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| **World Association of Nuclear Operators**  **WANO Policy Document** | Black_WMF |

**MMM 201Y**

**Policy Document 6**

**GOVERNANCE**

Approved: Original Signed by

, Chairman

**Purpose**

1. This policy document sets forth WANO Governance.

**Background**

1. A document on WANO Governance was developed and discussed at meetings of the WANO Governing Board in 2003 and 2004. This Policy Document captures the key elements of the WANO Governance Document that was affirmed by the WANO Governing Board in January 2004 and approved in April 2004.
2. In April 2006 the WANO Chairman established a special committee to review WANO processes, programs, activities, and organisational relationships to identify barriers to sustained WANO effectiveness and continued improvement. This Policy Document was amended to reflect the work of the Special Committee. It amends Attachment 1, ‘WANO Position Descriptions’ to clarify the accountabilities of the WANO Managing Director and WANO Regional Directors and adds a paragraph ‘Special Requirements’ to Attachment 2, ‘WANO Chairman - Qualifications and Selection’.
3. Policy Document 6, Governance supersedes Policy Document 6, WANO Directors and Policy Document 7, Obligations of WANO Governors.

**Guidance**

1. The WANO Charter establishes the fact that the WANO Governing Board is accountable for the overall direction and success of the Association. The Articles of Association establishes that ‘The Association and its business affairs and property shall be overseen and directed by a governing board….’
2. WANO’s success is highly dependent on its ability to balance the varied interests and perspectives of its members with the common goal of ‘maximising safety and reliability’ at each of its nuclear power plants. The statement, ‘One WANO, expressed locally in each region’ tries to capture the dynamic of WANO – its mission, its unity, and its diversity. Cooperation, understanding, and openness coupled with commitment and commonality of purpose must be WANO’s hallmarks.
3. The WANO Governing Board is responsible for ensuring the establishment, approval and implementation ofWANO policy and global strategy. The Regional Governing Boards not only propose recommendations and suggestions to the WANO Governing Board, but are also responsible for ensuring that WANO Governing Board decisions are implemented locally within their regions. This means that Regional Governing Boards can interpret WANO Governing Board policies, strategies, and decisions in ways that best fit their local situations. However, they cannot change, disregard, or make decisions that are contrary to them.
4. WANO Governing Board members are critical to ensuring the organisational alignment of WANO and a strong worldwide spirit of cooperation. In particular they are responsible for ensuring the alignment of the WANO Governing Board and each regional board.
5. The WANO Executive Leadership Team (ELT) (WANO regional directors, under the leadership of the managing director) serves as WANO’s full time day-to-day executives. Like Governing Board members, they are responsible for implementing WANO Governing Board decisions locally in their respective regions. While at the same time they must promote the highest levels of teamwork and cooperation. Only with adequate support, resources, and board alignment, can the Executive Leadership Team be successful in carrying out WANO’s mission.
6. The managing director serves in a unique position in WANO. He is tasked with implementing WANO Governing Board decisions through his Executive Leadership Team. When there is a conflict in purpose or lack of board alignment and support, he, along with the ELT, will be the first to deal with its consequences. The role of the Executive Leadership Team is to make a reality, ‘One WANO expressed locally in each region’.
7. The work of WANO, supported by the London office and regional centres, begins and ends with interactions with each of our member sites. The regional director serves as the senior WANO executive in his region. Working closely with his regional governing board, the regional director seeks to develop close working relationships with each of his members with a focus on ‘operational excellence’ and ‘improving performance’. A key element in accomplishing this goal is the use of periodic WANO peer reviews supplemented by appropriate technical assistance, professional and technical development, and a robust use of operating experience. This process is tailor-made for each member, taking into account cultural and regional needs and perspectives.
8. WANO’s value is resident in its ability to help each member achieve on a consistent day-to-day basis ‘operational excellence’. A performance-based, results-driven focus, customised for each member, will help the nuclear industry avoid significant events and downturns in performance. Thus, WANO is more than simply an ‘association’. It is a worldwide community united by a joint responsibility and unwavering commitment to nuclear safety. Only by working together and holding each other to the highest standards of performance can WANO fulfil its mission of maximising safety and reliability.
9. The Executive Leadership Team under the leadership of the Managing Director develops, and the WANO Governing Board approves, the WANO Long-term Plan that represents its VISION for progress and success. The WANO Long-term Plan establishes Objectives for WANO and Long-term Goals for attaining the objectives. For each goal, measures will be established to define successful progress. Each Regional Centre establishes appropriate measurable plans and takes necessary actions with commitments and due dates to support attainment of the WANO Long-term Goals.
10. In summary, the success of WANO is highly dependent on a number of factors:
    1. Solid, consistent governance
    2. Alignment of WANO Governing Board with the Regional Governing Boards and the Executive Leadership Team
    3. An understanding of what is means to be ‘one WANO expressed locally in each region’
    4. A world-wide focus on nuclear ‘operational excellence’
    5. Member commitment and participation
    6. Adequate resources to fulfil its mission
11. Attachment 1, *WANO Position Descriptions*, identifies key roles and responsibilities for the WANO Chairman, President, Governing Board Members, Managing Director and Regional Directors.
12. Attachment 2, *WANO Operational Organisation*, defines the organisation and functions of the London office and the Regional Centres.
13. Attachment 3, *WANO Resources,* describes resource planning, WANO resource and fee principles and the secondments of staff.
14. Attachment 4, *WANO Chairman Qualification and Selection*, defines the responsibilities and identifies the selection and qualification requirements of the WANO Chairman.
15. Attachment 5, *Obligations of WANO Governors,* identifies ten responsibilities that WANO Governors (World and Regional) are encouraged to adopt. It is not intended as a set of rules, but rather as guidance that will evolve over time. Articles 45-69 of the WANO Articles of Association are also relevant to the appointment, role and retirement of Governors as members of the WANO Governing Board.
16. Attachment 6, *Guidelines for the Selection, Qualifications and Orientation of WANO Regional Centre Directors*, recommends the process for Director selection, identifies qualification requirements and outlines the basis for an orientation programme for new incumbents.
17. Attachment 7, *WANO Centre Director Performance Reviews*, provides the policy for the performance review of the WANO Centre Directors.

**Attachment 1**

**WANO Position Descriptions**

The following position descriptions are derived from the WANO Charter, Articles of Association, Policy Documents, and Governing Board discussions and actions.

**WANO Chairman**

The Chairman of WANO is elected by, and serves as chairman of the WANO Governing Board. The Chairman may be selected from the existing board members or may be an additional board member. Decisions of the WANO Governing Board require a simple majority. In case of parity, the Chairman has the decisive vote.

The chairman is responsible for:

* Leadership and effectiveness of the Governing Board and establishing regular relations with the Governors during and aside of the Board meetings,
* Ensuring the development of WANO’s policy, global strategy, goals and resources with the Governing Board
* Chairing the nomination process and proposing appointment of the Managing Director for Governing Board approval
* Building and facilitating relations among the members and including new and potential new entrants,
* Representing WANO in external engagements (international conferences, workshops etc.) and enhancing the international recognition of WANO,
* Conducting (in consultation with the regional chairmen as appropriate) the Managing Director’s annual performance review.

Additionally, the chairman works closely with the Managing Director to ensure:

* Appropriate implementation of WANO’s mission and policies, ensuring the consistency, the integrity and the overall performance of the entire organisation
* Organisational alignment between the Governing Board and each Regional Governing Board

**WANO President**

The President is a voting member of the Governing Board, and serves a two-year term. The President is also responsible for organising the next biennial general meeting, plus assists the Chairman in representing WANO in international activities, and other activities as requested by the Governing Board or the Chairman.

**WANO Governing Board Members**

In accordance with the Charter, as members of the WANO Governing Board, they are specifically responsible for:

* Ensure the development, approval and implementation of the strategy, vision, direction and goals for the Association
  + Represent the Members, both in their respective regions and worldwide, to ensure the WANO Mission is implemented and supported throughout the Association
* Assess industry performance to ensure appropriate strategies are established to implement the WANO Mission, with particular emphasis on identifying Members in need of assistance from the Association to sustain or improve performance
* Ensure the association meets appropriate standards of financial and ethical behaviour
* Monitoring regional centre performance to ensure consistency of WANO governance, programme implementation and products across the regions
* Review and approve the appropriate levels of resources (personnel, financial and capital) needed to ensure effective implementation of the strategy, vision, direction and goals of the Association
* Review and approve a Member fee structure that supports the required levels of resources
* Provide orientation training for new Governors
* Annually evaluate Governing Board effectiveness
* Monitor the business affairs of the Association to ensure appropriate use of resources
* Evaluate and monitor risks, and ensure control measures are in place
* Plan for succession of the Board, including election of the Chairman and election of replacement Governors to fill unexpired terms until the next General Assembly
* Select the WANO Managing Director, evaluate their performance and compensation, and ensure adequate succession planning
* Approve applications for membership, including any special conditions applied to individual members, and assessing member performance and recommending actions, as appropriate, to the General Assembly
* Establish appropriate protections against corporate, Director and personal liability

If a Governing Board Member also serves as a regional governor, they will have specific regional responsibilities as defined later in this attachment.

**WANO Managing Director**

The Managing Director is accountable to the Chairman and WANO Governing Board for the day-to-day implementation of WANO strategies, vision, direction and goals. The managing Director also serves as a representative of WANO in industry meetings, as needed.

The Managing Director is appointed by the Governing Board for a nominal three-year term and can be appointed for additional two-year terms or as determined by the Governing Board.

The Managing Director and the Regional Centre Directors comprise the Executive Leadership Team (ELT) of WANO. The ELT, under the leadership of the Managing Director, is responsible to the Governing Board for consistent implementation of WANO programmes in the Regional Centres.

The Managing Director works closely with the WANO Chairman to ensure proper organisational alignment of the ELT with the WANO Governing Board.

The Managing Director is responsible for the following:

* Monitor the consistent implementation of WANO Governing Board strategies, vision, direction, goals and programme in the Regional Centres and providing the Governing Board and Members with periodic reports
* Prepare and supporting WANO Governing Board meetings and providing staff support for reviews and investigations of WANO activities to ensure the Governing Board has the information needed to reach decisions
* Consult with the Regional Governing Board in their selection and the appraisal of the Regional Directors
* Serve as the principal interface between WANO and the leadership of member utilities – for example, providing information regarding WANO and industry performance
* Provide leadership for the Executive Leadership Team, including tactical implementation of Governing Board strategies and facilitating the sharing of best practices among regions
* Provide leadership and direction for the activities of the WANO London office to achieve effective implementation of its functions in support of Governing Board activities
* Serve as the principal interface to ensure close cooperation with international organisations that promote the safety of nuclear power plants
* Establish and maintain an organisational structure to carry out the functions described in the Articles of Association and in any policy guidelines approved by the Governing Board.
* Develop an annual plan for operation of the Association in conjunction with an annual budget and funding scheme.
* Establish a WANO London office cost control system for approving, tracking, and reporting Association costs.
* Maintain the WANO London office financial and accounting records of the Association in accordance with applicable laws.
* Ensure data processing systems are compatible within WANO as well as data protection and IT security within the organization
* Submit records, reports, and payments required to comply with applicable laws.
* Conduct the personnel administration function of the WANO London office.
* Provide the Governing Board with annual reports on the progress of work identified by the annual plan in conjunction with costs versus budget reporting and at other frequencies that shall from time to time be decided by the Governing Board.

Additionally, Managing Director may be assigned responsibilities for a specific WANO technical programme. If so, the Managing Director will be considered as the Technical Programme Director for that WANO programme. In this role, they are responsible to provide leadership to the WANO staff to ensure their associated programme and programme guidelines are used effectively to improve performance.

**Regional Governing Board Members and Chairman**

In accordance with the Charter, the Regional Governing Boards are accountable to the WANO Governing Board for effective implementation of WANO Governing Board direction in their regions and to the Members affiliated with their region. The Regional Governing Board represents and acts on behalf of the Members in the region to perform the following functions:

* Propose to the WANO Governing Board worldwide strategic needs based on the experience obtained within the region
* Implement, within the region, the activities to support strategies, vision, direction and goals for the Association as determined by the WANO Governing Board
* Assess the performance of the Members within the region to ensure adequate participation and action to address identified improvement needs and provide reports of member and regional performance to the Governing Board
* Ensure support from other Members or Regional Centres to assist those Members that experience difficulty in resolving performance problems or do not participate fully in Association programmes and activities
* Nominate representatives from Members affiliated with the region to serve as WANO Governors consistent with the guidance established in section 7.1 of the Charter.
* Plan for succession of the Regional Governing Board, including election of the Chairman and election of replacement Governors to fill unexpired terms
* Ensure effective collaboration and sharing of resources with other WANO centres
* Select the Regional Centre Directors, evaluate their performance and compensation, and ensure adequate succession planning
* Ensure the Regional Centre is properly supported by the associated members and the centre is adequately staffed with capable staff
* Review, approve and submit the regional centre budget to the Governing Board, respecting common principles for resources and fees, consistent with the overall WANO budgeting process
* Monitor regional centre budget performance to ensure effective application of resources within the region
* Commission and approve an annual report of regional centre activities and performance for presentation to the WANO Governing Board

Each Regional Governing Board will be led by a Regional Chairman. The Chairman of the Regional Governing Board is elected from among their number for a two-year term with the possibility of re-election for a second two-year term. The Chairman also represents the region as a member of the WANO Governing Board. The Chairman is responsible for:

* Conducting (in consultation with the managing director) an annual performance review of the regional centre director
* Ensuring organisational alignment between the WANO Governing Board, Regional Governing Board, and the work of their respective regional centre
* Supporting the managing director and the Executive Leadership Team

**WANO Regional Centre Directors**

The activities of each Regional Centre are managed by a Director who is accountable to the Managing Director for consistent implementation of WANO programmes in the Regional Centres, including:

* Implementing WANO Governing Board decisions
* Implementing the WANO Long-term Plan and business plans
* Implementing WANO programmes and guidelines
* Proposing policies, strategies, and long-range plans to the WANO Governing Board that support the WANO mission
* Managing cross-regional programs, activities, and resources
* Developing and managing WANO global resources
* Promoting the highest levels of teamwork and cooperation in terms of achieving WANO goals
* Maintaining effective communications with their respective regional governing board

Additionally, Regional Centre Directors may be assigned responsibilities for a specific WANO technical programme. If so, the associated Director will be considered as the Technical Programme Director for that WANO programme. In this role, they are responsible to provide leadership to the WANO staff to ensure their associated programme and programme guidelines are used effectively to improve performance.

The Regional Centre Director is also accountable to the Regional Governing Board for the responsibility of supporting high standards of performance by members in the region and effective use of Regional Centre resources. These responsibilities include:

* Assisting regional members improve the safety and reliability of their plants
* Implementing WANO policies, guidelines, goals, and objectives in their respective regions. This includes implementing their region’s part of the WANO Business Plan
* Developing annual/or long range plans and budgets for approval by the regional governing board
* Developing and managing WANO regional resources

**Attachment 2**

**WANO Operational Organisation**

**WANO London Office**

**Organisation**

The WANO London office is the registered office of WANO and is the location in which the Managing Director and his staff operate. The Managing Director is responsible for directing activities to implement the strategies, vision, direction and goals of the Association as established by the Governing Board.

**Functions**

The WANO London office provides oversight, direction and support to ensure the programme and standards approved by the Governing Board are met in each Regional Centre and assists the Regional Centres in their work and communicating effectively to carry out the mission of WANO. The staff perform the following functions:

* Assisting the General Assembly and the Governing Board in performing their tasks
* Organising General Assembly meetings and Governing Board meetings
* Preparing the Long-term Plan and developing supporting planning and monitoring processes and reports for the Governing Board and General Assembly
* Ensuring consistent application of WANO objectives and guidelines among the Regional Centres through oversight and monitoring of WANO activities – reports on the results of oversight and monitoring activities will be provided to the Executive Leadership Team and the Governing Board
* Ensuring compatible charters, organisations and working methods among the Regional Centres
* Ownership of the governance and oversight of the four WANO programmes: Peer Review, Operating Experience, Technical Support and Exchange and Professional and Technical Development
* Ensuring data processing systems are compatible within WANO
* Provide leadership and oversight of WANO communications, including developing communication strategies
* Analysis, preparation and distribution of information and WANO products to the Regional Centres and the Members
* Assisting in overcoming any language, geographical, or other barriers or impediments to carrying out the mission of WANO
* Avoiding duplication of work between the Regional Centres
* Preparing an Annual Report on the work of WANO

**Staff**

The WANO London office is staffed with at least one representative from each Regional Centre. Additional permanent staff can be employed and additional seconded personnel may be assigned as decided by the Managing Director with the concurrence of the Governing Board.

**Regional Centres**

**Organisation**

The activities of each Regional Centre are managed by a Director who is accountable to the Managing Director for consistent implementation of WANO programmes in the Regional Centres. The Director is also responsible to the Regional Governing Board for supporting high standards of performance by members in the region and effective use of Regional Centre resources.

The Director is appointed by the Regional Governing Board as a non‑voting member of the Regional Governing Board. The Director is appointed for a nominal two‑year term and can be appointed for additional terms as determined by the Regional Governing Board.

**Function**

In carrying out the mission of WANO, each Regional Centre must maintain close coordination with the WANO London office and other Regional Centres and ensure effective communication among the Members affiliated with the Regional Centre.

The work of each Regional Centre includes, but is not limited to:

* Assisting WANO Members to improve nuclear safety and plant reliability within the region and worldwide
* Implementing WANO strategies, vision, direction and goals within the region. Implementing activities include, but are not limited to, the following:
* conducting plant, corporate and pre-startup peer reviews
* collecting, screening and analysing Member data and information related to safe and reliable plant operation
* performing technical support missions and exchange visits
* sharing operating experience and good practice information among Members
* facilitating interactions with Members affiliated with other regions
* providing professional and technical development by organising workshops, seminars, leadership courses and expert meetings
* Providing feedback to Member senior executives regarding plant performance and levels of participation in WANO programmes

– Ensuring effective application of WANO resources within the region

* Requesting support as needed from, and providing requested support based on availability of resources to, other Regional Centres
* Maximising the personal development of personnel seconded to the Regional Centre

**Staff**

The staff of the Regional Centre is assembled and organised by the Regional Centre Director, subject to the approved policies and budget.

**Attachment 3**

**WANO Resources**

**Resource and Fee Principles**

The Five-year Resource Plan addresses all operating and capital costs, including the long‑term and short-term staffing of WANO. The budget includes the costs of salaries for all WANO permanent and seconded personnel and accommodation for seconded personnel.

**Resources (Seconded Personnel)**

WANO resource requirements are based on the known and projected needs of the Regional Centres and the WANO London office to support consistent implementation of the activities in the WANO Long‑term Plan.

An equitable process is established for determining the number of seconded personnel provided by each Member to the Regional Centre with which they are affiliated and the duration of assignments. Members are reimbursed for the salary and accommodation costs for seconded personnel they provide.

Key WANO positions, including Managing Director, Regional Centre Directors, Deputy Directors, Programme Managers and peer review team leaders, are staffed by highly qualified and experienced individuals with a long-term commitment to WANO, such as secondments of two or more years.

**Attachment 4**

**WANO Chairman Qualifications and Selection**

**1. SELECTION**

The WANO Governing Board elects the WANO Chairman. The chairman may be selected from existing board members or may be an additional board member.

**2. QUALIFICATIONS**

The following considerations should be applied in the selection of a WANO chairman.

* An in-depth understanding of the nuclear industry
* Leadership experience as a senior nuclear executive (It has been past practice that all WANO Chairmen have been either the Chief Executive Officer or the second most senior officer of a nuclear organisation)
* Commitment to WANO’s mission
* Ability to communicate effectively in the English language, both verbally and in writing
* Above all else, the ability to earn the respect of industry executive leadership, WANO Governing Board members, and WANO Directors
* Previous international experience (desirable)
* WANO knowledge and experience

**3. SPECIAL REQUIREMENTS**

As the position of WANO Chairman requires substantial time and expense, the following items should be part of the decision making process:

* The individual under consideration for the WANO Chairman position must have sufficient time to devote to the position
* Travel and office expenses must be paid by the individual’s company or applicable Regional Centre
* Physical fitness for international travel

**Attachment 5**

**Obligations of WANO Governors**

The WANO Governing Board is responsible for proper oversight and governance of WANO and of the London office, and for monitoring their progress and the overall success of the Association.

The Regional Governing Boards are responsible for proper oversight and governance of their respective Regional Centres, and for monitoring the progress and success of WANO programs within their region.

The following is a description of the obligations of all (WANO and Regional) WANO Governors:

1. Prepare for and attend (virtually) all Governing Board meetings.
2. Participate actively in Governing Board discussions, work to ensure WANO policies are implemented and contribute to WANO strategic planning.
3. Be in a position to represent their utility(ies) in Regional Governing Board meetings, or their region in WANO Governing Board meetings --- to speak with authority in approving WANO positions or policies.
4. Encourage Members in their region to participate actively in WANO programs. Promote openness and sharing between WANO Members andexercise quiet diplomacy with Members who are not participating.
5. See that capable, experienced individuals are provided as seconded engineers to their regional centre.
6. Take part personally in WANO programs (i.e. open or close workshops, observe peer reviews, etc).
7. Proactively promote the WANO concept within their region and their utility.
8. Work with the Regional Centre to promote WANO to outside audiences and agencies when appropriate.
9. Interface with government representatives in their country to build WANO’s credibility.

**Attachment 6**

**Selection, Qualifications and Orientation Guidelines**

**for WANO Regional Centre Directors**

**1. SELECTION**

The Regional Governing Board elects the Regional Centre Director for its region. The Governing Board may employ a nominating committee or other means at its disposal in determining candidates and in the selection process. The selection process should take into account the qualification considerations set forth below.

**2. QUALIFICATIONS**

The following considerations should be applied in selecting directors.

Necessary requirements:

* An in-depth understanding of nuclear plant operations.
* The ability to communicate effectively in the English language, both verbally and in writing.
* Work experience with nuclear power plants, preferably in a senior line management position.
* Above all else, the directors should have or be able to quickly earn the respect of the senior managers and plant managers of members’ organisations and other WANO Directors with whom they must work closely.

Additional desirable qualifications:

* Previous international experience.
* More than 10 years employment by a WANO member organisation.
* The career potential of a centre director should be promising. That is, if he is successful in his work with WANO, he should have good future prospects in his parent organisation.

**3. ORIENTATION**

A newly selected regional director should have a few months for orientation and turnover in his new job. This is important because of the diverse nature of WANO’s work, which involves many cultures and different organisations, and because work with the WANO organisation is somewhat different from work in a member organisation. The orientation for a new director should include, for example:

* A minimum of one week in the London office
* A two-week assignment to a regional centre other than the one in which the new director will work
* Ideally a visit of up to a week to each of the other regional centres.
* Participation in a WANO Peer Review
* Attending a WANO Governing Board meeting as an observer

The above activities should be completed prior to, or within six months of, taking over as a Director.

**Attachment 7**

**WANO Centre Director Performance Reviews**

**PURPOSE**

This attachment outlines guidance for conducting WANO Centre Director performance reviews.

**GUIDANCE**

Each WANO Regional Centre Director will receive an annual performance review in accordance with the following guidance.

1. Each Regional Centre and the London office should arrange for an annual performance review of their respective Director. These reviews should normally occur near the end of the calendar year, but may be completed at other times to accommodate special circumstances.
2. The Managing Director, in consultation with the Chairman of the applicable Regional Centre Governing Board and the WANO Chairman, should complete a performance review for each Regional Centre Director.
3. The Chairman of WANO should complete a performance review for the Managing Director, in consultation with regional chairmen as appropriate.
4. After completion of the review, the writer should provide a copy to the associated Director and discuss the results, encouraging improvements when appropriate.
5. If the Director is an employee of a WANO member (and not a direct employee of WANO) a copy of the review form should be sent to the appropriate person in the member organisation. If requested by the member, the writer may use a review form provided by the member.
6. Each Regional Centre and the London office should establish supplementary guidance for the review process, as necessary. In addition, a similar performance review programme should be in place for the staff in each Centre.
7. The London office will maintain the review form in an appropriate Implementing Guideline.