
INTERNATIONAL RENEWABLE ENERGY AGENCY

Tenth meeting of the Council

Abu Dhabi, 23-24 November 2015

Context: Pursuant to decision C/3/DC/3, the Administration and Finance Committee met on 22 November 2015 to review and inform the Council on matters contained in the ‘Annual Report of the Director-General on the Implementation of the Work Programme and Budget for 2014-2015’ (C/10/2), the ‘Report of the Director-General on the Proposed Work Programme and Budget for 2016-2017’ (C/10/L.4), the ‘Report of the Director-General on the Activities of the Internal Audit Office, and Internal Audit Recommendations and Actions Taken’ (C/10/8), and the ‘Report of the Director-General on the Status of Implementation of the External Audit Recommendations’ (C/10/9).

Chair’s Summary of the Outcome of the Administration and Finance Committee Meeting

The Chair presented the agenda, which was adopted without additions or modifications.

Annual Report of the Director-General on the Implementation of the 2014-2015 Work Programme and Budget

- The Director-General presented the ‘Annual Report of the Director-General on the Implementation of the 2014-2015 Work Programme and Budget’, contained in document C/10/2.
- The Administration and Finance Committee (AFC) took note of the report and decided to submit it to the Council for its consideration.

Proposed Work Programme and Budget for 2016-2017

- The Director-General presented the ‘Report of the Director-General on the Proposed Work Programme and Budget for 2016-2017’ (C/10/L.4), on resources required to meet the programmatic ambition while ensuring proper functioning of the support services activities during the biennium 2016-2017.
- One Member informed of its zero nominal growth policy in line with contributions made to other international organisations, and expressed a reservation regarding the proposed growth in the 2016-2017 budget, noting that further discussion and clarification are important.
- Another Member supported the proposed budget, stressing the importance of the Agency’s work, especially in the context of the upcoming COP21 and the role of renewable energy in climate change discussions.
- A Member stated that it also observes a zero nominal growth budget policy for other international organisations, but that it strongly supports the increase in the proposed 2016-2017 budget. The Member elaborated that the Agency is still evolving and that

the demand for the Agency's services and deliverables is on the rise. The Member noted that continuous support is needed to build upon the progress to date.

- A Member appreciated the level of detail provided in the proposed budget and recognised that budget growth is necessary despite Members' resource constraints. Two Members encouraged the Agency's Host Country to maintain its non-assessed core contribution comparable to previous years, noting the political visibility the country receives as a leader in clean energy in the region and in the global climate setting.
- The Host Country reaffirmed its continuing commitment that is evident in financial and in-kind contributions to IRENA, and invited other Members to show further commitment and support to the work of the Agency by supporting the proposed budget.
- The Director-General stressed that the proposed budget process has gone through extensive and rigorous reviews with a view to finding the most efficient ways to utilise resources and respond to Members' requirements and guidance. The demand for IRENA's services has been increasing along with the increase in its membership. As renewable energy gains more prominence as a solution for combatting climate change, the decision on the proposed budget will also be a message to the global community in the upcoming COP21.
- The Secretariat indicated that overall increment in the 2016-2017 core budget (assessed and non-assessed) amounts to USD 0.2 million, which is less than the increase attributable to the rate of inflation.
- A Member invited the representatives to deliberate on the possibility for IRENA to be included in the list of organisations supported by the Organization for Economic Co-operation and Development (OECD), as an opportunity to secure additional funding through ODA resources.
- The AFC Chair noted the general consensus in support of examining the possibility of an increase in the budget. The discussion of the proposed budget shall continue in the Council, while noting that the majority of Members was willing to accept an increase in the budget.

Report of the Director-General on the Activities of the Internal Audit Office, and Internal Audit Recommendations and Actions Taken

- The Secretariat presented the 'Report of the Director-General on the Activities of the Internal Audit Office, and Internal Audit Recommendations and Actions Taken' (C/10/8).
- The Secretariat updated the AFC on the selection process for the post of Internal Auditor.
- The Secretariat also informed the AFC that it had continued looking into the matter of Members' access to internal audit reports, and that a procedure thereon was under development.
- The AFC took note of the report and decided to submit it to the Council for its consideration.

Report of the Director General on the Status of Implementation of the External Audit Recommendations

- The Secretariat presented the ‘Report of the Director General on the Status of Implementation of the External Audit Recommendations’ (C/10/9).
- Referring to an audit recommendation, one Member requested additional background on how the matter is being addressed by the Secretariat. The Secretariat confirmed that additional information is available in this regard.
- The AFC took note of the report and decided to submit it to the Council for its consideration.

Any other business

- One Member requested an update on the matter raised during the 9th Council meeting in relation to the staff tenure limit of seven years.
- The Secretariat recalled the provision of the IRENA Staff Regulations limiting the total length of service of staff to seven years, with a possible limited extension for up to two years. The Secretariat informed the AFC that a review of this issue was ongoing, and that an assessment of the implications of this limit for the Agency had been conducted in the inter-sessional period. In this respect, the Secretariat indicated that, amongst the first cohort of staff who were appointed in 2011, 22 staff members on core posts, including 17 at the professional level or higher, will reach seven years of service with IRENA in 2018, amounting to 25% of the core workforce. The Secretariat expressed concern regarding the impact of all these staff possibly leaving the Agency at same time.
- One Member, while expressing support for the continuation of the service of staff with the Agency beyond seven years, highlighted the importance of addressing this matter.
- The Chair of the AFC observed that this matter would require consideration by the Assembly, and prior to that by the Council. He concluded that this matter would need to be addressed at the 11th Council meeting, bearing in mind the comments already received from delegations on the matter at this and at the previous AFC meeting.