

# Solar Stewardship Initiative Governance: Terms of Reference



## INTRODUCTION

SolarPower Europe (SPE) and Solar Energy UK (SEUK) have decided to develop the Solar Stewardship Initiative (SSI), which, through a stepwise approach, will become a fully functional multi-stakeholder initiative by 2025. This document summarises the plans for the governance structure of the SSI from now up until 2025.

### Transitioning from the SSI project governance to SSI governance

In the past years, the highest decision-making bodies of the SSI project have been the Boards of SPE and SEUK.

Recommendations about the direction and programme design of the SSI have been provided by an industry-led group, the Sponsors Group and Coordinating Working Group.

Between Q4 2023 and Q1 2024, the “SSI project” will transition towards a proper “SSI governance” and work towards setting up:

- An **SSI Board**
- An **SSI Stakeholder Advisory Group (SAG)** and
- Various **SSI working groups and committees**.

Table 1: Current governance structure and changes from 2024

| Current body   | Role until end 2023  | From 2024  |
|--|--|--|
| SPE Board & SEUK Board   | Decision making on the vision, mission and strategic aspects of the SSI.             | The SSI Board will become the main decision making body of the SSI.  |
| SSI Sponsors Group   | Review, discuss and recommend operational and strategic decisions on the SSI system. | From 2024 onwards the Sponsors Group will be dissolved and replaced by various SSI working groups and committees. SSI Sponsors that wish to keep engaging will become SSI Members. |
| Coordination Group (SPE + SEUK Secretariats + chairs of respective workstreams + external consultants) | Preparatory work (meetings, agendas, presentations, documents etc.)                  | The Coordination Group will be dissolved and some of its responsibilities will be taken over by the SSI Board as and when it become fully operational (expected in Q1 of 2024).    |
| SSI Secretariat (SPE and TDi Sustainability)   | Day-to-day management and implementation.  | SPE appointed Head of Secretariat and TDi Sustainability.  |

## SSI GOVERNANCE FROM 2024

### Board

The **SSI Board** will be the main decision approving body of the SSI. Its members will be elected for a term of two (2) years in accordance with the Board Charter. Its role will be to take decisions about the direction of the SSI also taking into account SAG recommendations. Each member of the SSI Board shall have one (1) vote and the SSI Board's decisions will be taken with simple majority (50%+1). In the case of a tie, the Chair or acting Chair can cast the deciding vote. Quorum is achieved when at least 50% of the Board members are in attendance. The composition of the Board should be gender balanced.

More specifically the SSI Board will be responsible for:

- Defining a high-level strategy for the SSI and empowering the SSI Secretariat to take decisions to translate the strategy into concrete actions.
- Approving the detailed SSI statutes and bylaws in 2024.
- Approving the SSI Board annual report, budgets and accounts.
- Approving the SSI governance, statutes, membership fees.
- Approving the SSI Board Charter.
- Approving decisions on awarding certifications and authorising SSI claims.
- Overseeing the complaints and appeal mechanism and ensuring final resolution.
- Approving SSI standards based on input by SSI committees and working groups.



- Approving appointment of SAG members.
- Approving SSI committees, working groups and task forces.
- Approving the dissolution of SSI.

The SSI budget is consulted with and approved with SolarPower Europe as long as the SSI is not incorporated as a separate legal entity. Any surplus should be in reserve.

Initially, the SSI Board will be composed of eight (8) industry representatives as shown in the table below. During this period, non-industry stakeholders will be engaged through the SAG. Before the end of 2025, the SSI Board will be enlarged and become a multi-stakeholder Board, to include representatives of other stakeholders, such as civil society, academia, think tanks, public institutions, banks.

Table 2: Composition of the SSI Board from Q1 2024.

| Type              | Number  |
|-------------------|---|
| Associations      | <ul style="list-style-type: none"> <li>→ 1 representative from SPE</li> <li>→ 1 representative from SEUK</li> </ul>   |
| Manufacturers     | <ul style="list-style-type: none"> <li>→ 3 representatives (2 From China, 1 from Europe)</li> </ul>   |
| Buyers/Developers | <ul style="list-style-type: none"> <li>→ 3 representatives</li> </ul>   |
| Observers         | <ul style="list-style-type: none"> <li>→ SSI Secretariat (SPE appointed Head of Secretariat and TDi Sustainability.)</li> <li>→ Representatives of the SSI SAG (upon invitation by the SSI Board.)</li> </ul> |

The first Chair for the term 2024-2025 shall be a representative of SolarPower Europe, and the first Vice-Chair for the term 2024-2025 shall be a representative of SEUK. The first members of the SSI Board will be appointed by SolarPower Europe and SEUK from the companies that have joined the SSI by November 2023 based on the following criteria:

- Balanced representation of company types.
- Balanced geographical representation.
- Relevance of expertise of candidates.
- Gender balance

The subsequent Chairs, Vice-Chair and members of the SSI Board will be elected based on the Board Charter (to be finalised by the first SSI Board).

The Chair of the SSI Board shall be responsible for:

- Providing leadership and direction to the SSI and the SSI Board.
- Ensuring that the SSI's work is in line with these terms of reference and the SSI's broader mission, vision and legal obligations.
- Providing guidance to the SSI Secretariat and the SSI Head of Secretariat.
- Together with the SSI Secretariat, drafting the agenda for each SSI Board meeting,
- Chairing the Board meetings.
- Representing the SSI externally, when necessary and when the SSI Head of Secretariat is not available.

The Vice-Chair shall replace the Chair in the meetings of the SSI Board in case the Chair is unavailable.

### Stakeholder Advisory Group (SAG)

The **Stakeholder Advisory Group (SAG)** will represent the stakeholder perspective of the solar industry and will be made up of non-governmental organisations (NGOs), experts and representatives from all sectors of the solar value chain, active in mainland Europe, UK, China and other international regions, with at least one member included in each of these categories.

The role of the SAG will be to advise the SSI Board by providing recommendations on the implementation of the SSI’s vision and mission. Each member of the SAG shall have one (1) vote and the SAG’s decisions are taken with simple majority (50%+1). In the case of a tie, the Chair or acting Chair can cast the deciding vote. Quorum is achieved when at least 50% of the Board members are in attendance. Members of the SSI SAG can also provide further clarifications to the SSI Board individually.

Its objectives will be to:

- Provide guidance on the direction and mission of the SSI.
- Provide input to the SSI standards.
- Provide input to the SSI assurance system.
- Consider topics of relevance which could impact the reputation and credibility of the SSI.
- Consider any other topic for which the Board is seeking input.
- Participate in Board meetings as an observer upon invitation by the SSI Board.

The SSI Secretariat shall convene all meetings of the SAG as a co-chair and be responsible for drafting minutes.

The SSI SAG’s composition should ensure that:

- No single interest predominates, i.e., no single category of Member type outweighs the membership of categories.
- Members are based in geographically diverse locations to reflect the solar value chain.
- Members are free of conflict interest and shall sign declarations to that effect.
- The SAG is gender balanced.

Table 3: Composition of the SSI Stakeholder Advisory Group from Q1 2024.

| Category                                     | Example  |
|--|--|
| Corporate accountability/ sustainability     | <ul style="list-style-type: none"> <li>→ International civil society/NGO representing a human rights agenda</li> <li>→ International civil society/NGO representing an environmental protection agenda</li> <li>→ International civil society/NGO representing climate change action</li> <li>→ International civil society/NGO representing the protection of consumers’ rights</li> <li>→ International civil society/NGO representing organised labour</li> </ul> |
| Investors and financiers                     | <ul style="list-style-type: none"> <li>→ DFI investors</li> <li>→ Trade financiers</li> <li>→ Private equity in the downstream solar value chain</li> </ul>  |
| Standard setting, regulations and compliance | <ul style="list-style-type: none"> <li>→ Auditing firms</li> <li>→ Government standard setting organizations</li> <li>→ Multi-lateral standard setting organizations</li> <li>→ ESG Rating Agencies</li> <li>→ ESG Frameworks</li> </ul>   |
| Industry groups/alliances                    | <ul style="list-style-type: none"> <li>→ Industry associations specific to energy</li> <li>→ Industry associations with general Corporate Responsibility mandate</li> </ul>  |

The SSI Board is responsible for the approval of appointment of SAG members. Individuals with involvement or expertise in any aspect of the solar value chain may apply to join the SAG by approaching the SSI Secretariat. The SSI Board will consider each nomination and appoint members based on the consideration of the eligibility criteria set out above and relevant experience of the industry. Each SAG member’s tenure will be for three (3) years.

The SSI Secretariat will monitor and keep a register of attendance and advise the Chair if a member is absent on a regular basis, in which case the Board, upon recommendation from the Chair, reserves the right to remove the member from the SAG.

The **Chair of the SAG** shall be chosen by the SAG members either by consensus or by majority voting at the first meeting and will be responsible for:

- Providing leadership and direction to the SAG.
- Ensuring that the SAG’s work is in line with these terms of reference and its mission and vision.
- Together with the SSI Secretariat, drafting the agenda for each meeting.

- Directing any person to be excluded from a meeting for any item of business, for example on grounds of confidentiality or a conflict of interest.
- Ensuring that the SAG's recommendations are representative of the collective view, are clear and unambiguous, and that responsibility for taking forward action points is properly allocated.
- Ensuring that the recommendations of the SAG are shared with the SSI Board.
- Ensuring that feedback from the SSI Steering Committee/Board on previous SAG recommendations are shared with the SAG members.
- Undertaking ad hoc work as the chair of the SAG (e.g., through the provision of advice and attendance at other relevant meetings & events).

Co-chairs may also be appointed to support the Chair and represent them in case of absence.

All recommendations made by the SAG shall be made in an impartial and independent manner. All members of the SAG must declare potential or perceived conflicts of interest by completing the Conflict of Interest Declaration Form (see Annex) annually and each time a perceived or actual conflict of interest arises. These shall be reviewed by the Chair and SSI Secretariat.

### **Committees, tasks forces**

The SSI will have various committees and task forces composed of SSI members. Committees and task forces may be created by the SSI Board. Committee and task force chairs and members are appointed by the SSI Board. Committees and task forces will be responsible for matters such as:

- Providing input to SSI Standards.
- Providing input to SSI assurance system.
- Providing input to other SSI products such as the online platform.
- Contributing to dissemination efforts of the SSI such as events and conferences.
- Considering any other topic for which the Board is seeking input.

SAG members may attend SSI members committee meetings, upon invitation from the SSI Secretariat.

### **Secretariat**

The **Secretariat** of the SSI is responsible for the day-to-day management and implementation of the SSI, including:

- Providing administrative support to the Board, SAG, Committees, and SSI members.
- Coordinating meetings of the SSI bodies.
- Managing SSI finances.
- Representing the SSI in external venues and events.
- Ensuring that the SAG's work is in line with these terms of reference and its mission and vision.
- Supporting the Chair in drafting meeting agendas.
- Preparing meeting minutes.
- Ensuring the SSI complies with legal and regulatory requirements.

The SSI Secretariat will consist of the SolarPower Europe appointed Head of Secretariat and TDi Sustainability.