

**MINUTES**  
**HYDROPOWER SUSTAINABILITY GOVERNANCE COMMITTEE**  
**MEETING #36 (video conference call)**  
**28 October 2021 (12:00-13:30 UK time)**

<b>Attendees – 12</b>	<b>Apologies</b>
<p>Ashok Khosla (Chair, HSGC)</p> <p>Jian-hua Meng (Chair, Environmental or conservation organisations)</p> <p>Jiwari Abdullah (Chair, Social impacts/project affected communities)</p> <p>Daniel Menebhi (Chair, Advanced economy country governments)</p> <p>Jürgen Schuol (Chair, Hydropower consultants, suppliers)</p> <p>Pedro Sirgado (Chair, Hydropower operators, developers)</p> <p>Mwape Chikonkolo Mwewa (Chair, Emerging economy country governments)</p> <p>Geir Yngve Hermansen (Alternate, Advanced economy country governments)</p> <p>Knut Sierotzki (Alternate, Hydropower consultants, suppliers)</p> <p>James Dalton (Alternate, Environmental or conservation organisations)</p> <p>Sunil Poudel (Observer)</p> <p>Bernt Rydgren (Accredited Lead Assessor)</p> <p>Eddie Rich (HS Secretariat)</p> <p>Joao Costa (HS Secretariat)</p> <p>Alain Kilajian (HS Secretariat)</p>	<p>Prof Shi Guoqing (Alternate, Emerging economy country governments)</p> <p>Stéphane Brabant (Alternate, Social impacts/project affected communities)</p> <p>Elisa (Jianliang) Xiao (Alternate, Financial institutions)</p> <p>Kimberly Lyon (Chair, Financial institutions, Vice Chair HSGC)</p> <p>Amina Kadyrzhanova (HS Secretariat)</p>

<b>Agenda Item</b>	<b>Minutes</b>
HSGC 36.1   Welcome and apologies	The Chair confirmed quorum and welcomed HSGC members to the meeting. The Chair then reminded them of the housekeeping rules. The Chair also checked that there were no objections to a representative of Accredited Lead Assessors joining as an observer to the meeting.
36.2   Agenda	The agenda was approved. A committee member requested an update on the HSGC plans for COP 26 with regard to the promotion of the HS Standard. Secretariat provided an update on IHA's COP plans and confirmed that the Secretariat would publish a post on Basecamp with the information.

36.3   Status of actions from last meeting	The minutes of last meeting were approved and the status of the actions from the last meeting were verified.
36.4   ToR for HS governance review	<p>The Chair invited the Secretariat to introduce the ToRs for the review of the HS governance. The Secretariat presented the review noting that the motivation should be to ensure that the Standard had, and was perceived to have, (1) credibility and independence and (2) financial sustainability and underwriting. The Secretariat also stressed that the review was commissioned by the IHA Board. The Secretariat added that the review was approved by the Board at the previous week’s meeting, subject to HSGC input and endorsement. Following the Secretariat’s presentation, the Chair stressed the importance of the credibility for the HS Standard governance system and requested HSGC endorsement for the ToRs. The Chair opened the floor to comments.</p> <p>A committee member questioned (1) whether the consultant should also report to the HSGC, not only the IHA Board, (2) how the procurement would take place, (3) whether the governance review was required by ISEAL and (4) whether it was too soon to include the expansion to other renewables. The member also noted that the timeline was ambitious.</p> <p>Another committee member agreed with the committee member and welcomed the initiative.</p> <p>The Chair highlighted how the review should be designed to ensure resilient and credible governance moving forward. A committee member noted the need for a link to due diligence processes (i.e. internal audits) and assurance processes.</p> <p>The Secretariat agreed that the timeline was ambitious and noted that HSGC involvement was essential for endorsing and implementing recommendations from the review. The Secretariat explained the procurement process.</p> <p>A committee member added the need to establish good governance and financial sustainability before aiming to govern other renewable energy sources.</p> <p><b>Decision 1: Committee members endorsed the ToRs noting the minor edits proposed by the Secretariat.</b></p>
36.5   Accredited Lead Assessors Advisory Group	<p>The Chair invited the Secretariat to introduce the establishment of the Accredited Lead Assessors (ALA) Advisory Group. Following the Secretariat’s presentation, the Chair opened the floor to comments.</p> <p>A committee member provided their support with this initiative. The member questioned (1) whether there was a cost implication of having the ALA advisory group, (2) whether it was needed for ALAs step down from the Council and (3) what the exact role of the advisory group.</p> <p>A representative of the ALA Advisory group agreed with the committee member’s points and stressed that the role of the advisory group should be further elaborated to avoid governance issues or conflicts of interest. The ALA representative stated that the ALAs viewed this as a service and appreciated the opportunity to join these discussions to provide their expertise.</p> <p>Another committee member welcomed this initiative and questioned whether the governance review could include understanding and further elaborating this advisory group (and whether they would need to step down from the Council). The Secretariat agreed and took note of this recommendation.</p> <p><b>Decision 2: Committee members approved the establishment of an Accredited Assessors advisory group (noting an additional review of the need for ALAs to step down from the Council).</b></p>



<p>36.6   ISEAL Certification application</p>	<p>The Chair invited the Secretariat to provide an update of the ISEAL Certification application. Following the Secretariat’s presentation, the Chair opened the floor to comments.</p> <p>A committee member questioned (1) who the ISEAL Community Member would be (i.e. HSC, HS Secretariat or HSGC), (2) whether there were any requirements for the HSGC and (3) whether the timeline could be further detailed.</p> <p>The Secretariat responded that (1) the HS Secretariat/IHAS would become the ISEAL Community Member, (2) this would most likely not add additional work for the HSGC and (3) it was difficult to provide additional clarity after April 2023 because it was dependent on the results of the ISEAL independent audit. The Secretariat offered to provide further updates in upcoming HSGC meetings.</p>
<p>36.7   Communications updates</p>	<p>The Chair invited the Secretariat to provide an update on the communications strategy developed for the launch of the Standard. Following the Secretariat’s presentation, the Chair opened the floor to comments.</p> <p>A committee member welcomed the communication efforts and appreciated the work done by the Secretariat. The member also highlighted that, despite this promotion, the uptake of the Standard had been disappointing, especially with regard to the HESG Fund assessments. The Secretariat noted the number of commitments to use the Standard and stated that the Secretariat would continue to increase communications on the Fund.</p> <p>Another committee member stressed the need for additional communications for developing countries, because the current commitments came mainly from developed countries. The Secretariat mentioned the recent success story in Mozambique.</p> <p>The Secretariat mentioned that the Secretariat would be developing a Communications Strategy for the implementation of the HS Standard and confirmed that the strategy would include a tailored approach to increase uptake in developing countries.</p>
<p>36.8   Papers for no objection</p>	<p>The Chair invited the Secretariat to present the papers for no objection, including the AA Licence Agreements and HS Standard translation to Spanish. The Secretariat introduced the topic and mentioned that the ALAs had provided some written feedback. The Secretariat stated that these comments would be addressed and that the new papers would be circulated on Basecamp for no objection.</p> <p>A committee member asked for clarity on (1) the different accreditation levels, (2) the optimisation of PAA appraisal and (3) the licence fees. The member asked whether an external legal expert should be contracted to review the updates.</p> <p>The Secretariat responded by explaining the logic behind the new accreditation levels and optimisation efforts. The Secretariat provided additional clarity on the history of licence fees (with the recent pushback due to the heightened prices despite a lack of assessment) and that they were not the main source of income for the HS programme, nor were they scalable due to the limited number of assessors. The Secretariat mentioned that the Licence Agreements amendments were based on the HS Assurance System and could be reviewed by an expert over time.</p> <p>The Secretariat explained the process of translation, noting the capabilities of the Secretariat in French, Spanish, Portuguese and Russian.</p> <p><b>Decision 3: Committee approved the HS Standard and Assurance System translations to Spanish, noting that the final version will state clearly that the English version is the definitive reference in case of misinterpretations.</b></p> <p><b>Action 2: The HS Secretariat to circulate amended versions of the Licence Agreements on Basecamp for no objection.</b></p>



36.9   Any other business	<p>The Secretariat mentioned the ongoing discussions with the International Geothermal Association on merging of governance to oversee the emerging Geothermal Sustainability Standard. The Secretariat clarified that the HS governance review would explore whether it was feasible for the HSGC could take on the governance of the geothermal tools and whether a merger with all renewables was a realistic option moving forward.</p> <p>The Secretariat announced that the Secretariat had recruited two staff members: a Sustainability Engagement Officer and a Sustainability Admin Officer, who would start on the last week of November.</p> <p>The Chair closed the meeting.</p>
36.10   Summary of decisions and actions	<p><b>Decision 1: Committee members endorsed the ToRs noting the minor edits proposed by the Secretariat.</b></p> <p><b>Decision 2: Committee members approved the establishment of an Accredited Assessors advisory group (noting an additional review of the need for ALAs to step down from the Council).</b></p> <p><b>Decision 3: Committee approved the HS Standard and Assurance System translations to Spanish, noting that the final version will state clearly that the English version is the definitive reference in case of misinterpretations.</b></p> <p><b>Action 1: The HS Secretariat to circulate amended versions of the Licence Agreements on Basecamp for no objection.</b></p>