Social aspects can be challenging to overcome if developers are not able to gain the support of affected communities and obtain a ‘social licence’.

Projects involving physical and economic displacement and indigenous peoples can be more challenging to manage, and complex social issues can jeopardise, delay or halt hydropower development.

In all cases, engaging with all affected stakeholders from the project inception, and awareness of how to implement good practices, are key elements of sustainable hydropower development.

This session provided an update on the work led by the Management Entity of the Hydropower Sustainability Assessment Protocol on hydropower social aspects. The session presented the areas in which the hydropower sector needs to pay more attention, according to the results of protocol assessments.

Panellists introduced tools developed to assist developers in overcoming social challenges and achieve basic good practices. The session presented the perspectives of hydropower developers, NGOs, and social experts.

Speakers
- Aida Khalil, senior sustainability specialist, International Hydropower Association (IHA)
- Fabien Nathan, CSR officer, EDF Hydro-engineering Centre
- Michael Simon, co-director of programs, International Rivers
- Doug Smith, independent consultant
- Eduard Wojczinski, principal, EW Sustainable Hydropower Consulting
**Key discussion points**

Aida Khalil highlighted that assesses had performed more poorly on the topics of resettlement and indigenous communities than on other social topics.

Khalil explained that, as the management entity of the Hydropower Sustainability Assessment Protocol Council, IHA was developing a number of tools to improve the sector’s performance on these topics. These tools include how-to guides on resettlement and indigenous peoples, international industry good practice guidelines, and a hydropower environmental and social assessment tool.

**IHA is developing a number of tools to improve the sector’s performance on resettlement and indigenous peoples**

Eduard Wojczinski, lead author of the how-to guide on indigenous peoples, presented its format and contents. The guide is primarily aimed at project planners, developers, owners and operators who have limited or no experience of engaging with indigenous people. The guide is designed to walk these users through the processes and deliverables required by the indigenous peoples protocol topic, with a special focus on engagement and consultations. It will also include a set of case studies.

Doug Smith, lead author of the international industry good practice guidelines and the draft environmental and social assessment tool, introduced the publications and presented an example of a topic template on ‘communications and consultation’.
The aim of the guidelines is to fill a gap in the good practice material available to the hydropower sector. The previous sustainability guidelines drawn up in 2004 have now been superseded by the protocol. The new guidelines are based both on the protocol and on practical experience in assessments, and would take the form of a short document.

The draft environmental and social assessment tool is being developed in response to a specific request from the Climate Bonds Initiative Technical Working Group. The request called for a screening tool that focuses specifically on established good practice in the environmental and social topics of the protocol.

The tool covers ten environmental and social protocol topics, closely aligned with the standards of international financial institutions such as the World Bank, and maintains the assessment rigor of official protocol assessments.

Fabien Nathan presented a case study on the implementation of a tailored livelihood restoration plan, designed to address sand miners affected by the Nachtegal hydropower project in Cameroon.

It is important to effectively analyse those projects that have not scored as well

The plan followed International Finance Corporation (IFC) performance standards and focused not only on compensation for those affected by the construction of the scheme, but also on longer-term retraining and linkages to economic development. Livelihood restoration is one of the most challenging social aspects for the sector.

Michael Simon singled out the Nam Lik project in Lao PDR as exemplary from a social point of view, with a very clear and consistent commitment to working with local people in an ongoing process.

In order to identify areas where more work is needed, it is important to effectively analyse those projects that have not scored as well. This would enable better understanding of the context behind the low scores and would allow for tailored improvement plans to address any underlying issues. Simon appealed for a greater focus within the social aspects field on human rights and diversity.

Respondents at the session supported the development of new protocol tools, and emphasised the added value these can provide to projects.
Key outcomes
According to protocol assessments, the performance of the hydropower sector is poor on certain social topics, in particular on resettlement and indigenous peoples.

IHA welcomes case studies that demonstrate good practice in projects that have affected indigenous peoples.

Aspects that require more attention include early, meaningful and continuous stakeholder engagement, livelihood restoration and improvement of living standards. In the case of indigenous groups, net benefits should be identified where possible.

To help improve performance, IHA welcomes case studies that demonstrate good practice in projects that have affected indigenous peoples.

All participants emphasised that the protocol can be used to help hydropower projects to identify and manage social issues. The protocol and new tools derived from it can prompt developers to carry out early consultations with stakeholders and better manage the necessary issues with affected communities.

The protocol and the new tools being developed will complement existing regulations and policies. These tools can then be adopted internally by developers and operators.