

HYDROPOWER DEVELOPERS' WORKING GROUP PAKISTAN

The following brief outlines the key objectives, structures, roles, responsibilities, and approaches of the Hydropower Developers' Working Group (HDWG) in Pakistan. The HDWG provides a space for the private sector to share learning, network and improve the hydropower and broader renewable energy sector in a sustainable manner. The focus area of the HDWG is primarily the Jhelum-Poonch River basin.

1. Background of the HDWG

- 2013** In December 2013, IFC launched the Hydropower Developers' Working Group in Lao PDR with the Lao National Chamber of Commerce and Industry. The HDWG in Lao PDR is working to solve a number of policy issues in the sector and is currently registering as a Lao Hydropower Association.
- 2015** IFC's Hydro Advisory program began working in Myanmar to provide technical support to the government to improve the environmental and social standards of the hydropower sector. A trilateral agreement was signed in September 2015.
- A Hydropower Developers' Working Group in Myanmar was launched in August 2016 and is currently registering as the Myanmar Hydropower Association.
- 2016** IFC's Hydro Advisory program started working in Pakistan to provide environmental and social support to hydropower developers in the Jhelum-Poonch River basin and create a platform for exchange among hydropower developers and training.
- 2017** HDWG Pakistan formed a five member Executive Committee to lead the group.

2. Objectives of the Hydropower Developers' Working Group

- Goal** The overarching goal of the group is to contribute to the sustainability of the hydropower sector in Pakistan. Specifically, the Hydropower Developers' Working Group aims to:
- 1** Improve environmental and social risk management practices among hydropower companies.
 - 2** Provide a platform for hydropower developers where companies can comment on policies, share knowledge, and improve their management.
 - 3** Provide a platform to raise sector-wide issues to the Government of Pakistan.

3. Organization, Structure, Role, and Responsibilities

About

The HDWG is initially set up as a working group of hydropower companies (domestic and foreign owned) operating in Pakistan. It is independently operated with technical and financial support from the International Financial Corporation (IFC). Overtime, the HDWG may decide to register as an official association.

Role of the Executive Committee

The role of the Executive Committee (ExCom) is to lead the Working Group by overseeing operations and representing the group at local/international meetings. The ExCom should select a Chair (or President). Responsibilities of the Excom include:

- Chair Business Meetings (President)
- Lead and oversee HDWG
- Lead sub-committees on specific topics or delegate responsibility to other members
- Engage in identification of HDWG schedule of activities including Business Meetings and Seminars in consultation with the other Chairs, Members and IFC
- Approve the selection of other positions
- Coordinate and cooperate with regional and international hydropower associations and other organizations
- Mobilize members and other resources for supporting the operation and implementation of the HDWG activities
- Other activities as agreed by members

The initial ExCom will be formed by volunteers from leading companies with interest in the HDWG. After one year, at the annual HDWG Member Forum, a new ExCom can be voted on by the members. The term of the ExCom is a minimum of two years.

Role of Members

The main responsibility of the members is to actively participate and contribute to business meetings, including identifying sector issues, the role of the HDWG, seminar topics, and the recruitment of new members.

Role of IFC

The role of IFC is to provide technical and financial support via staff, actively engage in coordination with the HDWG Chairs, facilitate business meetings as needed, and liaise with government officials.

4. Operating Principles

- 1 Maintain a high level of independence.
- 2 Enable all private sector hydropower developers, both domestic and foreign, to join.
- 3 Employ an open, transparent process that respects individuals and groups' perspective and contribution.
- 4 Consider the views expressed by the HDWG are not necessarily those of individuals or companies.

5. Indicative Activities

- 1 Identify key issues facing the hydropower sector in Pakistan and determine work plan to address issues.
- 2 Represent the sector-wide issues to relevant government agencies and determine solutions.
- 3 Engage in government-led or other dialogues and consultations on policies formulated in Pakistan to help improve regulations and ensure they are realistic and implementable.
- 4 Share, update and disseminate current development outlooks, market trends, good practices, good development outcomes/impact, and others.
- 5 Build capacity of the private sector through business seminars. Topics could include:
 - EPC contractor and performance standards
 - Environmental and social risk management
 - Pakistan government policies and regulations (e.g. information disclosure, public involvement, EIA procedures, energy strategies, etc)
 - Technical design guidelines
 - Financing mechanisms
 - Dam safety
 - IFC Performance Standards and other assessment tools
- 6 Convene a platform for engagement among private sector and other actors as deemed necessary (e.g. with consulting firms, CSOs, or research institutions).

6. Membership Conditions, Application, Selection and Management

All domestic and international hydropower companies who are operating in Pakistan are welcome to become members. The topics discussed will primarily focus on the Jhelum-Poonch River basin, but in future may expand to all of Pakistan.

A registration form will be provided and members are expected to follow the Terms of Reference and operational guidelines of the HDWG. Membership fees may be charged at the discretion of the ExCom.

Consultant firms (legal, technical and E&S) will be invited on a case-by-case basis to join specific meetings. The group will maintain a list of consultant firms.

7. Benefits of Joining the Hydropower Developers' Working Group

- ✓ Your business operations will be enhanced
- ✓ Your risks will be better understood
- ✓ Your network will be expanded
- ✓ Your capacity on environmental and social standards will be improved
- ✓ Your voice will be heard
- ✓ Your access to information will increase
- ✓ Your influence will be greater collectively