

MINUTES
HYDROPOWER SUSTAINABILITY GOVERNANCE COMMITTEE
MEETING #38 (in person and video conference)
10 May 2022 (9:00-15:00 UK time)

Attendees	Apologies
<p>Ashok Khosla (Chair, HSGC)</p> <p>Catherine Garcia (Alternate, Hydropower operators, developers)</p> <p>Daniel Menebhi (Chair, Advanced economy country governments - virtually)</p> <p>Elisa (Jianliang) Xiao (Alternate, Financial institutions - virtually)</p> <p>Geir Yngve Hermansen (Alternate, Advanced economy country governments)</p> <p>Jian-hua Meng (Chair, Environmental or conservation organisations)</p> <p>Jiwari Abdullah (Chair, Social impacts/project affected communities)</p> <p>Jürgen Schuol (Chair, Hydropower consultants, suppliers)</p> <p>Kimberly Lyon (Chair, Financial Institutions - virtually)</p> <p>Knut Sierotzki (Alternate, Consultants and Suppliers)</p> <p>Mwape Chikonkolo Mwewa (Chair, Developing economy country governments - virtually)</p> <p>Pedro Sirgado (Chair, Hydropower operators, developers)</p> <p>Doug Smith (Accredited Lead Assessor)</p> <p>Gina Bartlett (Observer, Consensus Building Institute)</p> <p>Professor Shi Guoqing (Observer - virtually)</p> <p>Eddie Rich (HS Secretariat)</p> <p>Joao Costa (HS Secretariat)</p> <p>Alain Kilajian (HS Secretariat)</p> <p>Amina Kadyrzhanova (HS Secretariat)</p> <p>Amira Abdalla (HS Secretariat)</p> <p>Mariana Empis (HS Secretariat)</p> <p>Angelena Christian (IHA)</p> <p>Anton Louis-Olivier (Observer, IHA Board)</p>	<p>James Dalton (Alternate, Environmental or conservation organisations)</p> <p>Stéphane Brabant (Alternate, Social impacts/project affected communities)</p> <p>Sunil Poudel (Alternate, Developing economy country government)</p>

Colin Clark (Observer, IHA Board) Karen Atkinson (Observer, IHA Board) Jóhanna Hlín Auðunsdóttir (Observer)	
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Agenda Item	Minutes
38.1 Welcome and apologies	The Chair welcomed all attendees and stressed the importance of the quarterly HSGC meetings. A round of introductions was conducted.
38.2 Agenda	Attendees agreed with the proposed agenda.
38.3 Status of actions from last meeting	A Secretariat member read the previous HSGC meeting's actions.
38.4 HSGC governance review	<p>The Chair invited CBI's Gina Bartlett to present the Governance Review report.</p> <p>The Consultant summarised the governance review findings:</p> <ul style="list-style-type: none"> - The governance's multistakeholder nature was seen as strong. - The chambers system received mixed reviews. - Independence was broadly seen as fundamental to the success of the HS Standard. <p>The Consultant presented the expected timeline of the HS Standard's governance transition and breakdown of roles and responsibilities of the new governance.</p> <p>A Committee Member asked to clarify whether the Secretariat was the only body that can certify a project without oversight from the board. Another Committee Member backed this question. Both brought up the issue of firewall.</p> <p>A Committee Member noted the need for careful consideration before making drastic decisions on the governance structure. They highlighted the need to explain the value of the Standard amongst so many other established Standards that were not solely focused on hydropower.</p> <p>A Committee Member expressed that the priority should be about increasing the uptake of the HS Standard and that the primary way to do that is through the industry.</p> <p>A Committee Member noted that the roles of each chamber need to be clearer. They also stated that the process of certification should be simpler.</p> <p>A Committee Member expressed doubts that the chambers would be in a position to decide on the governance until September of 2022, taking into account the importance of the decision.</p>

	<p>A Committee Member commented that the stakeholder representation was already strong but required more representation from developing countries. They also stressed the need to better engage with NGOs and academia.</p> <p>The ALA Representative noted that the development of the business plan must be thorough and conducted with the input of the Accredited Assessors.</p> <p>A Committee Member raised the importance of transparency.</p> <p>A Committee Member relayed his company’s Board Members’ favourable view of the Standard belonging to the industry. They added that his company’s uncertainty towards the Standard was not its current governance, but that it was competing with other costly schemes.</p> <p>A Committee Member recommended to consider alternative routes to increase the uptake.</p> <p>The Chair noted that the key to uptake was raising awareness among audiences who may be interested.</p> <p>A Secretariat Member stressed the importance of embedding the Standard within all sectors – companies, project financiers, governments, etc.</p> <p>A Committee Member suggested that CBI/HS Secretariat prepare a functional mapping of roles and responsibilities of all the governance structures under the current situation compared with under the arrangements proposed for an independent standard.</p> <p>The Consultant requested that the HSGC endorse the roadmap presented earlier in the meeting and agree to move forward with the presented steps.</p> <p>HSGC members requested time in between HSGC meetings to discuss the Roadmap and new governance structure with their respective chambers. It was agreed by the Secretariat and CBI to prepare an outline of the proposed organisational structure and key considerations by 15 June.</p> <p>Decision 1: The HSGC endorsed the Roadmap.</p> <p>Action 1: The HS Secretariat to prepare an outline of the proposed organisational structure and key considerations by 15 June.</p>
38.5 Future vision workshop	<p>HSGC members were divided into two groups to discuss the i) outlook on finances and fundraising and ii) communications and standard uptake.</p> <p>Group A discussed the need to increase project certification, trainings and long-term donor commitment. Group A proposed diversifying donors, carrying out market research to understand what the existing market looks like and finding ways to make Standard application more compulsory. The challenges presented were the limited number of assessors.</p> <p>Group B determined that the ultimate desired outcome for the Standard was making hydropower more responsible and sustainable. Group B added that other desired outcomes included establishing trust between the Standard and all stakeholders, embedding the Standard in policy, achieving government recognition and becoming ISEAL Code Compliant. To achieve these goals, the group placed identifying key stakeholders as a priority, aligning with other</p>



	<p>Standards, impacting public discourse around hydropower and finding hydropower champions and rewarding them.</p> <p>The Chair opened the floor.</p> <p>The Consultant highlighted the need to present a credible business case to attract donors.</p> <p>A Secretariat Member questioned whether the price was right for certification and considered whether it should be increased.</p> <p>A Committee Member provided feedback that assessments were costly.</p> <p>The ALA Assessor argued that since the existing system had not yet been established it would be difficult to justify high costs. In response the Secretariat Member proposed presenting a few limited time offers with lower costs.</p> <p>A Committee Member argued that assessments can save costs. For example, early stage assessments, if favourable, save developers costly project preparation activities. They suggested considering different prices for different size projects.</p> <p>A Committee Member responded that hydropower companies have to pay for other activities, including ESIA, ESMP, monitoring and consultants.</p> <p>A Committee Member expressed that the early phase should be the responsibility of governments.</p> <p>The Chair noted that ideally the Council would be able to make a strong case on how seeking certification would reduce long-term costs.</p> <p>The ALA Representative suggested creating a survey to assess how the Standard and tools are being used informally.</p>
<p>38.6 Monitoring and evaluation system</p>	<p>A Secretariat Member presented the Monitoring and Evaluation framework, including comments provided by HS Council members and how their edits were incorporated into the latest M&E document.</p> <p>A Committee Member highlighted that the target of IHA members committing to the HS Standard should be higher. A Secretariat Member responded that the problem with the target was not lack of ambition, but that the indicator was both crude and ill-defined. They suggested that it be dropped for now.</p> <p>Decision 2: The HSGC approved the Monitoring and Evaluation System with a revision on the IHA member commitment target.</p>
<p>38.7 Updates to HS Standard and Reporting templates</p>	<p>Another Secretariat Member presented the updates to the HS Standard and reporting templates to address the glitches and inconsistencies.</p> <p>Decision 3: The HSGC approved the updates to the HS Standard, Reporting templates and HESG.</p>

38.8 ISEAL Certification applications	A Secretariat Member gave an update on the HS Standard’s application to ISEAL’s Community Membership. The minutes have been removed pending a public announcement.
38.9 Management accounts update	An IHA Member presented the financial accounts of IHA Sustainability highlighting that IHAS was heavily leaning on IHA for funding and that forecasts were more promising.
38.10 Donor-funded programmes	<p>A Secretariat Member presented an update to the donor-funded programs.</p> <p>A Community Member thanked the Secretariat Member and indicated that they would consider adding funding for the French-speaking Maghreb, if the scoping results in genuine interest.</p> <p>They also stressed the possibility to increase use of the HESG Fund, where the budgets provided so far have still not been fully used.</p> <p>A Community Member praised a Secretariat Member for their work on Norad’s projects, particularly in Mozambique.</p>
38.11 Next HSGC Meetings	<p>A Secretariat Member proposed dates for the upcoming HSGC meetings.</p> <p>Decision 4: The HSGC agreed to hold the next HSGC meeting in the week commencing 12 September 2022.</p>
38.12 Any other business	<p>A Community Member requested an update on the Geothermal community.</p> <p>A Secretariat Member mentioned that the IEA could potentially build a Standard for all renewables following the HS Standard model. They added that this matter would be revisited at the next meeting.</p> <p>The Chair thanked the HSGC members for joining in-person and virtually and closed the meeting.</p>
38.13 Summary of decisions and actions	<p>Decision 1: The HSGC endorsed the Roadmap.</p> <p>Decision 2: The HSGC approved the Monitoring and Evaluation System with a revision on the IHA member commitment target.</p> <p>Decision 3: The HSGC approved the updates to the HS Standard, Reporting templates and HESG.</p> <p>Decision 4: The HSGC agreed to hold the next HSGC meeting in the week commencing 12 September 2022.</p> <p>Action 1: The HS Secretariat to prepare an outline of the proposed organisational structure and key considerations by 15 June.</p>