

INTERNATIONAL RENEWABLE ENERGY AGENCY

Second session of the Assembly

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Note of the Director-General

Proposed Work Programme and Budget for 2012

Explanatory Note and Matrix

1. The proposed Work Programme and Budget for 2012 is submitted in accordance with Article XI.E.1 and Article XII.B of the IRENA Statute and pursuant to Assembly Decision A/1/DC/8 of 4 April 2011 and Council Decision C/2/DC/4 of 7 December 2011. This Explanatory Note is submitted pursuant to Council Decision C/2/DC/4 which requests the Director-General to prepare a detailed matrix of activities and their costs entailed in the proposed budget for 2012, and an explanatory note on the case for additional resources, for the purpose of inclusion in the revised Work Programme and Budget for 2012;
2. The charting of the direction and priorities for 2012 comes at the time when the renewables agenda is becoming an essential part of energy and sustainable development discussions in international fora, and the contribution of renewable energy to the energy mix and investment in the sector is increasing. It also comes at the time when the global financial crisis calls for sharper prioritization of resources. In order to capitalize on the momentum that the renewables discussion provides, and building upon the progress made in 2011, the proposal for the Work Programme and Budget for 2012 was developed along three guiding principles: sharpen programme focus, establish partnerships, and ensure cost-effectiveness.
3. The resource requirements for the 2012 Work Programme are shared among different budgetary sources, reflecting the integrated nature of the programmatic work, and

proportionate to the costs of respective staffing requirements. The proposed budgetary requirements for 2012 total USD 28,400,000, comprising USD 16,000,000 in core budget and 12,400,000 in voluntary contributions. Core budgetary requirement comprises USD 9,880,000 for 62 posts (out of a total of 72 posts approved in 2011) and USD 6,120,000 for non-post requirements. The number of posts remains at the level of 2011, however, the core budgetary resources required for these posts in 2012 has increased by 24 per cent. This increase stems from the fact that staff costs for 2011 were calculated to accommodate for high vacancy levels and gradual recruitment.

Specifically:

- a. Significant number of posts were vacant at the time of preparation of the Work Programme and Budget for 2011, and the resources requirements reflected that fact;
 - b. Core budget for 2011 was prepared based on the assumption that 36 out of 62 posts would be vacant at the time of establishment of the Agency in April 2011.
 - c. 36 out of 62 posts were costed at 50 per cent rate for the period of nine months, which in fact reflected only 37 per cent of their annual cost.
4. At present, 64 out of 72 approved posts are filled or under recruitment. These comprise 54 posts funded by core budget and 10 posts funded by German voluntary contribution. With this strengthened capacity, the Secretariat will be able to effectively implement the proposed programmatic activities for 2012. Furthermore, since the Agency's establishment in April 2011, the demands on and expectations of IRENA have been increasing. Strengthening capacity to meet these demands and expectations is critical, if IRENA is to maintain the momentum and progress with its mission at this important junction.
 5. The core budget resources are complemented by voluntary contributions stemming from the UAE Bid commitment, German voluntary contribution to the IITC and the UAE/German earmarked voluntary contribution for capacity building activities. Among other things, these resources will allow the Secretariat to:
 - a. Support meetings of the governing bodies;
 - b. Undertake programme-related research and operational activities;
 - c. Have full complement of staff for IITC (10 posts) and resources for IITC programmatic activities; and
 - d. Conduct training programmes to support regional capacity building initiatives.
 6. In allocating resources, particular attention has been paid to ensuring that sufficient resources are provided to sub-programmes to perform the envisaged activities, and to share both substantive and financial responsibilities in joint undertakings.

7. The attached matrix provides at-a-glance overview of programmatic components, activities, deliverables for 2012 and expected accomplishments for the three sub-programmes, namely Knowledge Management and Technical Cooperation (KMTC), Policy Advice and Capacity Building (PACB) and Innovation and Technology (IITC). It highlights internal synergies (“Internal Partners”), and IRENA-led activities that are executed in partnership with other entities (“External Partners”). The matrix also provides information on timeframes, indicating whether an activity is carried forward from 2011, new in 2012, and envisaged to continue in 2013 or longer, where appropriate. Determination of priorities was based on timelines for implementation, and does not reflect policy prioritization which remains a prerogative of the Members.

8. The attached matrix provides an overview of the programmatic activities of the Agency only. It does not reflect the work performed by the Strategic Management and Executive Direction component, or support functions performed by the Administration and Management Services.

Knowledge Management and Technology Cooperation (KMTC)									
Budgetary allocation 6,156,700 [core budget 4,156,700; UAE Bid 2,000,000] representing 22 per cent of IRENA budget									
Objective: Support countries in accelerating renewable energy uptake through dissemination and transfer of knowledge, and to facilitate international technology cooperation in the field of renewable energy.									
Component	Activities	Accomplishments	Internal Partners	External Partners	Timeframe	Deliverables 2012	Priorities	Budgetary allocation	
Systemise relevant global knowledge on renewable energy	Operationalize IRENA KM strategy	A shared and inclusive strategy for a systematic knowledge is adopted and implemented in selected areas to facilitate decision-making for policy makers.			2011-2012	IRENA Knowledge Management strategy document that provides for easy access to RE information	1	35 per cent of KMTC budget	
	Renewable Energy Potentials		CEM MWG, WMO, FAO, IIASA	2011-2012-2013	Advanced demonstration platform for Global Solar and Wind Atlas presented Data collection for bioenergy, geothermal and hydropower commenced	1			
	Compilation of data for the provision of reliable global RE statistics		IEA, REN21	2011-2012-2013	RE statistics for all Member countries provided Country profiles for LAC, Asia, Africa and Pacific developed Reports and working papers on the methodology to build RE datasets disseminated	2			
	Development of RE indicators to measure progress on RE deployment		PACB	2011-2012-2013	Concept note on methodology for the development of RE indicators finalized	2			
	Global and Regional Reports on specific themes		PACB/IITC	2012	Report on RE investment trends in Africa Report on impact of policy initiatives in specific technology areas	3			
Promote regional consensus to adopt RE	RE Readiness Assessments	A framework for assessing the concept of RE readiness designed and tested in selected countries and regions to assist countries identify elements for policy interventions to support market development.	PACB/IITC	ECOWAS, SADC	2011-2012	Final RE Readiness methodology Pilot studies in LAC and Pacific Islands Regional reports on readiness	1	35 per cent of KMTC budget	
	Partnerships for Action			Regional organizations	2011-2012	Workshops on RE readiness Formal agreements with intergovernmental regional organizations	2		
	Enhance South-South Technology cooperation		PACB/IITC		2011-2012	Establishment of a South-South cooperation network Development of strategy for South South cooperation	1		
Catalyse multilateral cooperation in RE technology	Policy dialogue for technology cooperation	Mechanisms for technology cooperation are designed and implemented.	IITC		2012	Two meetings of the forum for policy dialogue on technology cooperation	2	30 per cent of KMTC budget	
	Engage the industry in specific technology areas		PACB	Industry representatives	2012	Assessment of key policy issues in the deployment of two RE technologies	2		

Policy Advisory Services and Capacity Building (PACB)							
Budgetary allocation 6,219,450 [core budget 3,719,450; UAE Bid 1,500,000; earmarked UAE/Germany contribution 1,000,000] representing 22 per cent of IRENA budget							
Objective: Strengthen countries' abilities to design and implement appropriate policies and supportive financial frameworks as well as build the human and institutional capacities required to achieve IRENA's vision							
Component	Activities	Accomplishments	Internal Partners	External Partners	Timeframe	Deliverables 2012	Priorities
Strengthen countries' capacity to design long-term enabling renewable energy policy frameworks and maximise socio-economic benefits	Policy assessment	National and local policy makers, civil society and private sector have access to relevant information for decision making on key issues related to RE policy design.	IITC	ICLEI, UN Habitat, ILO, IEA	2011-2012	Three working papers on best practice	1
	Technical and policy advice for wind deployment		KMTC	IEA	2012	IRENA-IEA Global RE Policy Database to provide accurate and current information on RE policies	2
	Contribution to SE4ALL		KMTC, IITC	ARE, ECREEE	2011-2012	Establishment of Expert Group on Wind Off grid RE electrification conference to highlight investment opportunities in rural electrification projects in Africa	3 1
Improve understanding of economic and financial conditions to leverage renewable energy investment	Analysis of RE financial mechanisms and risk mitigation	Governments and private sector have access to relevant information on financial mechanisms and risk mitigation for RE projects; access to information on funding and funding for RE projects for developing countries facilitated.			2012	Five RE projects case studies to identify investment challenges and provide policy recommendations	3
	Business models for small and medium size entrepreneurs for RE access projects		KMTC		2012	Workshop on scaling up RE funding Consultative process on new programmatic approaches	3
	Abu Dhabi Fund for Development			ADFD	2012-2018	Handbook on business models for RE projects to promote success models for small and medium size entrepreneurs Technical and administrative support to the 1st ADFD project cycle	2 1
Enhance governments' understanding of critical gaps and needs for capacity building	Operationalize IRENA Capacity Building strategy	Provision of information that will strengthen capacity of countries to accelerate RE uptake			2011-2012	IRENA Capacity Building Strategy to map out focus areas and modes of implementation	1
	Capacity needs assessments			CEM	2012	Training workshop on capacity needs assessment for government officials	3
	Support to regional capacity building initiatives		KMTC	SPC, USP, ECREEE	2011-2012	Capacity building programmes for Pacific Islands, West Africa and consultation in LAC	1
	RE training programme		KMTC/IITC		2012	RE training modules developed and implemented to enhance Regional Capacity Building Initiatives	3

PACB (continued)								
Component	Activities	Accomplishments	Internal Partners	External Partners	Timeframe	Deliverables 2012	Priorities	Budgetary allocation
Facilitate and increase education and training	IRENA RE Learning Partnership (IRELP)	Provision of information on and easy access to RE education and training		CEM, E+Co, GIZ, NREL, REEEP, RETScreen	2011-2012-2013	Global database on RE education and training	1	15 per cent of PACB budget
			2012	Development of curricula on RE access projects and business models among various target groups	3			
	IRENA Scholarship Programme		Masdar Institute	2011-2017	20 annual scholarships Lecture programme on RE topics	1		

IRENA Innovation and Technology Centre (IITC)							
Budgetary allocation 4,000,000 [German voluntary funding] representing 14% of IRENA budget							
Objective: Provide governments the means for an accelerated technological change and the use of innovation, to transition to renewable energy based systems.							
Component	Activities	Accomplishments	Internal Partners	External Partners	Timeframe	Deliverables 2012	Priorities
Assist governments on request in energy planning for more efficient and effective renewable energy technology and innovation strategies	Scenarios and strategies to support RE readiness assessments	Design of a framework for technology policy support to governments for accelerated RE development and deployment	KMTC/PACB	UCT, IEA	2011-2012	Scenarios and strategies reports for Africa and Pacific	1
					2012	LAC data collected for the development of scenarios and strategies reports in 2013	3
					2012	IRENA-IEA/RETD RE outlook workshop on the impact of existing and emerging factors likely to influence energy scenarios in 2015-2050	2
					2011-2012	Two workshops on industry roadmapping to assess viability of proposed approaches and develop implementation strategy	1
					2012	Cities roadmapping on the use of RE and the design of cities' energy systems	3
					2012	Roadmap to operationalize the target of doubling RE share by 2030	2
					2011-2012	Report on technology dissemination from Asia to Africa to help translate RE potential and strategies into a framework for technology funding	1
					2012	Technology-specific methodology for project development	3
					2011-2012	Workshop to assess needs and gaps, and recommendations on innovation policies	1
					2011-2012	Working paper on environmental impacts of RE technologies, recommended data sources and gaps in knowledge	1
					2011-2012	Three training workshops on patent information search and use	2

60 per cent of IITC budget

IITC (continued)								
Component	Activities	Accomplishments	Internal Partners	External Partners	Timeframe	Deliverables 2012	Priorities	
Facilitate a better understanding of cost and the potential for cost reductions through technology development and market deployment to accelerate renewables uptake	Competitiveness status and outlook	Increased understanding of cost reduction potential and wider use of standards			2011-2012	Reports on costing power generation Report on costing solutions for transportation	1	
	RE standards, test procedures and best practices		IEC, ISO, regional and national standardization bodies		2012	Workshop on RE technology competitiveness data	3	
	Provision of objective, up to date technology data		IEA-ETSAP		2011-2012	Workshop on gaps and needs for standardization of RE equipment	2	
	Assessment of early opportunities and niche markets		KMTC/PACB		2012	Development of methodology for assessment of RE power systems for islands	2	
	Strengthened partnerships and cooperation with relevant actors in RE fields		KMTC	Various	2011-2012-2013	Global Summit to discuss development of RE-based systems for islands Formal and informal collaboration with experts, institutions and other relevant actors to ensure access to information and assistance	1	
							10 RE technology factsheets containing concise, policy-relevant, objective information to assist development of RE strategies and evaluation of project proposals	2
							Development of methodology for assessment of RE power systems for islands	2
							Global Summit to discuss development of RE-based systems for islands	3
							Formal and informal collaboration with experts, institutions and other relevant actors to ensure access to information and assistance	1

Components of the IRENA 2012 Programmatic Activities by Budgetary Allocation

