

## About this Document

This document addresses excerpts of the Hydropower Sustainability Assessment Protocol (HSAP) Draft1 Introduction relating to the cross-section issues arising in the redrafting of Sections II, III and IV.

The pertinent points for Forum decisions are coded in the Introduction as follows. Decision options are summarised below. A default decision is listed for all decision points, in case there is insufficient time to discuss these in Forum Meeting 9. It would be important for Forum members to indicate in the Forum meeting during Agenda Item 5 if they have strong views contrary to any of the default decisions.

A brief synopsis of considerations relevant to each of these questions is provided in this paper.

## Protocol Cross-Section Issues Decision Points – Relevant to Sections II, III, IV

**Cross-Section Issue Q1: Order of Topics.** Default decision (a).

- (a) As presently shown in Sections II, III, IV
- (b) Re-arranged with integrated topics first, then technical, economic/financial, social, environmental, geographic
- (c) Alternative re-arrangement approach (to be defined)

**Cross-Section Issue Q2: Intent Statements.** Default decision (b).

- (a) Provide in summary at front of Protocol section only
- (b) Provide in summary at front of Protocol section and at top of each topic page
- (c) Provide at top of each topic page only

**Cross-Section Issue Q3: Stakeholder Engagement Criteria.** Default decision (a).

- (a) Retain stakeholder criteria as presently provided for in Protocol
- (b) Reduce topics in which stakeholder criteria appear (need to systematically review)

**Cross-Section Issue Q4: “based on dialogue with directly affected stakeholders”.**

Default decision (b).

- (a) Remove from Protocol
- (b) Retain in selected topics without the Stakeholder Engagement criterion (II-2, II-5, II-20, II-21), and only at Level 5
- (c) Utilise more broadly across a number of topics (would need to identify)

**Cross-Section Issue Q5: Reference to Disclosure (Reports Public).** Default decision (a).

- (a) Only address in Governance topic
- (b) Address in Governance topic and other specific topics (need to identify)

**Cross-Section Issue Q6: Reference to Independent Review.** Default decision (a).

- (a) Only in II-13 Environmental & Social Impact Assessment & Management
- (b) In a number of specific topics (need to identify)

**Cross-Section Issue Q7: Reference to International Standards.** Default decision (b).

- (a) Provide for as appropriate in the Protocol (need to indicate topics and standards)
- (b) Do not indicate in Protocol scoring statements, provide information in Protocol Supplement

**Cross-Section Issue Q8: Reference to Certification.** Default decision (b).

- (a) Provide for as appropriate in the Protocol (need to indicate topics and provide guidance)

- (b) Provide for only for II-13 Environmental & Social Impact Assessment & Management (ISO 14001)

**Cross-Section Issue Q9: High Profile & Cross-Cutting Issues.** Default decision (b).

- (a) Provide on each topic page, as well as summary mapping in Introduction  
(b) Remove from topic page, provide only in summary mapping in Introduction  
(c) Remove from topic page, provide in summary mapping in front of each Protocol section

**Cross-Section Issue Q10: Reference to Budget.** Default decision (a).

- (a) Only referred to in Basic Good Practice definition for Management, and in Financial Viability topic  
(b) Included in scoring statements for Management criterion in a number of topics (need to identify)

**Cross-Section Issue Q11: Cross-References on Topic Pages.** Default decision (c).

- (a) Topic cross-references indicated wherever relevant on topic pages  
(b) Topic cross-references to Transboundary topic indicated where relevant on topic pages (only if Transboundary Topic is removed, to be discussed in Agenda Item 7)  
(c) No topic cross-references indicated

## Cross-Section Issue Q1: Order of Topics

An action from Forum Meeting 8 was to revisit the order of topics, and provide a proposal on how this might be modified. In particular, it was noted that some of the topics that appear later in the Protocol are important overarching topics that might be useful to have discussed earlier in the assessment process.

For the Draft1 Protocol documents, the order that has been followed is reasonably consistent with the order in which topics appeared in the Draft Protocol. For Section II, it is illustrated on the left hand side of the diagram below. An alternative is proposed on the right hand side, which groups the topics so that those of a more integrated nature are at the beginning.

The merit of the alternative proposed would be that discussions of these topics would set the expectations on some of the important cross-cutting issues for the remaining topics. In particular:

- Communications & consultation would set the expectations on who are the stakeholders, the overall approach to stakeholder engagement, and which topics this is most critical to.
- Governance would set the expectations on which topics stakeholders feel are most important with respect to disclosure.
- Environmental & Social Impact Assessment & Management would establish the understanding of what are the most significant issues that the project is working with (and hence might guide some conclusions about Non-Relevant topics).

II-1	Communications & Consultation		II-1	Communications & Consultation	Integrated
II-2	Demonstrated Need & Strategic Fit		II-9	Governance	
II-3	Siting & Design		II-13	Environmental & Social Impact Assessment & Management	
II-4	Hydrological Resource		II-11	Integrated Project Management	
II-5	Infrastructure Safety		II-2	Demonstrated Need & Strategic Fit	
II-6	Financial Viability		II-3	Siting & Design	
II-7	Project Benefits		II-4	Hydrological Resource	Technical/ Economic
II-8	Economic Viability		II-5	Infrastructure Safety	
II-9	Governance		II-6	Financial Viability	
II-10	Transboundary Issues		II-7	Project Benefits	
II-11	Integrated Project Management		II-8	Economic Viability	
II-12	Procurement		II-12	Procurement	
II-13	Environmental & Social Impact Assessment & Management		II-14	Project Affected Communities & Livelihoods	Social
II-14	Project Affected Communities & Livelihoods		II-15	Indigenous Peoples	
II-15	Indigenous Peoples		II-16	Resettlement	
II-16	Resettlement		II-17	Labour & Working Conditions	
II-17	Labour & Working Conditions		II-18	Cultural Heritage	
II-18	Cultural Heritage		II-19	Public Health	
II-19	Public Health		II-23	Biodiversity & Invasive Species	Environ- mental
II-20	Project Catchment & Land Mgmt		II-24	Erosion & Sedimentation	
II-21	Reservoir Management		II-25	Water Quality	
II-22	Downstream Flow Regime		II-20	Project Catchment & Land Mgmt	Geographic
II-23	Biodiversity & Invasive Species		II-21	Reservoir Management	
II-24	Erosion & Sedimentation		II-22	Downstream Flow Regime	
II-25	Water Quality		II-10	Transboundary Issues	

**Decision Options:**

- (a) As presently shown in Sections II, III, IV
- (b) Re-arranged with integrated topics first, then technical, economic/financial, social, environmental, geographic
- (c) Alternative re-arrangement approach (to be defined)

The default decision is option (a).

**Cross-Section Issue Q2: Intent Statements**

During the Protocol redrafting process, it was proposed that the intent statement could be removed from the topic pages. These were seen to be presented inconsistently, and caused confusion about whether they were linked to a scoring level. Removing them from the topic page would improve tightness and efficiency of content on the topic page. The proposal was to keep them in the overview of topics at the front of each section for reference. The Forum members participating in Webinar 4 indicated that they prefer them on the topic page, and requested that in the redrafting process they are reviewed so that they are helping to orient the reader about the topic but are not linked to a particular scoring level.

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The Draft1 Protocol documents show the statements of description and intent in the header statements on each topic page, as well as in the summary at the front of each section. A decision needs to be made at Forum Meeting 9 on the following options.

Decision Options:

- (a) Provide in summary at front of Protocol section only
- (b) Provide in summary at front of Protocol section and at top of each topic page
- (c) Provide at top of each topic page only

The default decision is option (b), as they were provided in the Draft Protocol.

### **Cross-Section Issue Q3: Stakeholder Criteria**

A very strong message arising from the consultation and trialling on the Draft Protocol is that reference to consultation and stakeholder support as assessment criteria on most topics was overdone and impractical. It was suggested that this was minimised to the most pertinent topics. Considerable time at Forum Meeting 8 was dedicated to evaluating for which topics stakeholder engagement should be incorporated.

The Section II Content Mapping table at the end of this meeting paper shows for which topics Stakeholder Engagement & Stakeholder Support are included. Attachment 2 from the minutes of Forum Meeting 8 (Mtg9 Paper 2a) is of relevance here, as the Forum spent considerable time at this meeting discussing how stakeholder engagement should fit in the Protocol.

Concerns have been expressed during the redrafting that stakeholder engagement is being dealt with three times representing considerable redundancy, and so is still overdone. The first topic for Sections II, III and IV is Communications & Engagement; 13 topics in Section II have the Stakeholder Engagement criterion and 5 topics have the Stakeholder Support criterion; and 6 topics in Section II have the clause “based on dialogue with directly affected stakeholders” in the scoring statements (dealt with as a separate issue following this one).

A major question for Sections III and IV is to what degree the stakeholder criteria should be incorporated.

Decision Options:

- (a) Retain stakeholder criteria as presently provided for in Protocol
- (b) Reduce topics in which stakeholder criteria appear (need to systematically review)

The default decision is option (a), primarily because so much time was spent on this in Forum Meeting 8. Concrete recommendations would need to be tabled on where removals should be made. References to “based on dialogue with directly affected stakeholders” is dealt with separately below.

It will be important for the Forum members to discuss the approach to be taken in Sections III and IV.

### **Cross-Section Issue Q4: “based on dialogue with directly affected stakeholders”**

As noted above, the phrase “based on dialogue with directly affected stakeholders” has been included in scoring statements in the Draft1 Protocol. There is a lack of clarity on the logic of these inclusions, and on the specifications. This phrase is included in the following topics (option ‘a’ below):

- II-1 Communications & Consultation (Level 5, Assessment and Management criteria; note Stakeholder Engagement is also included as a criterion)
- II-2 Demonstrated Need & Strategic Fit (Level 5, Assessment criterion)
- II-3 Siting & Design (Levels 3 and 5, Assessment criterion; note Stakeholder Engagement is also included as a criterion)
- II-5 Dam & Infrastructure Safety (Levels 3 and 5, Management criterion)
- II-20 Project Catchment & Land Management (Level 5, Assessment and Management criteria)
- II-21 Reservoir Management (Level 5, Assessment and Management criteria)

The lack of consistency in its usage is apparent from above. A logical approach could be that it is referred to only on topics in which Stakeholder Engagement is not a criteria, that it is only included for level 5 statements, and that guidance as to which stakeholders dialogue would be important for on that particular topic should be provided. Consequently, a modification to the approach presently provided in Section II could be (option 'b' below):

- II-2 Demonstrated Need & Strategic Fit (Level 5, Assessment criterion)
- II-5 Dam & Infrastructure Safety (Level 5, Management criterion)
- II-20 Project Catchment & Land Management (Level 5, Assessment and Management criteria)
- II-21 Reservoir Management (Level 5, Assessment and Management criteria)

Decision Options:

- (a) Remove from Protocol
- (b) Retain in selected topics without the Stakeholder Engagement criterion (II-2, II-5, II-20, II-21), and only at Level 5
- (c) Utilise more broadly across a number of topics (would need to identify)

The default decision is option (b), because it has a logical basis and would not require a lot of time spent to identify other topics.

## **Cross-Section Issue Q5: Reference to Disclosure (Reports Public)**

In the Protocol redrafting process, it took several iterations before some clear and consistent approaches to differentiate the level 3 and level 5 statements were consolidated. In one of the interim documents, level of disclosure was frequently used to differentiate these levels, with documents made publicly available in a readily accessible manner indicated at level 5 for many topics (specifically, II-2, II-3, II-7, II-8, II-10, II-13, II-14, II-15, II-16, II-17, II-18, II-19, II-22, II-23, II-24, and II-25).

There some feedback that this was perhaps overdone. Disclosure was addressed in the auditor review (Mtg9 Paper 2e), and the auditor proposed a practical approach centred around the Governance topic. He proposed that the Governance topic is moved to one of the first topics, and that it sets the expectations on disclosure across all Protocol topics.

The Forum member from Transparency International (TI) called attention to the World Bank's new Disclosure Policy, which seems to be based on the premise that all World Bank originated information should be publicly available, unless there is a real reason not to make such information available. He has been proposed that this treatment is applied to all topics in Section II, but in particular would like to see the following project information be disclosed:

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Communications and Consultations Plans; Emergency Response Plans; Power Purchase Agreements (for level 5); Human Resources and Labour Management Policies and Plans; and Project Catchment and Land Management Plans.

References to disclosure with respect to publicly available documents at the topic level were withdrawn from the Draft1 Final Protocol documents until a discussion of how disclosure (with respect to publicly available reports) is best addressed can be undertaken at Forum Meeting 9. Disclosure with respect to public reporting is provided in the Governance topic as per the auditor's suggestion. Disclosure as a criterion does appear in some specific topics with reference to commitments being made formal and public (II-15, II-16, II-18, II-22, II-23). The Section II Content Mapping table at the end of this meeting paper is useful for reference.

An important discussion point will be any differences in approach to disclosure between Sections II, III and IV.

Decision Options:

- (a) Only address in Governance topic
- (b) Address in Governance topic and other specific topics (need to identify)

The default decision is option (a), as presently presented in the Draft1 Protocol documents.

### **Cross-Section Issue Q6: Reference to Independent Review**

Also in the Protocol redrafting process, reference to independent review (variously also referred to as third party review or independent expertise) was utilised to differentiate the level 3 and level 5 statements across many Protocol topics. There some feedback that this was very much overdone, that this was not necessarily essential to illustrate best practice, and that there were much better differentiators between the level 3 and 5 scores to be widely applied across topics.

The Section II Content Mapping table at the end of this paper indicates those Section II topics for which reference to independent review has been proposed: II-4, II-5, II-9, II-11, II-13, and II-17. Recommendations have arisen in the redrafting to refer to Panel of Experts for particular topics, with II-11 Integrated Project Management being a prime candidate. Concerns about specific requirements to Panels of Experts were that they seem most appropriate for large and complex projects and not all projects.

The Forum member from Transparency International (TI) called attention to the fact that independent review is a 'sine qua non' policy of the World Bank in relation to Dam Safety and Environmental and Social Issues, through the use of Panels of Experts. From TI's point of view, third party monitoring is a critical tool in promoting accountability and addressing project corruption risks, and they have emphasised this in their comments on Governance; Integrated Project Management; and Procurement.

In the Draft1 Protocol documents, II-13 Environmental & Social Impact Assessment & Management has a reference to independent review in the score of 5 associated with certification of the environmental and social issues management system to ISO 14001.

Decision Options:

- (a) Only in II-13 Environmental & Social Impact Assessment & Management
- (b) In a number of specific topics (need to identify)

The default decision is option (a), as presently presented in the Draft1 Protocol documents.

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## **Cross-Section Issue Q7: Reference to International Standards**

Also to differentiate levels in scoring statements during the redrafting process, references to national and international standards were mentioned for some particular topics. These are indicated in the Section II Content Mapping table at the back of this meeting paper.

Specific topics for which references to international standards were proposed were II-5 Dam & Infrastructure Safety, II-17 Labour & Working Conditions, II-18 Cultural Heritage, and II-19 Public Health. There was a lack of certainty as to what international standards were being referred to for all but II-17, and so references have been withdrawn in the Draft1 Protocol until greater clarification can be provided. For II-17, reference is made to the labour rights listed in the Ruggie Framework, called to the Forum's attention by the Forum member from Oxfam, and recommended to be drawn on in the auditor review (Mtg9 Paper 2e). Specific labour rights are listed in the Assessment Guidance for II-17, rather than reference to the Ruggie Framework.

### Decision Options:

- (a) Provide for as appropriate in the Protocol (need to indicate topics and standards)
- (b) Do not indicate in Protocol scoring statements, provide information in Protocol Supplement

The default decision is option (b). The thinking is that references to relevant standards can be an important contribution of the Protocol Supplement, as reference to them implies a need to look them up and learn more, but that referring to a standard on the topic page is not going to give immediate assistance to the assessor in assigning a score.

## **Cross-Section Issue Q8: Reference to Certification**

References to certification were discussed during the Protocol redrafting process, but are not broadly utilised in the Draft1 Protocol documents because of uncertainties about how widespread the recognition of particular certification systems are for different topics. Those that have been proposed are II-5 Dam & Infrastructure Safety, and II-13 Environmental & Social Impact Assessment & Management. ISO 14001 for environmental management systems is very widely recognised, and has been incorporated in topic II-13.

### Decision Options:

- (a) Provide for as appropriate in the Protocol (need to indicate topics and provide guidance)
- (b) Provide for only for II-13 Environmental & Social Impact Assessment & Management (ISO 14001)

The default decision is option (b).

## **Cross-Section Issue Q9: High Profile & Cross-Cutting Issues**

In the Draft Protocol, identification of High Profile & Cross-Cutting Issues was provided as a mapping table in the Introduction. These were put on each topic page during the re-drafting to help guide understanding, but were not intended to be retained there in the final Protocol. They are not Assessment Guidance because they are not informing how to give a score for that topic. They have been given their own section in the Introduction, as was the case in the Draft Protocol. At Webinar 4 some Forum members favoured their being retained on the topic pages for awareness and educational purposes, and that there could be some colour coding or other method of linking them to the Protocol Supplement. The concern with

removing them from the topic page was that otherwise they get lost. An alternative approach to having them on the topic page could be to have them at the front or back of each Protocol section document.

Decision Options:

- (a) Provide on each topic page, as well as summary mapping in Introduction
- (b) Remove from topic page, provide only in summary mapping in Introduction
- (c) Remove from topic page, provide in summary mapping in front of each Protocol section

The default decision is option (b).

### **Cross-Section Issue Q10: Reference to Budget**

In the Protocol redrafting, some specific recommendations were made to include allocation of budget at a level 3 statement, and firewalling this budget at a level 5 statement. An example topic where this was proposed was Resettlement. Specific scoring statements about budget were not incorporated in Draft1 Protocol topics except for Financial Viability, out of concerns of precedent setting, and this should be discussed in the Forum Meeting.

Decision Options:

- (a) Only referred to in Basic Good Practice definition for Management, and in Financial Viability topic
- (b) Included in scoring statements for Management criterion in a number of topics (need to identify)

The default decision is option (a).

### **Cross-Section Issue Q11: Cross-References on Topic Pages**

During the Protocol redrafting, some recommendations were made to indicate where topics had important cross-references with other topics. The specific recommendations were made with respect to transboundary issues as highly relevant to Downstream Flows, Catchment & Land Management, etc. Cross-references were not incorporated in the Draft1 documents out of concerns of precedent setting, and this should be discussed in the Forum Meeting

Decision Options:

- (a) Topic cross-references indicated wherever relevant on topic pages
- (b) Topic cross-references to Transboundary topic indicated where relevant on topic pages (only if Transboundary Topic is removed, to be discussed in Agenda Item 7)
- (c) No topic cross-references indicated

The default decision is option (c).

	Assessment	Management	Stakeholder Engagement	Stakeholder Support	Outcomes	Conformance /Compliance	Disclosure (public commitments)	Disclosure (reports public)	Independent Review	Based on dialogue with directly affected stakeholders	Certification	International Standards
Communications & Consultation	x	x	x			x				x		
Demonstrated Need & Strategic Fit	x				x					x		
Siting & Design	x	x	x		x					x		
Hydrological Resource	x	x							?			
Infrastructure Safety	x	x			x				?	x	?	?
Financial Viability	x	x			x							
Project Benefits	x	x	x		x							
Economic Viability	x				x							
Governance	x	x	x (for 5)		x	x		x	?			
Transboundary Issues	x	x	x	x (formal	x							
Integrated Project Management		x			x				? Panel of Experts			
Procurement	x	x			x	x						
Env't & Social Impact Asst & Mgmt	x	x	x		x				x (for cert-ification)		x (ISO 14001)	
Project Affected Communities & Livelihoods	x	x	x	x (formal agreements)	x							
Indigenous Peoples	x	x	x	x (formal agreements, consent)	x		x					
Resettlement	x	x	x	x (formal agreements, consent)	x		x					
Labour & Working Conditions	x	x	x (grievance mechanisms)		x				?			?
Cultural Heritage	x	x	x	x (formal	x		x					?
Public Health	x	x	x		x							?
Project Catchment & Land Mgmt	x	x			x					x		
Reservoir Management	x	x								x		
Downstream Flow Regime	x	x	x		x		x					
Biodiversity & Invasive Species	x	x			x		x					
Erosion & Sedimentation	x	x			x							
Water Quality	x	x			x							