

Voluntary approach will not resolve dam conflicts

A Critique of the International Hydropower Association's New Assessment Protocol

Prepared by International Rivers, endorsed by 54 NGO's among which BankTrack

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Summary

The International Hydropower Association, a lobby group of the dam industry, recently published the recommended final draft [Hydropower Sustainability Assessment Protocol \(IHA Protocol\)](#). The authors call the new Protocol a "sustainability assessment framework" which has "the potential to make a substantial contribution to advancing sustainability in the hydropower sector". Yet the document risks weakening existing social and environmental standards in the dams sector, and allows the hydropower industry - an interested party - to define which projects are considered sustainable.

The IHA Protocol is a pure assessment tool. Measuring the respect for rights and standards is not the same as respecting them. The Protocol does not define any minimal requirements of sustainability or a bottomline of acceptability for hydropower projects. It does not even require respect for human rights, international conventions and national laws. The Protocol's authors claim that the document's level 3 score "describes basic good practice on a particular sustainability topic [which] projects in all contexts should be working toward". Yet this score, and the Protocol overall, falls behind relevant social and environmental standards which international organizations have adopted and governments have committed to.

The IHA Protocol was prepared in an exclusive process, without the participation of dam-affected people and Southern NGOs. The use of the Protocol is being controlled by the International Hydropower Association. By hiring their own consultants and preparing their work program, individual dam developers will have much influence over the assessment of specific projects. The process by which the Protocol was prepared and is being used is in stark contradiction to the principles of participation and accountability which were espoused by the [World Commission on Dams \(WCD\)](#).

The IHA Protocol has been published for endorsement, but has so far not been endorsed by any member institutions of the Forum which prepared it. Civil society organizations call on governments, international organizations, civil society groups and other institutions not to endorse or otherwise support a document which risks weakening existing social and environmental standards and concentrates control over the definition of sustainability in the hands of the hydropower industry.

Lack of independence

The IHA Protocol was prepared by a Hydropower Sustainability Assessment Forum (HSAF), which included 14 hand-picked representatives of the dam industry, governments, financiers, and large NGOs. Southern NGOs and affected people were not invited to participate in the HSAF process, and were not consulted in a meaningful way. The Forum's official goal was to develop a "broadly endorsed sustainability assessment tool to measure and guide performance in the hydropower sector". Halfway through the process, this goal was redefined as developing a sustainability assessment tool based on the IHA's existing sustainability guidelines.

The IHA claims that the new Protocol will allow an objective assessment of hydropower projects. Yet the document's language is often subjective and vague. The Protocol defines "objective evidence" as "qualitative or quantitative information, records or statements of fact, either verbal or documented", including "personal observation" by a project's assessor.

The Protocol does not require that projects be assessed by independent auditors (or "assessors"). Assessors will need to be licensed by the IHA, will be selected and paid by the project developer, and will often hail from other hydropower companies. Project representatives will arrange the program of assessors, including their interviews with third parties, and will select interpreters. Project representatives have to be notified in advance about any independent research that assessors intend to do, and have the right to respond to any issues raised by affected people and third parties. In contrast, there is no requirement that affected people are consulted as part of an assessment.

Even though the Protocol was prepared by the Forum, the IHA asserted its control over it at the end of the process over considerable opposition from other Forum members. The use of the Protocol, including the public assessment of projects, requires a license from IHA, and the document may not be reproduced, stored or transmitted without the written permission of IHA. Consequently, affected communities will not be allowed to counter the greenwashing of a project by an industry consultant with their own assessment. A privately owned and controlled document is not an appropriate tool of public policy.

Weak language

The IHA Protocol is divided into four sections to coincide with different phases of the project cycle: (1) Early Stage, (2) Preparation, (3) Implementation and (4) Operation. The document scores projects from 1 to 5. It defines a 3 score as "basic good practice", and a 5 score as "proven best practice". Brief scoring statements "guide" assessors on how to allocate scores. Additional language - the "assessment guidance" - "assists" assessors in this task. This approach leaves a lot of room for interpretation to the assessors, who will be selected and paid by the project developers.

The language in the scoring statements tends to be weak, vague, and general. To be considered "basic good practice" (3 score), projects have to jump through a series of bureaucratic hoops, but have to fulfil few substantive requirements. The language for the 3 score regarding the outcome of downstream flow regimes at the preparation stage for example simply stipulates that "plans for downstream flows take into account environmental, social and economic objectives, and where relevant, agreed transboundary objectives".

The scoring language for the highest score regarding indigenous peoples at the project preparation stage does stipulate that "consent has been sought and gained by directly affected indigenous groups for the project". This is positive, although the language is weaker for the basic good practice score. Many stipulations for project preparation can be circumvented if a developer assesses a project at the implementation or operation rather than the preparation stage.

The IHA Protocol undermines existing standards and obligations in a number of areas:

- The strategic priorities of the World Commission on Dams (which all major interest groups have endorsed) call for a comprehensive and participatory assessment of needs and available options to identify the best water or energy solution. The options assessment process addresses "the full range of policy, institutional and technical options", and gives social and environmental aspects

the same weight as economic interests. The IHA Protocol does not include any such stipulations even for its highest score.

- Many governments and financial institutions, including the Asian Development Bank and the banks endorsing the Equator Principles, require that the cumulative environmental impacts of projects be evaluated. The IHA Protocol only stipulates that cumulative impacts be "scoped".
- Most multilateral development banks prioritize land-for-land compensation for displaced communities over simple cash compensation. The IHA Protocol simply states in its Assessment Guidance that "strong consideration may be given to land-for-land compensation". The International Network on Displacement and Resettlement - a network of the world's leading resettlement specialists - has strongly condemned the inconsistency of the Protocol with the existing resettlement policies of international organizations and national laws.

The IHA Protocol is 177 pages long. Yet it largely ignores important topics such as the human rights impacts of dams, issues arising regarding transboundary rivers, greenhouse gas emissions from reservoirs, and the risk that dams may trigger earthquakes.

Conclusion

The IHA Protocol is a voluntary scorecard for dam builders that allows the hydropower industry to control the assessment of its own projects without any mandatory bottom-lines. It could easily be used to legitimize unsustainable and irresponsible practices in the dam industry, against which local communities continue to struggle.

Environmental standards and the rights of dam-affected communities have been successively strengthened by the UN, many governments, international banks and the WCD during the past decade. In contrast, the IHA Protocol represents a major step backward from existing social, human rights and environmental standards and is likely to be used by industry and others to greenwash destructive dams.

The use of the new Protocol is being tightly controlled by the International Hydropower Association, a private interest group whose members have a stake in a positive outcome of assessments. Public use of the document is not possible without a license from IHA. A copyrighted document of a private interest group is not an acceptable tool of public policy.

While IHA admits that the new Protocol is an assessment tool and not a new standard, it nevertheless aims to replace existing standards with this voluntary tool. The industry lobby is already urging the European Union to assess hydropower projects which aim to sell carbon credits to the European market by the IHA Protocol, rather than to require that they comply with the WCD framework.

After the recent experience with deregulation, civil society groups working with dam-affected communities will not accept an approach that aims to replace binding standards with voluntary industry commitments to "good practice". So far, none of the HSAF members have endorsed the Protocol. We call on all governments, international organizations, civil society groups and other institutions not to endorse or otherwise support the IHA Protocol.

This critique has so far been endorsed by 54 organizations, international networks, and independent experts. The full list of endorsements is available at www.internationalrivers.org/en/node/5905.

The new Protocol is available at <http://tiny.cc/hgkzq>.