

Assurance System



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**Hydropower
Sustainability**



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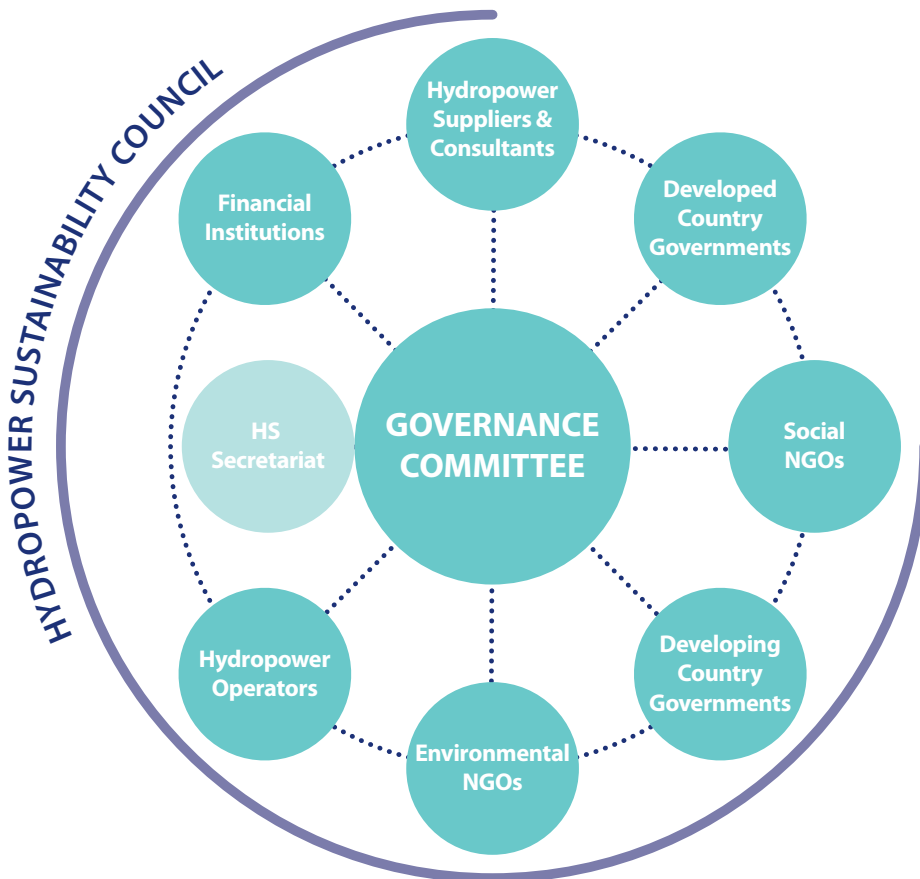
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Hydropower Sustainability Council

The Hydropower Sustainability (HS) Council is the multi-stakeholder governance body of the Hydropower Sustainability Certification Scheme. The HS Council includes representatives of social, community and environmental organisations, developed and developing country governments, financial institutions and the hydropower sector. The HS Council consists of seven chambers, each representing a different segment of hydropower stakeholders. Chamber members participate in a democratic process to elect representatives to speak for their stakeholder group on the HS Governance Committee. The Council ensures multi-stakeholder input and confidence in the content quality, relevance and assurance of the Hydropower Sustainability Certification Scheme.



The **vision** for the Hydropower Sustainability Certification Scheme is to make sustainable hydropower the norm.

The **mission** for the Hydropower Sustainability Council is to drive positive and long-lasting change in the hydropower sector by building knowledge, incentivising and embedding sustainable practices.

Glossary

Accreditation – A formal recognition that a process meets certain requirements, e.g. a company is accredited to provide certification audits, a training course is accredited to equip trainees to become assessors, etc.

Application – The process step in which a project is proposed to be assessed for Certification against the Standard.

Assessment – The process by which Accredited Assessors assess hydropower projects against the Standard and develop an Assessment Report for the project.

Associated Facilities – The facilities that would not be constructed if the project did not exist, and where the project would not be viable without the other facility. Examples pertinent to a hydropower project could include roads, transmission lines, buildings, etc.

Assurance – The demonstration that specified requirements have been fulfilled in a credible manner.

Certification – A comprehensive evaluation of hydropower projects against the Standard, in order to receive an HS Certification rating approved by the HS Council. The certification methodology is guided by agreed procedures as described in the HS Assurance System.

HSAP – The Hydropower Sustainability Assessment Protocol, an assessment tool to measure and guide sustainable performance in the hydropower sector.

HESG – The Hydropower Sustainability Environmental, Social and Governance Gap Analysis Tool, an assessment tool based on the framework of the HSAP that provides an action plan to help project proponents to address gaps against good practice.

HGIIP – The Hydropower Sustainability Good International Industry Practice Guidelines, a guidance document on the processes and outcomes that constitute good international industry practice in accordance with the HSAP and HESG.

Hydropower Sustainability (HS) Assurance System – The processes and measures for the credible assurance of the HS Certification Scheme.

HS Certification Scheme – A certification and labelling scheme for hydropower sustainability including the HS Standard, Assurance System and the other standard-setting documents.

HS Council – The multi-stakeholder governing body of the Hydropower Sustainability Certification Scheme.

HS Governance Committee – The executive committee that brings together representatives of the multi-sectoral chambers of the HS Council in promoting the use and integrity of the HS Certification Scheme.

HS Secretariat – The organisation that serves the function of secretariat for the HS Council and its Board. The HS Secretariat role is presently held by IHA Sustainability Limited.

HS Standard – The global standard for the sustainability of hydropower development, which sets out the criteria that must be met for a hydropower project or operating facility to achieve certification.

Hydropower Sustainability Tools (HST) – A framework to define and measure sustainability in the hydropower sector, comprising the HSAP, the HESG and the HGIIP.

Label – A visual element denoting a project's rating.

Legacy issues – Impacts of previous projects that are unmitigated or not compensated with a similar good or service, or longstanding issues with a present (existing) project, or pre-existing issues in the present location of a new project.

Primary suppliers – The first-tier suppliers who are providing goods or materials essential for the project, which may incur environmental and social impacts in this supply activity. An example pertinent to a hydropower project could be a quarry supplying construction materials.

Project – A hydropower project or operating facility eligible for HS Certification.

Rating – A ranking of a project according to the HS Certification Scheme based on an assessment against the HS Standard.

Scoring – The assignment of topic scores in an assessment, which will inform the rating for the project.

Standard – A document that sets out what is aimed to be achieved or demonstrated

Introduction

1 Introduction

Assurance System



Consistency



Transparency



Credibility

The purpose of the Hydropower Sustainability (HS) Assurance System is to provide the measures that give confidence to users of and stakeholders in the HS Certification Scheme. Users and stakeholders want to be assured that certification against the HS Standard is consistent and reliable, involves impartial and independent monitoring and review, brings value to its customers, and contributes to achievement of the vision.

The HS Certification Scheme aims to enable a world where sustainable hydropower is the norm; the Assurance System describes the governance and quality control mechanisms to make that vision a credible reality. The Assurance System is based on over a decade of experience in sustainability assessments and is guided by the assurance principles found in the International Organisation of Standardisation (ISO) Series 14000, 17000 and 9000, and the International Social and Environmental Accreditation and Labelling (ISEAL) Codes of Good Practice.

This document, the HS Assurance System, supports the vision and mission of the HS Certification Scheme by:

- Defining the quality control and assurance mechanisms for effective governance and implementation of the certification scheme.
- Setting out the accreditation and assessment processes needed to ensure consistency and replicability of assessment findings.

- Presenting the overarching governance structures and processes for impartiality and independence in decision making.
- Outlining processes for the performance requirements of the HS Standard to be relevant and based on up-to-date knowledge and science through periodic formal review.

The HS Assurance System provides the key process elements of the HS Certification Scheme. These are:

- Roles and Responsibilities (Section 2)
- Certification Process (Section 3)
- Independent Third-party Assessments (Section 4)
- Report Publication, Public Comments and Finalisation (Section 5)
- Implementing and Supporting the Assurance System (Section 6)
- Commercial Arrangements and Data Confidentiality (Section 7)
- Appeals Mechanism and Disciplinary Proceedings (Section 8)
- Communications and Claims (Section 9)
- Monitoring and Evaluation (Section 10)

All structural requirements relating to the HS Certification Scheme are found in the accompanying Standard document, supported by information and resources on the HS website.

Table 1. The standard-setting documents of the HS Certification Scheme

Standard-setting document	Purpose	User groups
Hydropower Sustainability Standard	Presents the key elements of the Certification Scheme, namely the Theory of Change, the scope and eligibility, the hydropower performance requirements, and the hydropower sustainability Certification process.	All stakeholders interested in knowing why we have a certification scheme, what hydropower performance requirements to expect, how the different Certification labels are derived, and what they relate to.
Hydropower Sustainability Assurance System	Defines all process aspects of the Certification Scheme, including steps towards obtaining certification, assessor accreditation, hydropower assessment processes, claims, renewal, appeals, and other governance processes.	Organisations, project owners and practitioners interested in the quality control mechanisms of the HS Certification Scheme.
Assessment Tools	Includes the assessment tool and assessment report templates.	Project Proponents interested in Projects undergoing assessments, and Accredited Assessors in conducting assessments.
Guidance Documents	Includes good practice guidelines and a series of topic-specific how-to guides.	Project Proponents and practitioners interested in learning more about hydropower performance requirements in the HS Standard, and how to reach them.
Training Manuals	Includes Accredited Assessor manuals, and further training materials to be developed over time.	Accredited Assessors in conducting assessments.

The HS Assurance System, along with the Standard, Assessment Tools, Guidance Documents and Training Manuals, make up the standard-setting documents of the HS Certification Scheme, as summarised in Table 1.

All standard-setting documents of the HS Certification Scheme other than the training manuals can be found on the HS website. Training manuals are issued to training course participants.

Roles and responsibilities

2 Roles and responsibilities

2.1 Overview

The HS Secretariat, the HS Council, Accredited Assessors and Project Proponents all play distinct roles in the Certification Scheme. In summary:



The HS Secretariat is responsible for the management and day-to-day administration of processes involved in the HS Certification Scheme and of the HS Council, for allocating HS Certification to hydropower projects and any other activities delegated to it by the HS Council through its elected Governance Committee.



The HS Council is responsible for the overall governance of the HS Certification Scheme and for overseeing the allocation of HS Certification to hydropower projects through its elected Governance Committee.



Accredited Assessors are responsible for assessing whether a project is in conformance with the HS Standard and providing an assessment report to the HS Secretariat.



Project Proponents are responsible for fully understanding the processes involved in the HS Certification Scheme, including the performance requirements of the Standard, and the procedures and rules of the Assurance System, and for ensuring sufficient resources are allocated for these.

2.2 HS Secretariat

The HS Secretariat is delegated to act on behalf of the HS Council to manage the implementation and day-to-day operations of the HS Certification Scheme, to support the HS Council in meeting its Charter and promotion of the Theory of Change. It ensures adherence to the standard-setting documents, and manages any changes and translations to these as directed by the HS Council.

The roles and responsibilities delegated to the HS Secretariat include to:

- Monitor, review and centralise proposed updates to the hydropower project performance requirements in the HS Standard, to ensure relevance and effectiveness based on up-to-date knowledge and science and through consultation with the HS Council and wider public;
- Develop and maintain cost-effective and user-friendly tools and guidance for the HS Certification processes;
- Accredite third party assessors to conduct HS Assessments in line with accreditation rules and criteria, and monitor their performance over time;
- Provide stakeholder and assessor training and support on all aspects of the HS Certification Scheme and the HS Standard's performance requirements;
- Receive assessment reports from the Accredited Assessors, implement the public consultation processes and manage the comment response and report finalisation processes, and propose the Certification status to the HS Council for approval;
- Confirm that the Assessment process and report are in alignment with all HS Certification Scheme processes;
- Allocate and issue HS Certification to hydropower projects based on the findings of Assessments conducted by Accredited Assessors and resolutions of the HS Governance Committee;

- Deliver all administrative requirements of the HS Certification Scheme (e.g. fees, renewals);
- Maintain up-to-date information regarding HS Certification status of projects on the HS website;
- Maintain internal records for all relevant aspects and outcomes of the HS Certification processes;
- Administer and oversee rules around claims associated with HS Certification status;
- Administer the Appeals Mechanism, including disciplinary proceedings where required;
- Monitor, evaluate and publicly report on the impacts and effectiveness of HS Certification in line with the Theory of Change.

2.3 HS Council

The HS Council is the multi-stakeholder governing body of the HS Certification Scheme. The Council, through its Chamber design, includes representatives of social, community and environmental organisations and professionals, developed and developing country governments, financial institutions and the hydropower sector. Chamber members come from a broad variety of backgrounds and experiences, and draw on academic, scientific and professional expertise in the areas of interest for the chambers. An essential objective of the Council is to ensure multi-stakeholder input and confidence in the content quality, relevance and assurance of the HS Certification Scheme.

The council consists of seven chambers, each representing a different segment of hydropower stakeholders. Chamber members participate in a democratic process to elect representatives to speak for their stakeholder group on the HS Governance Committee.

The HS Council provides a review and advisory body to its elected Governance Committee. The Governance Committee responsibilities include to:

- Review, consult on and approve changes to the hydropower project performance requirements of the HS Standard;
 - Undertake a formal five-yearly review of the HS Standard, and ensure regular review and improvements to the HS Assurance System;
 - Ensure the quality, integrity and credibility of the HS Certification Scheme;
 - Review, consult on and approve all standard-setting documents of the HS Certification Scheme, including periodic updates;
 - Approve updates to administrative processes that are communicated on the HS website and not within the standard-setting documents (e.g. fees);
 - Oversee the allocation of HS Certification to hydropower projects;
 - Supervise and provide final verdict on appeals and complaints brought forward through the Appeals Mechanism, including disciplinary proceedings where required;
 - Apply basic principles of partnership, inclusivity, conflict avoidance and non-discrimination in decision-making on activities and processes of the HS Certification Scheme, as described in the HS Council Charter.
- Participate in periodic Accredited Assessor workshops to ensure consistency in approaches, and in periodic updates to accreditation training, especially following changes to the HS Standard performance requirements and/or Assurance System;
 - Conduct independent Assessments against the HS Standard;
 - Verify Project eligibility and scope with the Project Proponent during the Assessment's establishment phase;
 - Ensure appropriate verbal, visual and documentary evidence is available for review in the assessment process;
 - Identify any significant gaps against the HS Standard minimum requirements (good practice) and allocate points for advanced requirements achieved (best practice);
 - Prepare an Assessment Report for the Project Proponent, and submit this to the HS Secretariat to be considered for certification if agreed by the Project Proponent;
 - Ensure that there is no conflict of interest when undertaking Assessments.

Accredited Assessors must comply with the Terms and Conditions of Use, the Code of Ethics and the HS Council Charter as stated in their Licence Agreement with the HS Secretariat.

2.4 Accredited Assessors

The credibility of HS Certification Scheme hinges on the quality and independence of the third-party Accredited Assessors. The HS Accredited Assessors are a body of individuals accredited by the HS Council to conduct Assessments that evaluate whether a hydropower project is in conformance with the performance requirements of the HS Standard. Accredited Assessors have been specifically trained by the HS Secretariat to deliver quality and uniformity in HS Assessments. Only individuals who have passed the accreditation training and who hold a valid licence can conduct Assessments as part of the HS Certification Scheme.

HS Accreditation rules and requirements are available from the HS website www.hydrosustainability.org, along with a list of HS Accredited Assessors.

The roles and responsibilities of HS Accredited Assessors in the HS Certification process include to:

2.5 Project Proponents

Project Proponents are either the developer, owner or operator of the Project being considered for HS Certification. Project Proponents can also be referred to as the Client, but there may be cases where the organisation or person who commissions the assessment (i.e. Client) is not the entity who is developing, owns or is operating the asset (i.e. Project Proponent). In such cases, the Client must obtain written support of the Project Proponent confirming their willingness to undergo an Assessment against the HS Standard. The Accredited Assessor is required to include a letter of support for the Assessment from the Project Proponent within an official Assessment Report.

The roles and responsibilities of a Project Proponent in the HS Certification process include to:

- Submit their Project to be assessed against the HS Standard;

- Enter into contractual arrangements with and fully support Accredited Assessors with the logistics of the Assessment;
- Ensure that all appropriate visual, documentary and verbal evidence identified in consultation with the Accredited Assessor is made readily available in the Assessment and listed in the evidence register of the published Assessment Report, noting that all evidence must be authentic, reliable, reproducible and factual;
- Provide adequate internal resources to undergo the Assessment process;
- Pay for the full costs of the Assessment, and HS Certification if it is pursued;
- Respond to any appeals or complaints brought forward by the HS Secretariat in line with the Appeals Mechanism, including disciplinary proceedings where required.



Certification process

3 Certification process

3.1 Getting started

3.1.1 Registering interest and getting informed

Project Proponents can register interest and get informed on the HS Certification Scheme through the HS website. Project Proponents are welcome to complete a Register Interest form on the HS website. Alternatively, Project Proponents can contact the HS Secretariat for administrative questions and Accredited Assessors for more technical queries. Most importantly, Project Proponents should refer to information on project eligibility and the Assessment process readily available on the HS website. The Assessment may require Project Proponents to commit more resources than they initially anticipated. It is crucial that the Project Proponent and/or Client understand the process and performance requirements before starting the Assessment process. The HS Secretariat responds to queries within one week of receipt.

3.1.2 Determining project eligibility

The Accredited Assessor determines a project's eligibility according to information provided by the Project Proponent in line with the HS Certification Scheme processes. The HS Standard document sets out what type of projects are covered by the HS Certification Scheme and how they are covered. It clarifies the eligibility requirements for projects and the boundaries for the Assessment. It is crucial in guaranteeing transparency in Assessment findings and communicating those findings to external stakeholders and partners.

In determining project eligibility, Accredited Assessors are encouraged to have discussion with Project Proponents on system boundaries and any red flags which could halt a project's path towards HS Certification. These could include significant external conflicts (civil war, interstate disputes), criminal records of key players, and legacy issues beyond resolution. Project Proponents are encouraged to refer to the guidance documents on the HS website and participate in HS Certified User training to understand the

resources, procedural steps, and performance requirements involved in the Assessment.

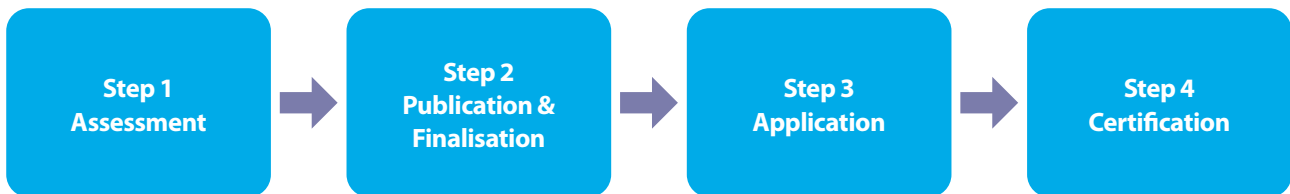
The HS Certification Scheme is tailored to individual project life cycle stages, and specifically addresses three stages: Preparation, Implementation and Operation. The Accredited Assessor confirms a project's life cycle stage through discussions with the Project Proponent. A project may be at an early or late point in the project stage when an Assessment is undertaken. Any Assessment undertaken against the HS Standard reflects a snapshot in time, documenting what Accredited Assessors find with respect to the performance requirements of the Standard based on the evidence they are able to review at the time of the Assessment. The HS Standard is designed for repeat application, and an Assessment undertaken early in a life cycle stage may guide activities that would result in stronger performance in a later stage assessment. There may be overlap between stages of the project life cycle (e.g. implementation activities during project preparation, or turbines commissioned while implementation activities are still progressing). If a project is in transition between stages, the Accredited Assessor and Project Proponent choose the most appropriate life cycle stage depending on available information and may consult the HS Secretariat if needed.

3.2 Process steps

The path towards Certification consists of four main steps:

Step 1: Assessment. Accredited Assessors conduct an Assessment of the project against the project performance requirements of the HS Standard (see Section 4 for details).

Step 2: Publication for comments and finalisation of report. The Project Proponent, or the Accredited Assessor on their behalf, submit the Preliminary Assessment Report to the HS Secretariat to publish on the HS website for a period of public comment, during which the HS Secretariat also reviews and confirms that the Assessment process and report are in alignment with all HS Certification Scheme processes. Accredited Assessors respond to any public



comments, including comments from the HS Secretariat. Accredited Assessors must respond to each comment, and make a determination on whether to amend the report. The Final Assessment Report must be accepted as final by the HS Secretariat and is published by the HS Secretariat on the HS website (see Section 5 for details).

Step 3: Application. The Project Proponent submits an application to the HS Secretariat for HS Certification, following the publication of the Final Assessment Report. Applications are submitted electronically via the HS website using the HS Certification Application Form. Project Proponents must complete and submit the form based on the findings of the Final Assessment Report. Project Proponents will also be required to pay the Application Fee as described in Section 6.6. Project Proponents can only complete and submit the HS Certification Application Form after completing Steps 1 and 2.

Step 4: Certification. Should the Project meet the minimum requirements for HS Certification and all process requirements are confirmed as met, the HS Secretariat notifies the Governance Committee of its intention to certify the project. The HS Secretariat will then issue the certification if no objection or concern is raised by the Governance Committee. Should a member of the HS Governance Committee have a concern about the allocation of HS Certification for the project, the Governance Committee chair will determine a process by which the Governance Committee can inform itself about the concerns and provide clarity to the HS Secretariat regarding the issuing of the HS Certification. The Final Assessment Report and Certification rating are published on the HS website. Only projects that receive a Certification rating can make claims as defined in Section 9.

The Accredited Assessor and/or the HS Secretariat, as appropriate to each step, only supports the Project Proponent to proceed with each component of these steps if the Project Proponent wishes to. To be clear, the Project Proponent is not required to make the Preliminary Assessment Report public and/or subject to public comment if they choose not to.

3.3 Indicative timeline

Table 2 provides an illustrative timeline of the Certification process steps. Time requirements can vary greatly, influenced by degree of prior familiarity of the Project Proponent with the HS Standard and certification processes and by remoteness, scale and complexity of the project.

3.4 Certification award

A Project's Certification status is determined based on the outcome of the independent Assessment, following application by the Project Proponent and final approval from the HS Council. Depending on the total number of advanced requirements met, the Certification status is expressed as either: Certified, Silver or Gold.

If a project has been assessed and does not meet the minimum requirements, it will not receive any Certification rating but maintains the possibility to publish its Final Assessment Report on the HS website for transparency and credibility. In such cases, the project will be noted as "Seeking Certification" on the HS website for a period of 12 months. During this period, Project Proponents are encouraged to resolve outstanding gaps in order to meet the minimum requirements of the HS Standard and be

Table 2 - Indicative timeline of HS Certification

Step	Milestone	Timeline
Assessment	Appointment of Accredited Assessors (AAs)	Start
	Establishing and planning	~ 8 weeks
	On-site assessment	~ 1 week
	Submission of draft Preliminary Assessment Report to project proponent	~ 3 weeks
	Project Proponent feedback and, if applicable, further submission of evidence to AAs	Up to 2 weeks
	Submission of Preliminary Assessment Report to Project Proponent	Up to 2 weeks
Publication	Public comment period	8 weeks
	Assessor review (responses to comments and, if applicable, updates to Preliminary Assessment Report)	Up to 3 weeks
	Submission of Final Assessment Report	
	HS Secretariat accepts Final Assessment Report	Up to 1 week
Application	Project Proponent to apply to HS Secretariat for Certification rating	Up to 1 week
	HS Secretariat to submit intention to certify to HS Council	Up to 1 week
Certification	HS Council to review application	Up to 2 weeks
	Allocation of Certification rating if successful	End of Certification process (up to 32 weeks)

certified. Certification status would be reviewed following the methodology described in Section 3.6.

Given that amendment and review of the HS Standard is key to maintaining its relevance and effectiveness, HS Certification ratings and labels are dated to the year of Certification on the HS website. If a Certification rating does not correspond to the latest version of the HS Standard, this is explained in a footnote on the HS website but does not invalidate the rating. Renewals and Re-Certifications must align with the most up-to-date version of the HS Standard.

3.5. Certification duration

The Certification duration is the period of time that Certification is valid, assigned by the HS Council in approving and allocating a Certification rating. Certification

ratings are life cycle stage and time dependent, and dated to the year of Certification.

The duration of Certification for ratings in the Preparation and Implementation stages is three years. The duration of Certification for ratings in the Operation stage is five years. After the end of the Certification period, the Project needs to undergo a Re-Certification following the same process as the initial Certification, as described in Section 3.2.

A Certification rating will only relate to its stage of development: Preparation, Implementation and Operation. A specific rating in project preparation does not confer any implied rating in implementation, nor implementation in operation, nor any inter-relationship. The life cycle stages are considered separate.

Major refurbishments and modernisation exercises for operating hydropower projects are typically assessed using the Preparation Stage and Implementation stage tools. Such cases would require a new assessment and would represent a “re-set” of the clock for the stage and duration of a rating. Minor works to increase efficiencies, replace equipment and rectify ageing infrastructure issues could be considered normal asset management practice for operations and normally would not instigate a changed project stage unless causing significant changes for sustainability issues.

The Project Proponent can make a case to the HS Secretariat for a determination on this if it believes that major works do not change any sustainability aspects of the project (for example, if the works do not cause changes to flow regimes, project footprint, or significant social or environmental values). If complex, the HS Secretariat may ask the Accredited Assessors involved in the project to make a determination during the Assessment establishment and planning period.

3.6 Re-certification process

At the end of the Certification period, the Certification rating and status are no longer valid. If Project Proponents would like their project to continue to be recognised as meeting the performance requirements of the HS Standard, the project is required to undergo a Re-Certification following the same process described in Section 3.2.

Re-Certification only applies to projects that are still in the same life cycle stage as the original or previous Certification. If a project has moved into a different life cycle stage from the original or previous Certification, a Re-Certification process is not applicable.

The Project Proponent must commence the Re-Certification process, following the process described in Section 3.2, by the end date of the Certification period. If, after 6 months of the end date of the Certification period, no action has been taken by the Project Proponent towards Re-Certification, the project’s Certification rating and status is removed from the HS website and the Projects loses any rights to ongoing claims (Section 9). Projects undergoing Re-Certification have their Certification status updated accordingly on the HS website.

3.7 Re-assessment

Should a Project Proponent wish to update the Certification status of a project before the end of the Certification period (presumably with the hope of a higher rating), it can do so either through a Re-Assessment request (if

appropriate requirements can be met), or by following the Re-Certification process explained in Section 3.6 (including with the reduced base fee). The rationale behind the Re-Assessment process is to encourage continuous improvement and provide an opportunity for remedial action without undergoing a new assessment of the whole project, while preserving the integrity of the HS Certification Scheme and the impartiality of Assessment process.

The Re-Assessment process is only applicable under the following circumstances:

- The Project Proponent sees the opportunity to implement immediate remedial actions which could improve the score of one or a few topics after allocation of a Certification rating.
- During the valid period of Certification, the Project Proponent writes to the HS Secretariat and the Accredited Assessor and notes intention to seek Re-Assessment. The note includes details of the score and topic in respect of which it will seek such Re-Assessment, as well as the action it intends that will lead to an increased score / improved report with timing. The note furthermore undertakes to cover costs required of such re-assessment.
- The Project Proponent may request that the Accredited Assessor provide an opinion on whether they believe whether the request has any validity, provided that it undertakes to cover the cost of the Accredited Assessor in considering this. Any decision to proceed lies with the Project Proponent, and no undertakings in this regard imply that any Re-Assessment will be successful.
- The issue or topic must be capable of being remedied within the period allowed for in this section (i.e. the valid period of Certification).
- The issue or topic must have a clearly identified resolution.
- The issue or topic must not have significant linkages with other topics.
- The Re-Assessment must be undertaken by the Accredited Assessor who originally assessed the topic in question, or the lead Accredited Assessor on the assessment, and the results of the Re-Assessment must be signed off by the lead Accredited Assessor of the original assessment.

Following Re-Assessment, Steps 2, 3 and 4 of the Certification process, as presented in Section 3.2, apply. Re-Assessment would not represent a “re-set” of the clock for the duration of a rating. Only a Re-Certification would enable a “re-set” of the clock for the duration of a rating.

3.8 Harmonisation with the Hydropower Sustainability Tools

The HS Standard is derived from the existing Hydropower Sustainability Tools (HST), the leading global assessment framework to evaluate the sustainability of hydropower projects. The HST are made up of the Hydropower Sustainability Assessment Protocol (HSAP), the Hydropower Sustainability ESG Gap Analysis Tool (HESG) and the Hydropower Sustainability Guidelines on Good International Industry Practice (HGIIIP), as shown in Table 1 in Section 1.

Should a Project Proponent wish to apply for Certification against the HS Standard following an HSAP or HESG Assessment, it can do so if an HST Harmonisation Request is made by the Project Proponent to the HS Secretariat within three months of the date of the HSAP or HESG Final Assessment Report. In such cases, the public comment step would not be required for the HSAP or HESG to

finalise the Preliminary Assessment Report and could wait to be undertaken in Step 2 of the Certification process (Section 3.2). On the other hand, if a Project Proponent already completed the public comment period associated to a HESG or HSAP Assessment and published the Final Assessment report, it can still submit an HST Harmonisation Request but will have to undergo an additional public comment period in line with Step 2 of the Certification process (Section 3.2). In any case, Project Proponents are encouraged to publish their HSAP assessments to increase knowledge of good practices in the sector.

Following the approval of an HS Harmonisation Request, the Project Proponent would need to contract the Accredited Assessors to convert the HESG or HSAP Assessment findings into the Assessment report template for the HS Standard. If the Project was initially assessed using the HESG, the Project Proponent may request the Accredited Assessors to assess against the advanced requirements (best practice) of the HS Standard, in which case this needs to be factored into the contract between the Project Proponent and Accredited Assessors.

Following HST Harmonisation and production of the Preliminary Assessment Report, Steps 2, 3 and 4 of the Certification process, as presented in Section 3.2, apply.



Independent assessments

4 Independent third-party assessments

4.1 Overview

For HS Certification, credibility in the Assessment process is essential. The Assurance System requires that independent third-party Assessments be conducted by HS Accredited Assessors. The purpose is to assure that a project meets, at least, the minimum requirements of the HS Standard to achieve “Certified” status.

The process undertaken by Accredited Assessors is to collect objective evidence from a variety of sources to provide an unbiased and evidence-based evaluation of the project’s sustainability performance according to the performance requirements of the HS Standard. An Assessment and subsequent Assessment Report are required before HS Certification can be issued.

There are four main phases for an Assessment: Establishment, Planning, Site inspection and Reporting. This section provides clarity on the different roles and responsibilities involved in the Assessment, describes the activities and requirements for each of the Assessment phases, and offers additional assurance regarding evidence collection, analysis and documentation requirements.

4.2 Roles and responsibilities in the assessment

An assessment requires roles and responsibilities for different aspects of the assessment to be allocated to various key parties, as depicted in Figure 1.

Assessment client

The Client is a nominated representative of the organisation who commissions the assessment. The Client typically obtains written support of the Project Proponent (in cases where the Client and Project Proponent are different entities), signs high level agreements or contracts relating to the Assessment, defines the scope of the Assessment, manages funding for the Assessment, and receives the final Assessment report.

Single point of contact

The client identifies a Single Point of Contact (SPC) to be the main point for coordination in arranging the Assessment. The SPC is the direct point of liaison for the Accredited Assessors, and the point of coordination for any interviewees. The SPC prepares the schedule, maintains the evidence register and manages logistics of the on-site inspection.

It is important that the SPC remain the same person throughout the Assessment phases, so that they are always aware of the progress and needs of the Assessors. Ideally this individual has a very high level of familiarity with the project, the key stakeholders, information sources, and on-site lay-out, and logistical considerations and opportunities. The SPC is often a representative of the Project, but not always.

Local support team

The SPC designates a Local Support Team, typically made up of staff from the Project Proponent. They help identify interviewees, sources of evidence and useful background information.

Accredited Assessors

Assessments against the HS Standard are exclusively carried out by HS Accredited Assessors. The number and expertise of Accredited Assessors is guided by project size, complexity and location, the Assessment scope and the Client's budget and objectives. There are three levels of accreditation for Assessors: Provisionally Accredited Assessors (PAAs), Accredited Assessors (AAs) and Accredited Lead Assessors (ALAs). More information on accreditation processes for assessors is provided in Section 6.2.

Regardless of the objective, an Assessment against the HS Standard is subject to the following assessment team requirements:

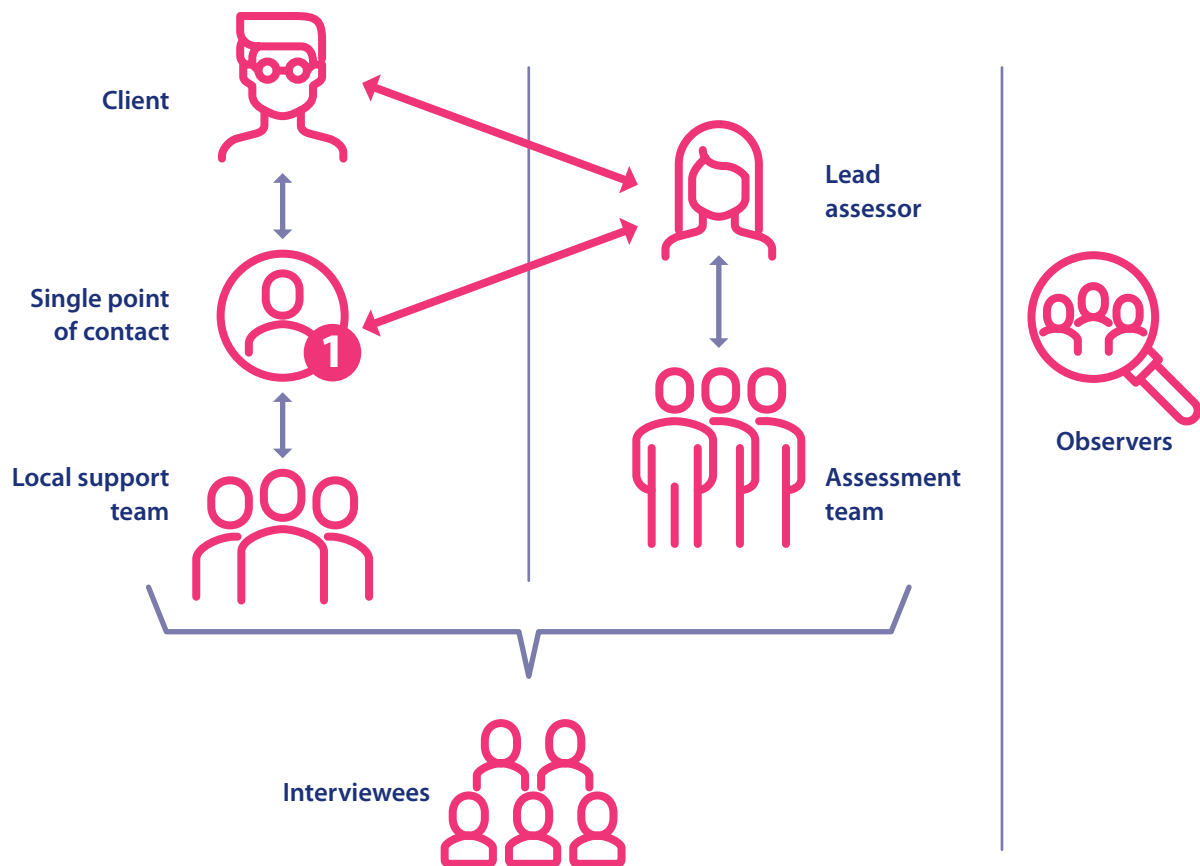


Figure 1 - Roles and responsibilities in an HS Standard Assessment

- A minimum of one ALA and one AA is required.
- PAAs can also be on Assessment teams, assigned to assess specific topics. PAAs, must clearly be under the supervision of an assigned AA or ALA who carry the responsibility for the assessment process and findings.
- No other parties can be on assessment teams unless they are an ALA, AA or PAA.

The choice of the number and mix of assessors is specific to each Assessment, and will be borne out of discussions amongst the Project Proponent, AAs/ALAs contacted, and also the HS Secretariat if assistance is sought.

ALAs and AAs accept that they have a duty to assist Assessors seeking to move up through the levels of accreditation, and should incorporate this consideration into any discussions with clients about potential Assessment team composition. Requirements that will affect Assessment team composition include the following:

- After an AA has done a minimum of six Assessments against the HS Standard in a team led by an ALA, then the AA can apply to the HS Secretariat to be formally mentored and assessed for the ALA accreditation level.
- The ALA mentoring and assessment of an AA must be done by an ALA who has held ALA accreditation for more than two years, and who has done at least six Assessments (certification, HESG or HSAP) in the lead role.
- The AA is required to do two ALA-training Assessments and to be recommended by the ALA(s) for awarding of the ALA accreditation level. It is possible to have the same ALA for both training assessments, or separate ALAs on each Assessment (in which case the second ALA must recommend the readiness of the AA, but based on discussion with the first ALA).

Variations to the above Assessment team requirements must be applied for and approved by the HS Secretariat. The following scenarios will be considered by the HS Secretariat:

- Assessments may be done by a single ALA for very small projects (e.g. ≤20 MW) at operation stage. The ALA would be encouraged, as with all Assessments, to include a PAA if feasible.
- Assessment teams may be made up of two AAs (i.e. that do not include an ALA) only if (1) there is demonstrably no ALA available; (2) the two AAs have done a minimum of 8 certification audits between them; (3) the more experienced AA is nominated as the lead assessor; and (4) the team is required to have an ALA review the draft assessment findings based on discussions with the AAs and this is included in the contract with the client.

Observers

There may be an interest in observers participating in the Assessment. Observers are encouraged but remain optional and are not expected for all Assessments. Although they have no formal role in the Assessment, observers can be used for capacity building, assessor training, or credibility enhancement.

4.3 Phases of the assessment

4.3.1 Establishment

The Establishment phase defines the ways in which an Assessment is initiated. This may differ project by project but typically involves the key activities:

- Confirming project eligibility and scope
- Setting objectives, scope and criteria
- Selecting Single Point of Contact by the Client
- Obtaining written support of Project Proponent
- Appointing Local Support Team
- Discussions between SPC and Accredited Assessor
- Defining detailed scope
- Securing funding

4.3.2 Planning

During the Planning phase, the Accredited Assessor and the SPC develop the assessment schedule and logistics. The SPC forms the local support team, prepares the schedule and logistical requirements, liaises with interviewees to confirm that they understand their roles and the requirements of them, engages with observers who may be part of the process, identifies evidence, and ensures project documents are available to the Accredited Assessor for review before the on-site inspection.

Key activities in the Planning phase typically include:

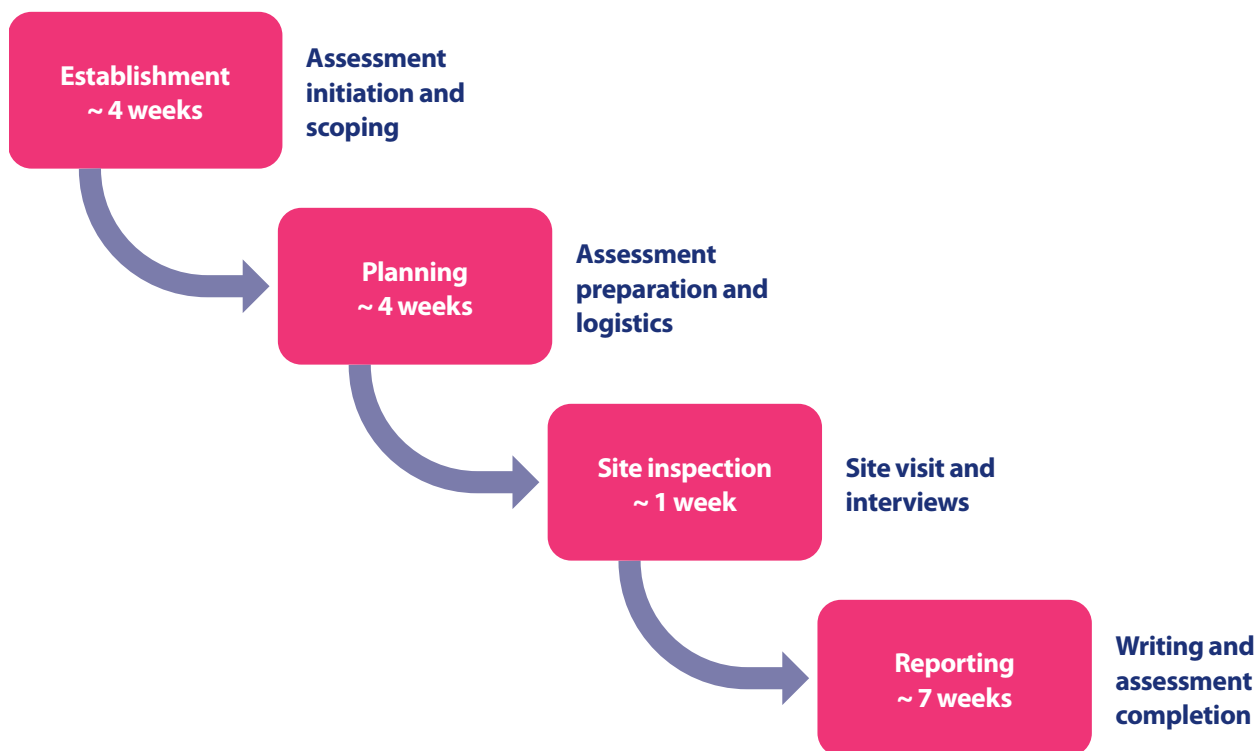
- Pre-assessment visit (optional)
- Planning interviews
- Planning site inspection
- Schedule confirmation
- Translation, interpretation, logistics, health and safety
- Providing/receiving background information
- Project document gathering and review
- Written schedule, interviews and evidence register

4.3.3 Site inspection

During the Site Inspection phase, the Accredited Assessor conducts interviews, visit project-affected communities and dam infrastructure sites, as well as gather and review evidence. A typical on-site inspection takes 5-7 days.

Key activities in the Site Inspection phase typically include:

- Opening meeting
- Daily team meetings
- Interviews with stakeholders
- Site inspection
- Gathering further documentary evidence
- Closing meeting



Accredited Assessors may determine that the site inspection can be done remotely. In such cases, the Accredited Assessors must refer to the methodology for remote assessments published on the HS website and inform the HS Secretariat of such a decision.

4.3.4 Reporting

During the Reporting phase, the Accredited Assessor writes the Assessment report. The report will be based on a HS Standard Assessment report developed by the HS Secretariat, which puts all the information into an easy-to-use format.

A first draft is sent to the Client via the SPC, after which additional information may be provided to support any revisions. Once agreed, the Preliminary Assessment Report is finalised by the Accredited Assessor and submitted to the HS Secretariat to publish on the HS website and on the Project Proponent's website for the public comment period.

4.4 Gathering and analysing objective evidence

4.4.1 Evidence collection

Assessments are conducted through a comprehensive and systematic evidence-based approach. Objective evidence is collected during an Assessment to understand

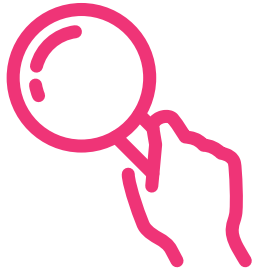
how well a project is performing against the performance requirements of the HS Standard.

Objective evidence can be qualitative or quantitative, verbal or documented information, records or statements of fact. It is retrievable, reproducible, verifiable, is not influenced by emotion or prejudice, and is based on facts obtained through observation, measurements, documentation, tests or other means.

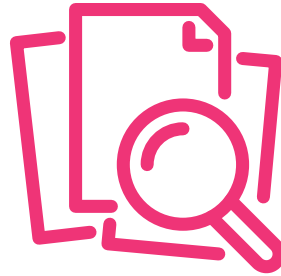
The Assessment process is always a sampling process given time and logistical limitations. Based on the evidence presented, the Assessors identify whether minimum (good practice) and advanced (best practice) performance requirements are met.

The SPC is responsible for ensuring that evidence is provided to Accredited Assessors, guided by the Assessor requests, in a manner that is fully open to independent scrutiny. The SPC arranges interviews with key stakeholders, compiles relevant documentation, and organises any necessary logistics to obtain visual evidence.

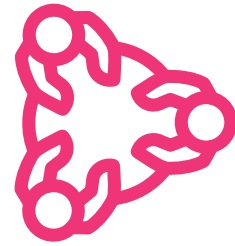
The Accredited Assessor is fully responsible for setting out the evidence requirements. Of critical importance for the Accredited Assessor is to:



View



Review



Interview

- Review current documentation, conduct interviews, and view visual evidence relevant to each topic and performance requirement in the HS Standard;
- Ensure that a diversity of perspectives and views are included as sources of evidence, relevant to the focal area and context for each topic in the HS Standard (e.g. project staff, project-affected communities, regulators, government representatives, researchers/academics, consultants, contractors, labourers);
- Ensure that the views of those opposed to the project are included in the sources of evidence.

4.4.2 Triangulation of evidence

Accredited Assessors seek to verify evidence from any one source against that obtained from other sources and through other methods, in a process known as “triangulation”.

The three primary forms of evidence in an Assessment include:

- visual evidence obtained through the site visit;
- documentary evidence obtained through reports, meeting minutes, etc.; and
- verbal evidence obtained through interviews.

Personal observation by the Accredited Assessor counts as objective evidence, which makes the site tour an important part of the Assessment. Documentary evidence as a form of objective evidence is retrievable and reproducible, and so can be a very efficient form of evidence provision in an assessment. In some cases, documents may be provided to the Accredited Assessor on a confidential basis, for example financial data, and this would need to be noted in the Assessment Report. There may also be a need to protect

the identity of vulnerable interviewees. This too would need to be noted in the Assessment Report.

Wherever possible, all types of evidence are triangulated to ensure that what Accredited Assessors saw on site, is confirmed by what they have read in the documents, and backed up by what they have heard in interviews. The process of triangulation acts as a quality control by ensuring findings are verifiable, can be cross-checked across a range of sources, and lead to consistent conclusions.

4.4.3 Evidence sampling

Ultimately, the evidence reviewed by the Accredited Assessor must be enough to objectively support a finding of whether the project meets or does not meet the performance requirements of the HS Standard.

The process of collecting objective evidence involves sampling documentation and records, interviewing a representative selection of Project staff, Project-affected communities and other relevant stakeholders, and observing the key aspects of the project. Sampling should be carried out to access enough evidence to verify that systems and processes are adequately designed and in place, and are effective.

The appropriate use of sampling is closely related to the confidence that can be placed in the assessment findings. Often Accredited Assessors can be confronted by high numbers of documents, records, transactions and employees. Time constraints prevent the Assessor from examining every document and interviewing every employee. Sampling methods should be selected that can identify representative samples which are not biased in some way. Sample sizes need to be sufficient to provide a reasonable level of confidence that it is representative of the larger population. Effective sampling should result in the same findings, or findings that are not materially different, to those if a different sampling set had been selected.

The Accredited Assessor is responsible for all sampling decisions. The process is typically highly iterative, with requests for additional evidence being made throughout the assessment and during the process of report drafting. Comment on the quality and sufficiency of evidence should be part of the Assessment Report, and all evidence sources are provided in the evidence register included in the published Assessment Report appendices.

4.4.4 Determining topics as Not Relevant

In the particular context of a hydropower project, certain issues included in the HS Standard may not be relevant; for example, there may be no resettlement or cultural heritage issues that need to be managed. In such cases, Accredited Assessors make a determination on the topic as Not Relevant if evidence presented supports such a conclusion, and the performance requirements associated with the topic would not be applicable to the project. The process of determining whether a topic is Not Relevant is subject to the same evidence-based and objective approach to assessing relevant topics and must be in line with the processes described in Sections 4.4.1, 4.4.2 and 4.4.3. Scope and definitions relating to determinations of Not Relevant are described in the HGIP and How-to-Guides, and Accredited Assessors will refer to these to ensure consistency.

Report publication

5 Report publication, public comments and finalisation

For HS Certification, credibility in the Assessment Report findings is essential. The Certification process requires that independent third-party Assessments are conducted by HS Accredited Assessors, as described above, and then the Preliminary Assessment Report must be accepted by the HS Secretariat as being fully aligned with the required template and all essential inclusions. Once the HS Secretariat accepts the Preliminary Assessment Report, then a process commences of publication and public comment.

The Preliminary Assessment Report must be published on both the Project Proponent’s website and on the HS website, in English and in the local language if applicable. From publication of the Preliminary Assessment Report on both sites, there will be a 60-calendar day period during which the public can make comments on the report. At the start of the public comment period, Project Proponents are required to notify at least those parties identified as stakeholders in the Assessment.

Comments can be delivered by mail and email to the HS Secretariat. Project Proponents are also required to identify the methodology they will use to ensure comments can be obtained from project-affected communities who would not be able to engage effectively with the website-based public comment mechanism, and this needs to be approved by the HS Secretariat. For example, the Project Proponent may organise with the relevant local government authorities to have a comment box available

on site for project-affected communities, who do not have internet access, to submit comments throughout the duration of the 60-calendar day public comment period.

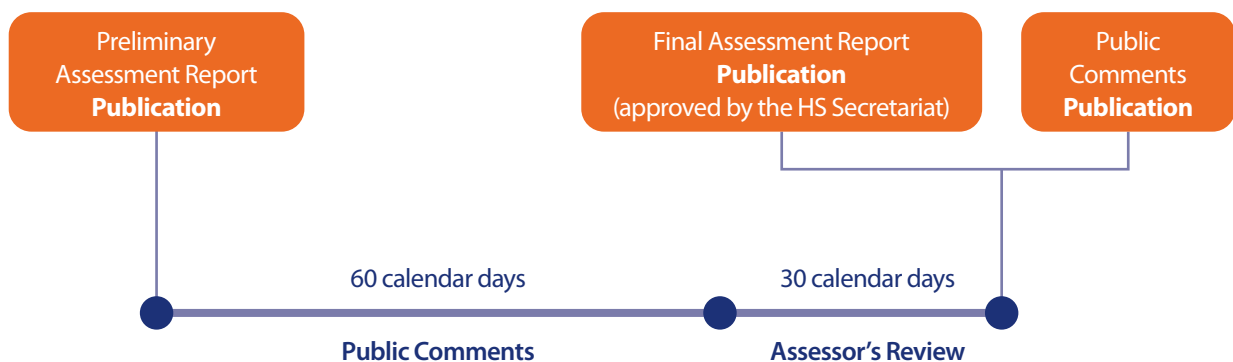
**Please send comments by mail or email to:
Hydropower Sustainability Secretariat**

6th Floor, Suite C, No.1 Canada Square
Canary Wharf, London
E14 5AA, United Kingdom
Email: sustainability@hydropower.org

At the close of the 60-calendar day public comment period, a 30-calendar day period is available for the Accredited Assessor to respond to comments and revise the report in conjunction with the Project Proponent. The Assessor must respond to each comment, and to make a justified determination on whether there is a need to amend any parts of the report.

In the event that the Accredited Assessor identifies the need to amend the report in response to comments, the amended report is published within 30 days on both the Project Proponent’s website, and on the HS website. The Final Assessment Report must include an annex outlining the changes made/not made in response to comments received.

Figure 2 - Assessment publication timeline





Implementation and support

6 Implementing and supporting the assurance system

6.1 Assurance functions of the HS Secretariat

The HS Secretariat carries out a number of processes designed to monitor and support the integrity and credibility of HS Assurance System. These are addressed in the following sections, and include but are not limited to:

- Ensuring procedures and implementing processes for Assessor accreditation, licensing, and renewals, and coordinating and delivering workshops and processes to ensure consistency in approaches;
- Managing records throughout all aspects of the Assurance System, including version control and accessibility to appropriate parties;
- Ensuring appropriate steps are followed during the Project Certification process, in line with the Assurance System;
- Ensuring appropriate management of all relevant fees;
- Maintaining public information on certification status via the HS website; and
- Informing and consulting with the HS Governance Committee, and implementing any decisions related to the HS Assurance System;
- Providing training and support.

Further requirements are described in following main sections, specifically: Commercial Arrangements and Data Confidentiality (Section 7); Complaints, Appeals and Disciplinary Proceedings (Section 8); and Monitoring and Evaluation (Section 10).

The HS Secretariat is responsible for having the appropriate resources to competently carry out its functions.

6.2 Assessor accreditation, licensing and renewals

6.2.1 Accreditation process

The Accreditation process is overseen and managed by the HS Secretariat on behalf of the HS Council. Accreditation is subject to completion of a programme of training (Accredited Assessor training) which has been authorised by the HS Council, the issuance of a licence agreement and ongoing compliance with all the terms of that licence, including adherence to the code of ethics and continuous professional development through participation in focal area workshops and in updates to accreditation training.

As there is a strong reliance on Accredited Assessors' own checks and quality control processes, the HS Secretariat only accredits individuals that:

- Have at least six years of relevant work experience;
- Have appropriate auditing qualification in line with ISO 19011; and
- Completed 40 hours of training in Environmental Management Systems, health and safety or social auditing.

Individuals who meet all eligibility requirements and successfully complete the Accredited Assessor training become Provisionally Accredited Assessors. Provisionally Accredited Assessors are not eligible to conduct Assessments against the HS Standard. For full accreditation, Provisionally Accredited Assessors are required to participate in at least one Assessment and receive a positive appraisal from the Accredited Assessors involved in the Assessments. Once the appraisal is received, the HS Secretariat will update the status of the Assessor and their Licence Agreement. Individual Accredited Assessor performance is monitored over time and any breach to the provisions detailed in the License Agreement may result in a temporary or permanent withdrawal of Accredited Assessor status. Accreditation is valid for 5 years, from the signature of the Licence Agreement.

The three levels of accreditation, including the accreditation process and the requirements to maintain accreditation, are summarised below:

Provisionally Accredited Assessor (PAAs): An assessor that has passed a recognised training course organised by the HS Council but who has yet to fulfil, in a satisfactory manner, the practical training involved with becoming an Accredited Assessor. A Provisionally Accredited Assessor can make contractual arrangements with a client but needs to work with at least one Accredited Assessor. Their eligibility for full accreditation is subject to participating in at least one Assessment at which a positive appraisal is submitted by the Accredited Assessors involved in the Assessments, through an evaluation form to the HS Secretariat for approval.

Accredited Assessor (AAs): An assessor that holds a current accreditation for the use of the HS Standard. To maintain the status of a fully Accredited Assessor, the Assessor should conduct one Assessment per year (each annual period from the date of accreditation).

Accredited Lead Assessor (ALAs): An Accredited Assessor who has demonstrated the requisite skills and experience to conduct Assessments on a range of topics in a range of assessment scenarios. Accredited Lead Assessors make up a reference advisory group to the HS Council for technical queries on Assessments, HS Standard performance requirements and other practical matters. The process for an Accredited Assessor to qualify as an Accredited Lead Assessor includes the following steps:

- The AA has done a minimum of six Assessments against the HS Standard in a team led by an ALA.
- The AA applies to the HS Secretariat to be formally mentored and assessed for the ALA accreditation level. The ALA mentoring and assessment of an AA must be done by an ALA who has held ALA accreditation for more than two years, and who has done at least six Assessments (certification, HESG or HSAP) in the lead role.

- The AA does two ALA-training Assessments and to be recommended by the ALA(s) for awarding of the ALA accreditation level. It is possible to have the same ALA for both training assessments, or separate ALAs on each Assessment (in which case the second ALA must recommend the readiness of the AA, but based on discussion with the first ALA).
- The AA is awarded the ALA accreditation level subject to positive appraisal from the existing body of Accredited Lead Assessors, submitted through an evaluation form to the HS Secretariat for approval.

6.2.2 Loss of accreditation and renewal process

Accredited Assessor status may be suspended or revoked for the following reasons:

- If action or inaction by the Accredited Assessors materially affects the integrity of HS Certification Scheme as set out in the HS Assurance System
- If there is proven or suspected misconduct, particularly where this contravenes the basic principles of the HS Code of Ethics.
- Lack of continuous professional development with regard to the HS Certification Scheme.

To maintain full accreditation, the Assessor should participate in at least one assessment per year. In cases where there is shortfall of Assessment activity, the HS Secretariat will organise periodic workshops to ensure the continuous professional development of HS Accredited Assessor with regard to the HS Certification Scheme, or devise other mechanisms which will provide assurance that competencies are current.

All complaints against Accredited Assessors are recorded in the HS Complaints and Appeals Mechanism and associated disciplinary proceedings described in Section 8.

Where an Accredited Assessor or Accredited Lead Assessor has lost accreditation and wishes to renew accreditation, the Accredited Assessor or Accredited Lead Assessor must complete one further trainee assessment within 18 months of the loss of accreditation, signed off by mentors as satisfactory. In such instances, the accreditation will be restored to the status prior to loss of the accreditation.

Where the loss of accreditation falls outside the time provisions of the paragraph above, any decision to become re-accredited will be subject to the normal processes for accreditation. Nothing in this clause shall prevent the HS Council from refusing to allow an Accredited Assessor or Accredited Lead Assessor to become re-accredited in circumstances where the loss of accreditation relates to material breach of the agreement or actions contrary to the Code of Ethics that resulted in loss of accreditation.

Exceptions to the above processes can be applied for by the AA or ALA to the HS Governance Committee, and would require any alternative process to be approved by the HS Governance Committee.

6.2.3 Observer audits

Accredited Assessors may be subject to impromptu observer audits and reviews by independent peers assigned by the HS Secretariat as part of its assurance system. In addition, as described in Section 10.4, public review and revision process for the Assurance System takes place at least every five years to ensure that integrity and impartiality of the process is not compromised.

The findings of these reviews may prompt the need for refresher training and/or the implementation of other controls designed to maintain the credibility of HS Certification. In some cases, it may result in sanctions and disciplinary proceedings against Projects or Assessors triggered by actions or omissions that affect the integrity of HS Certification. Sanctions include revoking an Assessor's Accreditation status or a Project's Certification, as described in Section 8.

6.2.4 Conflicts of interest

As a third-party certification program, the HS Secretariat does not conduct Assessments; instead, it sets the Assessment procedures that independent Assessors must apply. Although this is regarded as the best way to ensure Assessments are unbiased, it is important to make sure there are no conflicts of interest within the Assessment process.

A conflict of interest arises when a person or entity has separate affiliations or relationships regarding a Project that may consciously or sub-consciously influence knowledge, actions and decisions. Perception of conflict of interest is as important to manage as actual conflict of interest, so that Assessments can carry the utmost credibility. Examples of potential conflicts of interest that may arise with Assessors, and should be avoided, include:

- An Assessor has a monetary relationship (as a contractor or employee) with the Project Proponent or a Company acting as a major contractor, sub-contractor, service provider or supplier to the Project (the Assessor should not be assessing the work of their own Company).
- The Assessor has worked previously on the Project (the Assessor should not be assessing their own work).

In the case where an Accredited Assessor has a potential or actual conflict of interest in participating in an Assessment, the Assessor must inform the Project Proponent, and any other Assessors involved, and the HS Secretariat and Client if they are involved in establishing an Assessment, as soon as they become aware of this conflict of interest, and remove themselves from the Assessment. As part of its risk management system, HS Secretariat has in place a conflict of interest and impartiality management procedure that:

- Ensures that HS Accredited Assessors contracted for an Assessment and the HS Council's Governance Committee making certification decisions complete a declaration stating any potential or existing conflicts of interests including property, financial, work and family ties with project proponent and assessment client. This declaration is updated at least annually and whenever a potential conflict arises.
- When there is a conflict-of-interest risk involving HS Accredited Assessors and Governance Committee members, the respective individuals will not be involved in the related Assessment or Certification decision processes.
- Ensures that Accredited Assessors do not assess the same Project Proponent where they conducted technical assistance activities or having worked or provide any consultancy in the last two years for an operation, one of its subsidiaries or a company of the same parent group.
- Ensures that HS Governance Committee making certificate decisions do not make decisions about the same Project Proponents in which they participated in the assessment or where they conducted technical

assistance activities or provide consultancy or having worked in the last two years for a company, one of its subsidiaries or a company of the same parent group.

- Ensures that an Accredited Assessor does not assess the same Assessment Client for more than two consecutive Assessments (excluding Re-Assessments).
- Ensures that the Code of Ethics is applied by Accredited Assessors. The Code of Ethics and HS Charter prohibits Assessors and HS Governance Committee from accepting any money, gift, gratuity, or item of value from the Project Proponent. The Code of Ethics and Charter needs to have measures to be taken in case of bribery or coercion. When bribery or coercion of an Accredited Assessor or a member of the HS Governance Committee is suspected, it is reported to the HS Secretariat and dealt with appropriately.

6.3 Facilitating the project certification process

Assurance activities of the HS Secretariat relating to steps of the Certification process are outlined below.

Step 1: Assessment

- Confirm the competence of the Assessor and validity of the licence against the Accredited Assessor register;
- Ensure the Accredited Assessor is using the appropriate versions and templates.

Step 2: Publication for comments and finalisation of report

- Review the Preliminary Assessment Report and confirm that the Assessment process and findings are consistent with the instructions to Assessors in the Assurance System and Assessor Manuals;
- Ensure publication of the report, and appropriate processes for local communities, in keeping with the processes for submission of public comment;
- Accept the public comment responses and any updates to the Final Assessment Report.

Step 3: Application

- Confirm receipt of the HS Certification Application form submission
- Confirm the methodology used to determine a Certification status for the project.

Step 4: Certification

- Upon confirmation that all process steps have been adhered to, notify the HS Council, through its elected Governance Committee, of the intention to certify the project;
- Document the Certification scope and relevant details about the Project, the date Certification becomes effective and expires, and when re-assessment is due, and the HS Standard (including issue number and/or revision) used as the criteria for the Assessment;
- If no concerns are raised by the Governance Committee upon their consideration of the notification, then issue formal documentation and information to the Project, including a unique Certification number and adherence to the claims policy.
- If concerns are raised, organise responses as guided by the Governance Committee chair (e.g. discussions with the ALA), and issue formal documentation as above once the concerns have been addressed;
- Record the Project's Certification status on the HS website including the Project's final Assessment report.

The HS Secretariat may initiate additional assurance activities as indicated are required in any given Certification process based on comments or concerns raised. Discussions with the ALA, observer audits and/or peer reviews are examples of mechanisms that the HS Secretariat can activate as part of the HS Certification process.

6.4 Records management

All HS Certification Scheme documents are dated and given a unique version number. Previous versions of documents are maintained on the HS Secretariat database and can be made available upon request.

The HS Secretariat provides standardised processes and terminology to Project Proponents and Accredited Assessors for carrying out Assessments. These processes and references documents are provided and documented through the HS website and internal communication platforms for confidential items.

HS Secretariat will maintain records of the following:

- Assessment reports and Certification documents for all projects, including projects that submitted applications and projects with suspended or withdrawn certification.

- Certification decisions.
- Applications for Accredited Assessors, licence agreements, CVs, evaluation forms and supporting information of the competence of assessors.
- Translations of technical and governance documents.
- Complaints and appeals, and any subsequent correction or corrective actions.
- HS Council and Governance Committee meeting minutes and decisions.

Records and documents are maintained for minimum 10 years.

6.5 Public information management

Each HS Certification or Re-Certification has a different Certification number to enable tracking of successive Certification status. The history of all HS Assessments and Certification numbers for each Project is maintained on the HS website.

Key HS governance documents are reviewed periodically and the latest versions are made publicly available on the HS website. They provide additional supporting information to assist with implementing the HS Assurance System to ensure credible and reliable assurance of the HS Certification Scheme. These include:

- HS Council Charter
- HS Chamber Modus Operandi
- HS Standard Terms and Conditions of Use
- HS Accredited Assessor Licence Agreement
- HS Accredited Assessor Code of Ethics

General records and confidential data management are described in Section 6.6 and Section 7, respectively.

6.6 Fees management

Fees are published on the HS website for transparency and accountability. As uptake of the HS Certification Scheme is dependent on the affordability of the Assessment and Certification processes, fees are subject to periodic review to ensure they are up to date with market rates.

The cost of HS Certification to a Project Proponent, and the portions that go to the HS Secretariat as fees, comprise:

- **Assessment cost:** The cost of an Assessment will be greatly influenced by the complexity, size and location of the project. 10% of the Assessment cost (professional fees of Assessors, only, excluding travel and expenses) will be the Assessment Fee attributed to the HS Secretariat for management and administration.
- **Re-Assessment cost:** The exact cost of a Re-Assessment depends on the number and complexity of changes to the project. 10% of the Re-Assessment cost (professional fees of Assessors, only, excluding travel and expenses) will be the Re-Assessment Fee attributed to the HS Secretariat for management and administration.
- **Application cost:** The cost of application, i.e. the Application Fee, is fixed at £2,500 per application.
- **Certification cost:** The cost of certification, i.e. the Certification Fee, is fixed at £7,500 per certification.
- **Re-Certification cost:** The cost of Re-Certification, i.e. the Re-Certification Fee, is fixed at £5,000 per re-certification. The Re-Certification cost does not include the cost of the new Assessment required as part of the Re-Certification process.

6.7 Training and support

The HS Secretariat facilitates web-based delivery of information resources and training to all relevant stakeholders, including Project Proponents and Accredited Assessors. Additional face-to-face information sessions and workshops may also be organised to provide guidance on the HS Certification Scheme.

The HS Secretariat works to develop best practice case studies and other forms of peer support. These may be supported by the HS Council and/or other organisations, and may include workshops, seminars, emailed briefs, technical support and additional online resources.

Commercial arrangements

7 Commercial arrangements and data confidentiality

An Accredited Assessor's legal relationship is with the Project Proponent or the Assessment client (in cases where the client and Project Proponent are different entities), not with the HS Secretariat. As an Assessment is a commercial arrangement, time should be allowed to agree and finalise the service agreement. Assessors may have access to confidential or commercially sensitive information during the course of their desktop and site inspection. Confidentiality agreements are common practice for third party verification and auditing.

It is at the Project Proponent's discretion whether to require that their chosen Accredited Assessor enter into confidentiality agreements to prevent disclosure of such information to third parties.

The confidentiality of Project Proponent's commercially sensitive information is a core commitment for the HS Secretariat. Key points about how the HS Secretariat maintains data and information confidentiality are summarised below:

- The HS Secretariat will access information about Project Proponents and their Projects provided in the Assessment reports, Application submission and any investigations required under the HS Appeals Mechanism for the purposes of Certification.
- Any commercially sensitive information will be kept strictly confidential within the HS Secretariat. HS staff and consultants sign confidentiality agreements as part of their contracts.
- The identity of vulnerable stakeholders can be treated confidentially (even vis-a-vis the Proponent and/or government) upon their request.
- All information will be maintained securely and will not be exchanged or disseminated to any third party except for the information which is published on the HS website, and aggregate and non-identifying information for the purposes of HS impacts reporting.



Complaints proceedings

8 Complaints, appeals and disciplinary proceedings

8.1. Complaints and appeals mechanism

HS aims to ensure the fair, timely and objective resolution of complaints and appeals relating to HS Certification.

In situations where the HS Secretariat becomes aware of a complaint against an Accredited Assessor or an appeal against an Assessment finding in relation to the HS Certification, a two-step approach is implemented; first whether to accept the complaint or the request for appeal, and second its actual adjudication of the appeal. The two-step approach ensures that parties raising informal complaints are given the opportunity to submit these formally, and prevents risk of abuse when it comes to potentially frivolous complaints or appeals.

The mechanism for complaints and appeals specifies the following process:

1. Upon confirmation of a party raising a formal complaint or request for appeal, the HS Secretariat compiles a record of the complaint, and requests that the Accredited Assessor responsible for the Assessment concerned provide a written explanation of the events and evidence relevant to the complaint.
2. Both documents are then sent by the HS Secretariat to a duly convened sub-committee of the HS Governance Committee, who decide whether to accept the request to appeal.
3. If the request to appeal is accepted, the sub-committee is tasked with reviewing the final Assessment report in relation to the points of disagreement raised by the appellant, and with deciding whether a transgression of the Code of Ethics has occurred, and if so, the appropriate sanction.
4. In making this decision, the sub-committee has the right to request further documentation or evidence and/or bring in an independent Accredited Lead Assessor (ALA), who was not involved in any way with the Assessment, to provide their own independent review and advice to the HS Secretariat and HS Governance Committee. Costs will need to be identified and agreed with the Project Proponent, HS Secretariat and ALA. ALA access to information would be under an appropriate confidentiality agreement with the HS Secretariat. The Project Proponent needs to be a willing participant in this process, and has the right to provide specific evidence to the sub-committee and independent ALA under confidentiality agreements.
5. The sub-committee will respond to the complaint or appeal within four weeks, unless the above circumstance of additional independent advice is activated.
6. If the decision of the sub-committee results in a change to the Assessment findings, the final Assessment report will be updated and republished on the HS website. The HS Certification status will be updated accordingly should the change in Assessment findings lead to a change of Certification rating.
7. If the sub-committee decides that there has been a transgression of the Code of Ethics by the Accredited Assessor, it will have the option either to terminate the Licence Agreement or impose a suspended sanction at its discretion for any period up to two years, provided that should an Accredited Assessor be found to have again breached the Code of Ethics while still under a suspended sanction, the Licence Agreement will be automatically terminated by the HS Council upon written notice to the Licensee.
8. All decisions of the sub-committee are final and with immediate effect.

Appeals can only be made within the first 12 months of Certification, after which the appeal is considered invalid and is not processed. Appeals are open to all stakeholders (project affected people, local environmental groups, basin organisations and regulators) even if the appellant did not submit comments.

As described in Section 5, Project Proponents are required to identify the methodology they will use to ensure comment can be obtained from project-affected communities who would not be able to engage effectively with the website-based public comment mechanism, and this needs to be approved by the HS Secretariat. Appeals made by project-affected communities, through the selected methodology, are addressed by the HS Complaints and Appeals Mechanism.

8.2 Disciplinary proceedings

If the Accredited Assessor is found to have breached the Code of Ethics, they will have the right to appeal the decision. Any decision to appeal must be communicated to the HS Secretariat in writing within seven days of the decision against which the appeal is to be noted.

On receipt of the notice to appeal, the HS Secretariat will request that the Chair of the HS Governance Committee convene an extraordinary meeting of the Committee. The members of the original sub-committee will not participate in the meeting, but will have put forward reasons, at least two weeks before the date of the meeting, for the decision given.

Once the date for this meeting is decided, the HS Secretariat will communicate this to the appellant, who will have the right to appear either in person or via electronic means.

The HS Secretariat will speak on behalf of the sub-committee and complainant, and the Accredited Assessor will be given the opportunity to present argument. No new evidence will be considered at the appeal meeting, with argument only on the validity of the decision of the original sub-committee, based on the evidence then at hand. The HS Council may opt to either consider the arguments or deliver a decision immediately. In any event, a decision will be made and communicated within two weeks of the meeting. No further recourse or appeal is available.

8.3 Complaints against HS Secretariat

Complaints against HS Secretariat are recorded and addressed in the HS grievance management process that aims to provide:

- A clear focal point for grievances raised by Project Proponents, HS Council members or Accredited Assessors;
- A transparent and impartial process and mediation to address grievances, with respect for sensitive information;
- A credible, efficient and solution-oriented arbitration.

The grievance management process is open only to members of the HS Council, Project Proponents and Accredited Assessors. Should a member have a grievance related to HS Secretariat's activities, this can be raised and managed through the HS grievance management process. For this process to apply, the grievance must be about adherence to the HS Certification Scheme standard-setting documents, rules, policies, and procedures directly related to the HS Secretariat. The grievance cannot be about contractual obligations between the Accredited Assessor and Project Proponent that go beyond policies and procedures of the HS Certification Scheme. Also, no claims for direct financial compensation from the HS Secretariat are accepted.

Grievances should be addressed at the most direct level possible. Only if resolution fails at that level, should the next level be engaged. A grievance should be submitted to HS Governance Committee Chair and include name and contact details, description of the grievance, supporting evidence (optional), description of steps already taken to resolve the grievance at an informal or direct level.

The HS Governance Committee Chair will inform the submitter within 10 working days after receipt of the grievance if the grievance is found eligible, as advised by the HS Governance Committee. In that case, the HS

Governance Committee will appoint a grievance manager to handle the grievance in accordance with this procedure. The grievance manager has appropriate contextual knowledge to handle the case, and is, as much as possible, impartial, and free of any conflict of interest in relation to the grievance and the parties involved. If the complexity of the case so requires, the HS Governance Committee may appoint a committee of up to three persons, including one grievance manager, to handle the grievance.

Within 10 working days after informing the submitter that the grievance is found eligible, the HS Governance Committee Chair will inform the submitter in writing of the name and contact details of the grievance manager and the process for handling the grievance. Following receipt of any evidence, the grievance manager may request additional information from either party to develop a full picture of the situation. Any party requested to provide

further information will be given 10 days to submit this to the grievance manager.

Within 30 days following the deadline for receipt of information, the grievance manager will inform both parties of the situation and the proposed resolution. Where an informal resolution is deemed possible, the grievance manager will contact both parties to attempt to resolve the issue by mutual accord (if applicable). Where this is not possible, the grievance manager will take a decision and inform both parties by email of the decision, including the reasons for the decision and, if applicable, any follow up measures to be taken. The grievance manager reserves the right to extend the period for taking a decision, if the complexity of the case, or other specific reasons so require.

Either party may appeal the decision by submitting an appeal within 30 days after the notification of the decision.

An abstract graphic design featuring a large purple circle on the left side, partially overlapping a yellow circle. The background is a gradient of yellow and purple. The text 'Communications and claims' is written in white, bold, sans-serif font, oriented vertically on the right side of the image.

Communications and claims

9 Communications and claims

Certification against the HS Standard enables Project Proponents to communicate and make claims about the Certification status of their Projects. Claims can only be made during the period of Certification status has been awarded. Importantly, no claim can be made about a certification status prior to it being formally awarded to the project by the HS Council.

Projects being assessed as part of the process of seeking certification are able to communicate that they are in an assessment process, but this should in no way imply that Certification is pending. A project that has been assessed and does not meet the minimum requirements for HS Certification will be noted as “Seeking Certification” on the HS website for a period of 12 months. Projects listed as “Seeking Certification” are not able to make any claims until they have achieved “Certified” status. More information on “Seeking Certification” is provided in Section 3.4.

Any claim must refer to the project life cycle stage (i.e. Preparation, Implementation and Operation). As Certification applies to the Project and not the Project Proponent, any claim must specifically refer to the project. Any use of the Certification label or HS logo must be explicitly linked to the project. For example, a Project Proponent may not use the Certification label or HS logo on their main website or general communications, but may include them on the webpage dedicated to the certified Project or project-specific communications.

The following table sets out the rules and supporting guidance for the types of claims that can be made regarding HS Certification. Project Proponents should refer to this table when making HS-related claims. It is publicly available to assist other stakeholders in their understanding of HS-related claims. Any modifications to the below claims would require approval from the HS Secretariat.

Certification status	Allowed claims
Certified	<p>[Project Name] is HS Certified for the [Life Cycle Stage].</p> <p>[Project Name] has been independently assessed and certified against the HS Standard for the [Life Cycle Stage].</p> <p>[Project Proponent] has had their commitment to sustainability recognised by [Project Name] being awarded certification against the HS Standard for the [Life Cycle Stage].</p>
Certified – Silver	<p>[Project Name] is HS Certified – Silver for the [Life Cycle Stage].</p> <p>[Project Name] has been independently assessed and certified against the HS Standard for the [Life Cycle Stage].</p> <p>[Project Proponent] has shown their commitment to sustainability recognised by [Project Name] being awarded certification against the HS Standard for the [Life Cycle Stage].</p>
Certified – Gold	<p>[Project Name] is HS Certified – Gold for the [Life Cycle Stage].</p> <p>[Project Name] has been independently assessed and certified against the HS Standard for the [Life Cycle Stage].</p> <p>[Project Proponent] has had their commitment to sustainability recognised by [Project Name] being awarded certification against the HS Standard for the [Life Cycle Stage].</p>

Monitoring and evaluation

10 Monitoring and evaluation

10.1 Measuring impacts

Continuous monitoring of the HS Standard and Assurance System is essential to make sure the HS Certification scheme is achieving its desired impacts. Impacts are long-term changes in the key sustainability areas that the HS Certification scheme aims to address. Measuring against these impacts helps to understand and demonstrate whether the HS Certification scheme is driving the change it sets out to – a world where sustainable hydropower is the norm.

The four key impact areas of the HS Certification scheme are listed below, as well as the outcomes per impact area:

Resilient Infrastructure

- Projects demonstrate their ability to respond to the effects of climate change
- Projects take into account regional water needs and availability
- Projects contribute to wider adaptation strategies and flexible grid operations
- Projects protect communities and the environment from the consequences of dam failure and other infrastructure safety risks

Prosperous Communities

- Projects engage in good faith with affected communities
- Projects respect the dignity and human rights of affected communities
- Projects improve the livelihoods and living standards of affected communities
- Projects share their benefits with affected communities

Healthy Ecosystems

- Projects protect forests, rivers and other critical habitats from degradation
- Projects support biodiversity conservation and preservation
- Projects maintain local ecosystem services and values
- Projects manage impacts to ecosystems, such as erosion and sedimentation, responsibly

Good Governance

- Projects are governed by sound corporate business structures
- Projects implement ethical and transparent policies and practices
- Projects treat their workers fairly and respectfully
- Projects contribute to wider development strategies and national planning

10.2 Monitoring and Evaluation System

The HS Monitoring and Evaluation System allows the HS Secretariat to assess the impact of the HS Certification scheme over time. It seeks to measure short and medium-term changes in order to understand how these can contribute to long-term impacts, and ultimately identify ways how the HS Certification scheme can be improved to achieve its vision.

The Monitoring and Evaluation System uses the HS Theory of Change as its guiding framework to monitor and evaluate short- and long-term outcomes and impacts of the HS Certification Scheme. The Monitoring and Evaluation System will also assess the take up and use of the HS Standard and the effectiveness of the Assurance System (e.g. use of the appeals mechanism, feedback from

public comment period, etc.). It will include monitoring of the effectiveness of the HS Secretariat, including periodic audits and quarterly reporting on Secretariat KPIs to the HS Council.

10.3 Reporting

The HS Secretariat is responsible for reviewing the Theory of Change and implementing the M&E System. At the end of every annual cycle, the HS Secretariat develops an Impact report that evaluates the success of Standard-related activities against its intended impacts, as described in the HS Theory of Change.

Key Performance Indicators (KPIs) will be developed based on the Strategies, Activities and Outputs of the Theory of Change and will enable the HS Secretariat to understand and demonstrate the changes driven by the HS Certification scheme, and how they can be improved over time. The annual Impact report is submitted to the HS Council for review and ultimately made publicly available on the HS website. Public reporting is key to ensure accountability and transparency in the HS Certification scheme.

10.4 Review processes

The public review and revision process for the HS Standard takes place at least every five years. The HS Assurance System and associated administrative processes are updated from time-to-time based on the needs identified by consultation with the HS Secretariat.

Where a revision is warranted, the HS Secretariat prepares the draft revisions and coordinates the revision process. The HS Governance Committee, a permanent multi-stakeholder governance body, is responsible for monitoring the revision process, signing off on drafts and approving the revised versions in consultation with the wider HS Council.

The HS Council welcomes comments on the HS Assurance System at any time. Comments are documented and collated by the HS Secretariat, and will be incorporated into the next review process. Please submit comments by mail or email to the address below.

Hydropower Sustainability Secretariat
6th Floor, Suite C, No.1 Canada Square
Canary Wharf, London
E14 5AA, United Kingdom
Email: sustainability@hydropower.org



Hydropower Sustainability