



Gap Resolution Report for HS Certification

Project Name: Sebzor Hydropower Project

Project Sponsor: Pamir Energy Co.

HS Certification level received (if any): Silver

HS Certification level applied for: Gold

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Gap Resolution Report – Sebzor HPP

<p>Assessment overview</p>	<p>The Sebzor hydropower project of Pamir Energy Company (PEC) underwent an initial assessment in August 2021 using the Hydropower ESG Gap Analysis Tool (HESG). PEC has since worked closely with IHA and other international sustainability experts to build capacity in their team to address the gaps identified. An assessment against the Hydropower Sustainability Standard (HSS) in October 2022 resulted in Silver level certification, becoming the world's first project certified against the HSS. PEC decided to continue working on improvements, and a third assessment was conducted in June 2023 to validate the closure of gaps, resulted in a Gold level certification recommendation by the assessment team.</p>
<p>Previous assessment results</p>	<p>Previous assessments found that Sebzor HPP will make a significant contribution to climate change mitigation by providing a very low-carbon source of power and displacing high-carbon energy sources such as firewood, diesel and coal. The project's environmental impacts are relatively minor due to its small footprint (small reservoir, low diversion weir and limited land disturbance as the pipeline is laid into the existing roadway). Resettlement of a small number of households was well handled, and the project is contributing significantly to local socio-economic development. Moreover, the project has well-developed processes for labor management and Operational Health & Safety (OHS) as a result of Pamir Energy's extensive experience, which has made it one of the most important and attractive employers in the Gorno-Badakhshan Autonomous Oblast region of Tajikistan.</p> <p>Notwithstanding the mentioned positive impact, the second assessment of the project identified several significant gaps including in Environmental and Social Assessment and Management, Water Quality and Sedimentation, and Community Impacts and Infrastructure Safety. To further improve the project, demonstrate commitment to sustainability, and advance the project certification level to Gold, PEC contracted an Accredited Lead Assessor (who was not involved in the assessments) to supervise the project team in the gap closure activities that are stated in the action plan. A select number of priority gaps was identified that the project could close in a short period of time, and that would be sufficient to advance to Gold level certification.</p>
<p>Actions taken by the Project Proponent to resolve gaps</p>	<p>To address gaps under HSS Section 1, and ensure adaptive management based on continued monitoring, PEC re-formulated the project Environmental and Social Management Plan (ESMP) by clarifying responsibilities, adding detailed monitoring plans, and upgrading mitigation measures. In addition, under the close supervision of PEC and the owner's engineer, the main civil works contractor updated its site-specific ESMP, which includes detailed monitoring plans for construction-related E&S aspects. In order to</p>

	<p>verify its E&S management system (ESMS), PEC is also in the process of obtaining ISO14001 certification from the ISO certification body in Tajikistan. Further ongoing work on the ESMS includes staff training, including the application of the lessons learnt from Sebzor to other hydropower projects, enabling PEC’s own staff to identify and follow up on E&S risks and opportunities.</p> <p>To address gaps under HSS Section 3 for water quality and sedimentation, sampling locations upstream and downstream of the project have been chosen and periodic sampling by the contractor and by PEC has started. This will also allow to monitor the project impact on the water quality by comparing the results of upstream with downstream samples, and comparing results over time. PEC is also contributing to water quality improvements beyond the project impacts, through constructing water supply systems to villages within in the scope of its Corporate Social Responsibility (CSR) program, and through improvements in hygiene in resettlement homes.</p> <p>Some of the identified gaps under the HSS Section 4 for Community Impact and Infrastructure Safety were related to the lack of management and monitoring of public health. To address these gaps, PEC organized a roundtable with participation of public health authorities, local community representatives, HIV center representatives and contractor’s representatives. As a result of the roundtable, a coordination group and a monitoring plan for public health outcomes were created. Moreover, beyond the project impacts, PEC is contributing to health system improvements in the Roshtqala district via its CSR program. As a result health centers were rehabilitated; some health facilities were provided with medical equipment, medicaments and food products; and support has been provided to individual residents for medical treatments.</p>
Public consultation	<p>The public consultation period for the revised assessment will take place from July through September 2023. This public consultation is limited to seeking comments on the proposed changes resulting from the validation assessment that took place in June 2023. These changes (i.e. changes to the previous assessment report) are highlighted in yellow throughout the revised assessment report during the public consultation. Following the completion of the public consultation and the approval of the revised assessment report, the yellow highlights will be removed from the revised assessment report and the new report will be considered as final.</p>
Revised assessment report	<p>The revised assessment report can be found on the HS website www.hydrosustainability.com. This gap resolution report will be published online alongside the revised assessment report.</p>