIA 2	CRITERIA 3	CRITERIA 4
	(assessment)	(mgmt planning)	(stakeholder involvement)	(effectiveness)
Demonstrated Need & Strategic Fit	Assessment of needs & policy context		Stakeholder involvement	Consistency with regional & national policies & plans
Hydrological Resource	Assessment of hydrological resource availability	Water use planning		
Siting & Design	Preliminary site & design options assessment	Detailed site & design optimisation	Stakeholder involvement	Final site and design
Infrastructure Safety	Assessment of safety risks	Safety management planning		
Biodiversity & Invasive Species	Assessment of terrestrial & aquatic biodiversity issues & risks Assessment of invasive species issues & risks	Biodiversity & invasive species management planning		Likely biodiversity & invasive species outcomes
Erosion & Sedimentation	Assessment of erosion & sedimentation issues & risks	Erosion & sedimentation management planning		Likely erosion & sedimentation outcomes
Water Quality	Assessment of water quality issues & risks	Water quality management planning		Likely water quality outcomes during construction Likely water quality outcomes during operation
Project Affected Communities & Livelihoods	Assessment of project affected communities and impacts to livelihoods	Management planning to improve livelihoods	Project affected communities involvement & support for compensation measures	Likely impacts on livelihoods
Indigenous Peoples	Assessment of indigenous peoples issues and risks	Management planning for indigenous peoples issues	Indigenous peoples involvement & support for indigenous related measures	Likely outcomes for indigenous peoples
Resettlement & Land Acquisition	Assessment of resettlement	Quality of the Resettlement Action Plan	Consultation with resettlers & host communities Resettler & host community support for the Resettlement Action Plan	Likely impact on livelihoods of resettlers and host communities
Labour & Working Conditions		Labour and working conditions planning		
Cultural Heritage	Assessment of cultural heritage issues & risks	Management planning for cultural heritage	Cultural heritage stakeholder involvement & support for cultural heritage mgmt	Likely cultural heritage outcomes
Public Health	Assessment of public health issues & risks	Management planning for public health		Likely public health outcomes
Financial Viability	Financial analysis & planning			Likely financial return
Project Benefits	Project benefits analysis & planning		Stakeholder involvement	Likely project benefit outcomes
Economic Viability	Assessment of direct & indirect project costs & benefits			Likely net economic return
Public Sector & Corporate Governance				
Transboundary Rivers	Assessment of transboundary project impacts	Transboundary project impacts mgmt planning	Transboundary stakeholder involvement & support for transboundary arrangements	Likely effectiveness of transboundary arrangements
Procurement				
Integrated Project Mgmt	Overall project management responsibilities	Integrated project management planning Construction management planning		
Environmental & Social Assessment & Mgmt	E&S assessment	E&S mgmt planning	Stakeholder involvement	Likelihood of effectiveness of E&S mgmt plan
Consultation & Communications	Stakeholder mapping	Consultation & communication plan		
Land & Catchment Management				
Reservoir Management		Planning for reservoir filling Planning for reservoir operation		
Downstream Flow Regimes	Assessment of downstream flow objectives	Planning for delivery of downstream flows	Stakeholder involvement	Likelihood of effectiveness of downstream flow regime

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