

**INTERNATIONAL RENEWABLE ENERGY AGENCY**

Eighth meeting of the Council

Abu Dhabi, 3 – 4 November 2014

**Amendments to the Charter and Administrative Rules of the IRENA  
Staff Provident Fund****Report of the Provident Fund Management Board**

1. In accordance with Article 1 of the Principles for the Staff Provident Fund of the International Renewable Energy Agency, approved by the Assembly in decision A/1/DC/4, the Staff Provident Fund Management Board (hereinafter, the “Management Board” or “PFMB”) adopted its own Charter and Administrative Rules, including Provident Fund Benefit Rules, in 2011. These documents, included in Annex 2 to the Annual Report of the Provident Fund Management Board on the Operations of the Staff Provident Fund of IRENA (hereinafter, the “2011 Annual Report”), were noted by the Assembly at its third Session (see paragraph 94 of the Report of the Third Session of the Assembly, contained in A/3/SR/1).
2. Article 12, paragraph 2, and Article 14, paragraph 3, of the Charter of the Staff Provident Fund (SPF) require that any amendments to the Charter and Administrative Rules be duly notified to the Assembly. The present report transmits to the Council the texts of the amended Charter and Administrative Rules of the SPF, which were recently approved by the Management Board and notified to the SPF participants in accordance with Article 12, paragraph 1, and Article 14, paragraph 3, of the SPF Charter and Rule 9 of the Administrative Rules, now renumbered 12, for its consideration. The revised texts of the Charter and of the Administrative Rules are set out in full in Annexes 1 and 2, respectively, to this Report.
3. A special requirement applies in respect of new Rule 5 of the Administrative Rules. This new rule regulates the manner in which participating staff members may make additional voluntary contributions to the SPF, in addition to the mandatory contributions required from individual participants and the Agency. Article 3.2 of the Principles gives authority to the PFMB to adopt rules for that purpose and Article 3, paragraph 2, of the SPF Charter specifies that “additional future rules on voluntary contributions are to be defined by the PFMB and are subject to approval of the Assembly.” The requirement of Assembly approval applies to Rule 5 only.
4. The nature and extent of the amendments made by the PFMB to the SPF Charter and Administrative Rules are explained below.

**A. Amendments to the SPF Charter**

5. The amendments to the SPF Charter are limited and mostly editorial or for the purpose of updating the cross-references made to the Administrative Rules, many of which have been renumbered in the revised version contained in Annex 2. In addition, Article 3.2 clarifies that, once the new rules on additional voluntary contributions have been approved by the Assembly, subsequent amendments to those rules will be governed by the same regime as any other amendments, *i.e.*, in accordance with Articles 12 and 14, paragraph 3, of the Charter, such amendments will be notified to the Assembly and will not require specific Assembly approval.

**B. Amendments to the Administrative Rules**

6. The overall purpose of the amendments to the Administrative Rules is to clarify for SPF participants how the system will be administered, and to consolidate into one document all relevant rules, including the new rules on voluntary contributions and the conditions for staff members to opt out of the SPF and select another pension scheme.

7. A large number of the changes made to the prior rules are purely editorial. Others update the cross-references to other rules, many of which having to be renumbered to allow for the consolidation of all relevant provisions into one document. Still others clarify the technical relationship between the SPF account and the participant's accounts.

8. Some rules have been restructured to clarify the contents. For instance, Rules 3 and 4 now deal separately with eligibility to participate in the SPF and with mandatory contributions to the SPF by the participants and the Agency. Similarly, the provisions contained in Rule 10 have been restructured and are presented under four separate sub-headings: general provisions; entitlement to benefits; amounts of benefits; and modalities of payment.

9. Rule 5, Additional voluntary contributions, is a new rule which, for the reasons explained in paragraph 3 above, requires specific approval by the Assembly. The new rule clearly specifies that the Agency will not make any contributions to match the additional voluntary contributions that participants may decide to make. It contains detailed provisions defining the conditions under which SPF participants may make additional voluntary contributions, and the manner in which these contributions are to be administered.

10. Rule 6, Conditions for opting out from participation in the SPF, defines the conditions under which staff members may opt out from the SPF and select another pension scheme in accordance with staff regulation 7.1. The conditions for opt-out from the SPF were previously defined in an operating procedure established by the PFMB in accordance with Article 1 of the Principles and contained in Annex 3 to the 2011 Annual Report. A new subparagraph 2(f) has been added in Rule 6 to make it clear to staff seeking to opt out from the SPF that, as is the case for SPF participants, they will be solely responsible to pay for any taxes that may be imposed on Agency contributions to the alternative pension scheme they have selected and on all payments or benefits they will receive from that scheme.

11. The Council may wish to consider the amended texts of the Charter and of the Administrative Rules, and recommend that the Assembly:

- a. Approve the text of new Rule 5 of the Administrative Rules on additional voluntary contributions; and
- b. Take note of the amended SPF Charter and Administrative Rules as contained in Annexes 1 and 2 of the present report.

## **CHARTER OF THE SPF OF THE INTERNATIONAL RENEWABLE ENERGY AGENCY**

### **Article 1: Name, Seat and Duration**

1. The full name of the Provident Fund is "Staff Provident Fund of the International Renewable Energy Agency". The Staff Provident Fund may in addition carry the abbreviated name "SPF."
2. The seat of the SPF is Abu Dhabi, United Arab Emirates (UAE). The SPF may have offices elsewhere, including in places outside the UAE.
3. The SPF is established as a segregated fund by the Assembly in accordance with Article IX, paragraph J of the IRENA Statute through decision A/1/DC/4, and is established for the life of IRENA or until the Assembly establishes an alternative scheme, upon recommendation of the Staff Provident Fund Management Board (hereinafter "the Management Board" or "PFMB"). The SPF has the same privileges and immunities in law as IRENA.
4. The SPF is an integral part of IRENA and, accordingly, the SPF and its assets enjoy all the privileges and immunities accorded to the Agency under relevant multilateral or bilateral agreements or otherwise.

### **Article 2: Object and Purpose**

1. The object and purpose of the SPF is to be an instrument of social security for staff members of the IRENA holding an appointment of six months or longer, or having served in the Agency as a staff member for a continuous period of six months (hereinafter "eligible staff members").
2. Eligible staff members are required to participate in the SPF, unless the conditions for opting out from participation in the SPF as set out in the Administrative Rules of the SPF of the IRENA (hereinafter "the Administrative Rules") are met. The PFMB shall administer resources which are entrusted to the SPF by eligible staff members of the Secretariat and by the IRENA for the benefit of such eligible staff members; invest such resources as shall be determined from time to time in accordance with established investment policies and guidelines; and return the net value of the participants accounts to such eligible staff members upon the termination of their employment with the IRENA as a lump sum payment. All of the foregoing shall be in such a manner and subject to such terms and conditions and restrictions as may be set forth in the Administrative Rules adopted in accordance with Article 14 of this Charter.

### **Article 3: Financing**

1. The administrative and other direct costs and expenses of the SPF, directly related to the operation of the SPF and approved by the PFMB, shall be covered by and shall be payable from the contributions entrusted to the SPF in accordance with the provisions of the Administrative Rules.
2. Contributions to the SPF by eligible staff members, as well as by the IRENA, shall be based on a percentage of the pensionable remuneration of contributing staff members as provided for in the Staff Rules of IRENA and as specified in Administrative Rules. Eligible staff members shall also have the right to make additional voluntary contributions (AVCs) to the SPF. In the latter case, IRENA shall not make a matching contribution. Such voluntary contributions will be managed separately. Additional future rules on voluntary contributions are to be defined by the PFMB in the Administrative Rules of the SPF and are subject to approval of the Assembly. Once approved, the rules on voluntary

contributions may be amended by the PFMB in accordance with the procedure set forth in paragraph 3 of Article 14 of this Charter.

**Article 4: Annual General Meeting**

1. The Annual General Meeting (AGM) of the SPF shall be convened annually.
2. The Chair of the PFMB shall act as Chair of the AGM.
3. The provisional agenda of the AGM shall include the following items:
  - (a) adoption of the agenda;
  - (b) if applicable, election of representatives to the PFMB by the participants in the SPF, as provided for in Article 6;
  - (c) report of the Chair of the PFMB;
  - (d) letter of comfort of the External Auditor concerning transactions performed by the Secretariat on behalf of the PFMB; and
  - (e) any other business.
4. The PFMB or any participant in the SPF may add an item to the provisional agenda of the AGM, subject to the time limits for the circulation of documentation as stated in paragraph 5 of this Article.
5. The provisional agenda of the AGM, the reports of the Chair of the PFMB and the External Auditor of the SPF, and explanatory memoranda on important issues, shall be circulated to the staff members contributing to the SPF at least five working days in advance of the AGM.
6. The AGM shall adopt any further rules of procedure if needed.

**Article 5: Special General Meeting**

1. The PFMB can convene a Special General Meeting (SGM) whenever it deems this necessary in order to deal with a specific issue or issues. In addition, an SGM shall be convened at the written request of at least 15 participants in the SPF; an SGM so convened will take place within 20 working days of the receipt of such a request by the Chair of the PFMB.
2. The Chair of the PFMB shall act as Chair of the SGM.
3. The provisional agenda of the SGM, which shall be limited to the issue for which the meeting is convened, and explanatory memoranda on such issues, shall be circulated to participants in the SPF at least five working days in advance of the SGM. In exceptional circumstances, this time limit may be waived by the PFMB, subject to subsequent approval by the SGM in question.

**Article 6: Appointment, Composition and Time Limits of the PFMB Representatives**

1. The PFMB shall consist of six members. The membership is as follows:
  - (a) one Professional and one General Service Staff Member who shall be elected by all Participants of their respective groups;
  - (b) two Executive Management representatives who shall be appointed by the Director-General of the Agency; and
  - (c) two Members of the Agency who shall be appointed by the Assembly.

The election process which applies to category (a) only shall be as follows:

- Elections for the Professional and General Service Staff representatives shall be held during the Annual General Meeting of the Staff Provident Fund.
- The election will take place through a confidential ballot. All participants in the Staff Provident Fund members are eligible to vote.
- The respective representatives are elected with simple majority of the Professional and General Service Staff present and voting. All SPF members present in office in an IRENA host country can vote. SPF members can nominate a proxy for voting by notifying the Secretary of the PFMB before the meeting.
- A date for election is set and made public at least two weeks in advance.
- Candidates should announce their candidature at least one week before the election date by notifying the PFMB chair and secretary.
- Their names should be made public to the SPF members at least five days before the election date.
- In case no candidatures are announced in one or both categories, the Director-General can appoint on his or her own initiative a staff member to the PFMB.
- An alternate to act in the place of each such elected member of the Management board shall also be elected by the Professional Staff and the General Service Staff, respectively. The members of the Management Board elected by the staff and their alternates shall be considered duly elected if recognised as such by the Director-General.

All PFMB representatives have a mandate for a period of two years with an option for renewal.

2. The PFMB elects its own chair and secretary from its membership based on majority vote for the full election period.

#### **Article 7: Termination of Office of Members of the PFMB**

1. A member of the PFMB ceases to hold office:

- (a) upon his/her resignation, to be effected in writing by the member concerned addressed to the PFMB, with a copy to the IRENA Director-General; or
- (b) upon his/her death; or
- (c) on the date upon which he/she is declared insolvent or applies for a temporary moratorium; or
- (d) upon the appointment of a trustee over him/her on the basis of a statutory provision of law; or
- (e) upon the separation of his/her service as an eligible staff member with the IRENA.

#### **Article 8: Duties, Powers and Representation of the PFMB**

1. The PFMB shall be entrusted with the management of the SPF. The PFMB shall, in managing the SPF, adhere both to the terms and conditions contained in the Principles, this Charter and to the terms and conditions contained in the Administrative Rules and take into account, *mutatis mutandis*, the relevant provisions of the Financial Regulations and Procedures and of the Staff Regulations and Rules of IRENA. The PFMB has a fiduciary responsibility to manage the SPF in the best interests of all the staff members.

2. For the purpose of administering and investing funds entrusted to the SPF pursuant to the provisions of the Administrative Rules, the PFMB may employ the services of independent professional investment/money management advisers and administration specialists to be selected and appointed by the PFMB.

3. The Chair of the PFMB shall represent the SPF in and out of court.
4. The PFMB may decide to grant limited power of attorney to third parties to represent, and perform certain functions of the SPF within the limits set forth in any such limited power of attorney.

**Article 9: Meetings of the PFMB**

1. The PFMB shall aim to meet at least once quarterly, either in person or remotely, as well as whenever any two members of the PFMB request the Chair to convene a meeting.
2. Notice of any meeting of the PFMB must be given in writing, specifying the agenda for the meeting, the place of the meeting, and the date and time when the meeting will commence. The notice period shall be at least seven working days, not including the day of the notice and that of the meeting itself. No agenda items other than those mentioned in such a notice may be dealt with in the meeting, unless a quorum of five PFMB members is present or represented and agree to dealing with any such new agenda item. If all members are present or represented and if they all agree to waive the above notice requirements for meetings of the PFMB, a valid meeting of the PFMB may be held.
3. The Chair of the PFMB shall preside over the meetings of the PFMB. If the Chair is not present, a meeting chair will be nominated by majority vote. Minutes of the proceedings of each meeting shall be made by the Secretary of the PFMB, and shall be tabled in time for adoption at the next meeting.
4. The PFMB may invite such individuals to a meeting of the Management Board as deemed necessary. Representatives of the Administrative Division of the Secretariat can participate as observers in the PFMB meetings.
5. An Executive Management representative of the Management Board may have himself or herself represented at the meeting of the Management Board only by another staff member of the Secretariat, duly authorised by proxy, and an elected member of the Management Board may only be represented by the alternate elected in accordance with the provisions of paragraph 1 of Article 6.

**Article 10: Adoption of Resolutions by the PFMB**

1. All members of the PFMB shall have 1 (one) vote. Except as otherwise provided in Article 9, paragraph 5 above, resolutions can be adopted only at a meeting of the PFMB at which at least where at least five members of the Management Board are present or represented. All resolutions shall be adopted by the affirmative vote of an absolute majority of the members present or represented, including the Chair. In case of a tied vote, the Chair of the meeting in question may exercise a casting vote. Resolutions shall be validly adopted in a meeting of the Management Board
2. The Management Board may also pass valid resolutions outside of a regular meeting, provided that this is done in writing (including, without limitations, by facsimile or e-mail) unanimously by all members of the Management Board.

**Article 11: Financial year and Financial Statements**

1. The financial year of the SPF shall be the calendar year.
2. The PFMB shall ensure that records of the financial position of the SPF are kept in such a manner that its rights and obligations and those of participants can at all times be derived from such records. The members of the PFMB shall have full access to all records of the SPF. This includes records of payments for staff members and the Agency, bank statements regarding profits and losses and expenses, and a record of other expenses. These records are kept by the Finance Office of IRENA.

3. The PFMB shall, as soon as practicable after the end of each financial year of the SPF, draw up and adopt a Statement of Financial Position and Statement of Financial Performance of the SPF.
4. Before the Statement of Financial Position and Statement of Financial Performances referred to in paragraph 3 above are adopted by the PFMB, it shall submit them to the External Auditor of the SPF. The report of the External Auditor of the SPF on the result of his/her examination shall be communicated to the Annual General Meeting of the SPF and to the Assembly. The financial statements shall in no event be presented to the External Auditor later than three calendar months after the end of a given financial year.
5. The PFMB shall each year submit to the AGM of the SPF and to IRENA the audited financial statements of the SPF, together with any explanatory notes attached thereto.
6. The PFMB is required to keep the audited financial statements and relevant supporting records for each year for a period of not less than five calendar years after the year in question.
7. The members of the PFMB shall derive no pecuniary benefit from their exercise of this function.

#### **Article 12: Amendments**

1. The PFMB may decide by consensus of all its members to amend the Charter of the SPF or any part thereof.
2. Any amendment shall be duly notified to the Assembly and notified to the participants of the SPF.
3. Any amendment of the structure of the SPF or termination of the SPF shall be without prejudice to rights to benefits acquired during any period prior to the effective date of amendment or termination.

#### **Article 13: Dissolution**

1. Paragraph 3 of Article 1 of this Charter specifies the conditions for dissolution of the SPF.
2. The liquidation shall be effected by the PFMB itself, unless one or more liquidators have been appointed by the resolution to dissolve the SPF. The provisions of this Charter shall continue to apply during the liquidation. The provisions of the Administrative Rules shall likewise continue to apply during the liquidation.
3. After the conclusion of the liquidation, the books and records of the dissolved SPF shall remain in the custody of the Chief Finance Officer of the IRENA, or a successor organisation or liquidator, for a period of at least five calendar years.

#### **Article 14: Relationship between Principles, Charter and Administrative Rules**

1. The Assembly promulgates the Principles of the SPF. The Principles embody the fundamental objectives, status, funding, structure and management of the SPF.
2. The Charter is established by the PFMB under its mandate provided in Article 1.4 of the Principles. The Charter shall be consistent with the Principles. The Charter governs the operations of the Management Board.
3. The Administrative Rules of the PFMB are established by the PFMB. The Administrative Rules shall realise the objects and purposes of the SPF. The Administrative Rules shall be promulgated by the Director-General in an administrative directive. The PFMB shall have the right to amend the Administrative Rules in accordance with the provisions of Article 12 of this Charter, which shall apply mutatis mutandis to any such amendment.

**ADMINISTRATIVE RULES OF THE STAFF PROVIDENT FUND  
OF THE INTERNATIONAL RENEWABLE ENERGY AGENCY**

**Rule 1: Definitions**

In these Administrative Rules the following terms, listed hereunder in alphabetical order, shall have the following meanings:

"Charter" means the Charter of the Staff Provident Fund (SPF).

"Net Value" means the value of the Participant's share in the SPF accounts, including interest, dividends and capital gains or losses earned on those accounts, less all costs and administrative expenses associated with professional investment/assets management advisers and maintenance of those accounts as well as possible losses resulting from operations of the SPF.

"Participant" means any staff member appointed by the IRENA for six months or longer or having served the Agency as a staff member for a continuous period of six months who is participating in the SPF, and has not fully opted out from participation in the SPF in accordance with Administrative Rule 6.

"Participant's Account" means the administrative account maintained for each Participant to hold his or her share in the SPF accounts.

"PFMB" means the Provident Fund Management Board of the SPF as established in accordance with Article 4 of the Principles and Article 6 of the Charter.

"Principal Financial Officer" means a staff member designated by the Director-General as being responsible for the oversight of the IRENA's financial resources, including the implementation of IRENA's Financial Regulations and Procedures and Directives and the promulgation of such additional guidance as may be necessary on financial management matters.

"Principles" means the Principles for the Staff Provident Fund of the International Renewable Energy Agency approved by the IRENA Assembly in decision A/1/DC/4.

"SPF" means the Staff Provident Fund as established by the Assembly in decision A/1/DC/4 and the Principles.

"Secretariat" means the Secretariat of IRENA.

**Rule 2: Declaration of Beneficiaries**

2.1 Each Participant shall execute a letter in form and substance as set forth in Appendix 1 to these Administrative Rules declaring his or her beneficiaries when payment is required in accordance with the provisions of Administrative Rule 10.9. Each Participant shall indicate in the declaration the percentage of the total payment to be made to each beneficiary.

2.2 If the Participant has a spouse/partner and/or children that are recognised as dependents by the Secretariat, the SPF shall not accept a designation of beneficiaries from that Participant which would allocate more than 50 (fifty) per cent of his or her benefit to beneficiaries other than those dependents.

**Rule 3: Participation in the Staff Provident Fund**

3.1 Staff members appointed for six months or longer or having served the Agency as a staff member for a continuous period of six months shall participate in the SPF unless they have opted out from participation in the SPF in accordance with Administrative Rule 6.



3.2 Staff members who become Participants in the SPF after having served a period during which they were not eligible to do so may elect to validate their prior period of non-contributory service if the following conditions are met:

- a) The election to validate the prior period of non-contributory service with the Agency for pension purposes is made within one year of commencement of participation in the SPF;
- b) The period of non-contributory service has not been interrupted by a break of more than one year;
- c) Participation in the SPF had not, during the period of non-contributory service, been expressly excluded by the terms of the staff member's appointment.

3.3 Contributions for the purpose of validation of prior service are payable by the Agency and the Participant in the amounts that would have been payable respectively by each had service during the period been contributory.

#### **Rule 4: Mandatory contributions to the Staff Provident Fund**

4.1 Each Participant shall, at the end of each calendar month, make a contribution to the SPF equal to the percentage of his or her pensionable remuneration (as determined in Administrative Rule 4.5 below). Any such contribution shall be made by the Secretariat on behalf of each Participant by way of a monthly deduction of the individual participation amount from the salary payable to any such Participant and by the payment into the SPF of the amount thus deducted.

4.2 In respect of the Agency contribution the Secretariat shall, at the end of the same calendar month in which an individual participation amount is paid, make a contribution to the SPF in an amount determined in accordance with Article 5 of the Principles and Administrative Rule 4.5.

4.3 The Participant's own contributions, and the contributions made by the Agency for the Participant, shall be credited to the Participant's Account.

4.4 The respective obligations of a Participant and of the Secretariat to make contributions to the SPF shall lapse automatically from the date upon which, for any reason whatsoever, the Participant ceases to be in the service of the Secretariat. A staff member that re-joins has the option to reinstate the amount that was paid by the SPF provided the break period is less than three years.

4.5 Contributions shall be calculated as follows: Contributions are calculated by reference to the pensionable remuneration used in the United Nations common system to calculate the contributions of the staff members (at 7.9%) and of the Agency (at 15.8%) and amount to a total of 23.7% of the pensionable remuneration (1/3 employee, 2/3 employer). The contributions are directly paid into the SPF's account. The Net Value of Participants' Accounts is paid to staff members upon separation.

#### **Rule 5: Additional voluntary contributions**

5.1 In accordance with Article 3.2 of the Charter of the SPF, Participants may make to the SPF additional voluntary contributions ("AVCs") for which IRENA shall not make any matching contributions. Such AVCs shall meet the conditions set forth in these Administrative Rules and the PFMB retains its right to decline requests for AVCs not meeting such conditions or for any other reason that the Board may deem to require such denial.

5.2 AVCs shall be credited to a sub-account of the Participant's Account established for mandatory contributions in accordance with Administrative Rule 4.3.

5.3 Individual Participants may elect to make AVCs on a monthly basis, or to make lump-sum payments in the course of the year. All AVCs require submission by the Participants to the Office of Human Resources of the Secretariat of a Voluntary Contribution Form (Appendix 2 to the

Administrative Rules) specifying either the monthly amount or the lump sum to be contributed to the AVC sub-account.

5.4 AVCs shall be processed as part of the payroll. In order to ensure timely payment of AVCs into their AVC sub-accounts, Participants shall submit a completed Voluntary Contribution Form on or before the payroll cut-off date (normally the 15<sup>th</sup> of the month or the preceding working day if the 15<sup>th</sup> is not a working day). Human Resources may announce an earlier cut-off date for technical reasons.

5.5 The following provisions apply to AVC monthly payments:

- The minimum amount required is USD 100 per month;
- Additional Voluntary Contributions Forms requesting monthly payments remain in effect until the Participant decides to terminate the monthly payment or change the monthly amount of the AVC, which can be done at the Participant's discretion provided the USD 100 minimum is respected;
- Participants may change the monthly amount of their AVCs up to four times per year. Each change requires submission to the Office of Human Resources of a new Voluntary Contribution Form specifying the new amount.

5.6 The following provisions apply to AVC lump-sum payments:

- The minimum amount of each lump sum is USD 100;
- The submission of a new Voluntary Contribution Form to the Office of Human Resources is required for each lump-sum payment;
- Lump-sum contributions may be made up to four times per year.

5.7 Participants will have the opportunity to decide on their AVC investments within guidelines provided by the PFMB. In the absence of clear instructions from individual Participants, the assets in their AVC sub-accounts shall be invested in the same manner as the assets held in Participants' Accounts where mandatory contributions are credited.

5.8 Participants shall bear the risks and costs of the investment decisions they may make on their AVC sub-accounts. In addition, AVC sub-accounts shall bear a share of the SPF management costs proportionally with accounts funded through mandatory contributions.

5.9 The status and performance of investments held in AVC sub-accounts shall be reported to Participants in the same manner as for the investments made from mandatory contributions.

5.10 Unlike the Participants' Accounts maintained for each Participant for mandatory contributions, the Net Value of which can only be paid out on separation from service, Participants may request while in service a partial or total withdrawal from their AVC sub-accounts, provided they give three months' notice in writing to the Human Resources Office for transmission to the PFMB. Such withdrawals may be requested not more than twice a year, or at life events, such as births, deaths, or change in marital status. Any condition that the request be then accompanied by relevant supporting documents to evidence the event with the final decision on approving a withdrawal by a Participant from his or her AVC sub-account lies with the PFMB.

5.11 Upon separation from service, Participants have the option:

- (a) To request payment of the Net Value of assets held in both the account used for mandatory contributions and in the AVC sub-account; or
- (b) To request that their AVC sub-account remain open, with or without the possible addition of the Net Value of the account used for mandatory contributions in accordance with Administrative Rule 10.13.

5.12 A request that an AVC sub-account remain open after separation requires Participants to submit an application using the template provided in Appendix 3 to these Rules, in which they acknowledge and agree that:

- (a) The Agency will not make any contributions after the date of their separation from service;
- (b) They cannot make additional contributions, except for assets transferred from the account previously used for mandatory contributions when the conditions of Administrative Rule 10.13 are met; and
- (c) It will be their sole responsibility to manage the assets in the account, and to pay for any taxes that may be imposed on those assets or on the income generated by those assets.

#### **Rule 6: Conditions for opting out from participation in the SPF**

6.1 In order to ensure that there are no barriers to attracting and recruiting high quality staff for IRENA, the Assembly adopted staff regulation 7.1 which allows IRENA staff to select a pension scheme other than the SPF, subject to criteria determined by the PFMB.

6.2 Accordingly, the PFMB has specified the following set of conditions for staff members to opt-out from the SPF:

- (a) Opt-outs are neither automatic nor guaranteed. They will be considered and evaluated by the PFMB on a case-by-case basis.
- (b) Opt-out requests will be considered only if the alternative fund is with an international organisation, or a government pension scheme.
- (c) Any request for opt-out will be supported by a well-reasoned justification, a description of the proposed alternative scheme, and a proof of contributions to date. Contributions to new schemes to which no contribution had been made will not be considered.
- (d) Partial opt-out will be allowed for government pension schemes. The total contribution will remain the same as in the case of SPF only. That means that the contribution would total in 23.7% of pensionable remuneration, but divided between an existing government scheme and IRENA SPF.
- (e) Any additional expenses caused by any opt-out arrangement will be borne by the staff member in question.
- (f) Staff members requesting approval for opting out of the SPF shall submit their request by using the template provided in Appendix 4 to these Administrative Rules, declaring that they understand and agree that:
  - i. Any tax reimbursement from IRENA in respect of contributions to the alternative pension scheme will be limited to taxes on their own contributions for which they may be liable as part of their IRENA earnings;
  - ii. It will be their sole responsibility to deal with tax issues and to pay any taxes that may be imposed on other contributions and any and all payments or benefits they receive from the pension scheme they have selected.

#### **Rule 7: Suspension of Participation**

7.1 When the remuneration normally payable to a Participant is withheld or partially or totally suspended, *e.g.*, when a staff member is placed on special leave without pay, the credits to the Participant's Account provided for in Administrative Rule 4.3 shall likewise be withheld or partially or totally suspended until a final decision is taken in relation to the staff member concerned.

**Rule 8: Resources of the Staff Provident Fund**

8.1 The resources of the SPF shall consist of the cumulative Net Value of all Participants' Accounts, subject to the following provisions:

- (a) All resources of the SPF shall be held by or on behalf of the SPF;
- (b) Any securities or other financial instruments acquired by or for the SPF, and with the resources of the SPF, shall be held solely for and on behalf of the SPF;
- (c) Any payment out of the SPF shall require the signed authorisation of two members of the PFMB;
- (d) It shall not be possible for the SPF to take up loans, nor shall any of its resources be committed as security for contractual obligations, except for the payment of obligations to Participants in accordance with Administrative Rule 10;
- (e) Neither Participants (prior to separation) nor IRENA shall have any right, interest or entitlement to or in any of the resources of the SPF mentioned in paragraphs (a) and (b) above;
- (f) Participants and IRENA shall have only such rights regarding the SPF as are explicitly conferred upon them by the provisions of these Administrative Rules, as amended from time to time;
- (g) All resources of the SPF shall be utilised in accordance with the provisions of the Charter and these Administrative Rules as amended from time to time; and
- (h) The PFMB is entitled to pay such administrative costs and other expenses incurred in relation to the SPF from SPF resources.

**Rule 9: Management of the Staff Provident Fund**

9.1 The SPF shall be managed by the PFMB in accordance with the provisions of the Principles, the Charter and these Administrative Rules and with due regard to the observance, mutatis mutandis, of the relevant Financial Regulations and Procedures of IRENA.

9.2 Accounts of the SPF are maintained separately from the IRENA accounts. They are serviced by the Finance Office of IRENA and they are audited by the external auditors of IRENA.

9.3 Participants funds are kept in one overall SPF account, within which administrative accounts for each individual Participant, referred to as "Participants' Accounts", are maintained to hold their respective shares in the SPF account. Mandatory contributions from a Participant and the Agency and investment returns are credited to the Participant's Account. Voluntary contributions and investment returns are credited to the Participant's AVC sub-account.

9.4 Assets held in Participants' Accounts funded from mandatory contributions are invested in accordance with the Investment Policy of the Staff Provident Fund approved by the Assembly. Participants having opened an AVC sub-account under Administrative Rule 5 may decide on their investments in accordance with the provisions of Administrative Rule 5.7.

9.5 The net value of the SPF as a whole and a status and performance report showing profits and losses on investments held in each account are updated regularly and made accessible to Participants on at least a quarterly basis.

9.6 In accordance with Article 11 of the Charter, the financial year shall be the calendar year, provided that, should the SPF be dissolved in accordance with Article 13 of the Charter prior to the end of a calendar year, the financial period shall end on the date on which any such dissolution takes effect.

9.7 In no event, except in the case of gross negligence or wilful misconduct on the part of the PFMB, shall the PFMB be liable to IRENA or to any Participant or to any of their heirs, assignees or

successors in title in respect of the manner in which resources contributed to the SPF are administered or invested or of the manner in which, or of the time at which, investments are made with the resources of the SPF.

9.8 For the purpose of the administration and investment of resources contributed to the SPF, and for the liquidation of investments made with resources contributed to the SPF, the PFMB may employ the services of independent professional investment/money management advisers and administration specialists to be selected and appointed by the PFMB.

#### **Rule 10: Benefits Provided by the Staff Provident Fund**

##### *General Provisions*

10.1 The SPF shall provide lump-sum benefits for Participants of the Secretariat in respect of the Participants' Accounts where mandatory contributions have been credited. Benefits in respect of AVC sub-accounts shall be governed by Administrative Rule 5.

10.2 The amount of the benefit resulting from the liquidation of a Participant's Account shall be based on the Net Value of that account on the date of separation, except for staff members separating within six months of their appointment, in accordance with Administrative Rule 10.10.

10.3 A Participant or IRENA shall not be entitled to receive any loan or advance from the SPF. However, Participants may withdraw some or all of the assets in their AVC sub-accounts while in service, in accordance with Administrative Rule 5.

10.4 A Participant or IRENA shall not be entitled to transfer, assign, mortgage, pledge or otherwise encumber or dispose of any right or interest which he, she or IRENA might have to or in any payment pursuant to these Administrative Rules.

10.5 The PFMB shall at least annually inform all Participants of the status of their respective Participants' Accounts.

10.6 If a Participant is subject to taxation by any country with respect to any payments made to him or her by the SPF, such taxation shall not be refunded by IRENA or its SPF.

10.7 Any dispute regarding the application or interpretation of any provision of these Administrative Rules shall be adjudicated under the applicable provisions of the Staff Regulations and Rules of IRENA.

##### *Entitlement to benefits*

10.8 Benefits are payable to Participants who separate from service.

10.9 If a Participant dies while serving with the Secretariat or before the SPF has paid the benefit to the Participant, the person(s) designated in the Participant's declaration of beneficiaries or the legal heir(s) of these persons, submitted pursuant to Administrative Rule 2, shall receive from the SPF the Net Value of the Participant's Account as of the payment date, provided the beneficiary or beneficiaries are alive when the payment is due. In the event any beneficiary is a minor under the law of the Participant's nationality, payment of his or her share shall be made to his or her legal guardian. In the absence of designated beneficiary or beneficiaries, the SPF shall make the payment to the estate of the Participant.

##### *Amount of benefits*

10.10 In case of separation of a Participant within six months of the date of appointment, the benefit shall be the amount of the Participant's own contributions.

10.11 For all other Participants, the benefit payable shall be the Net Value of the Participant's Account as of the date of separation.

10.12 Payments shall be made as soon as possible after separation but taking into account that final calculations of the separated staff member's account may take some time, and in order to avoid excess payments, a small share of the final projected settlement may be kept until the status of income and losses is determined.

10.13 The PFMB may allow Participants, upon written request before separation, to transfer the Net Value of the account used for mandatory contributions to an AVC sub-account. Requests to that effect shall be made in an application using the template provided in Appendix 3 to these Administrative Rules.

*Modalities of payment*

10.14 Payments from the SPF, as final settlements or withdrawals from AVC sub-accounts in accordance with Administrative Rule 5.10, shall be approved by at least two members of the PFMB with authorised access. These two members, together with the Finance Office of the IRENA Secretariat, shall check and confirm that the sum to be paid is in accordance with the Administrative Rules.

10.15 Any payment to be made from the SPF shall be made in the currency or unit of account in which the books and accounts of the SPF are maintained, *i.e.*, United States Dollars (USD). If payment in another currency is requested, the payment amount shall be converted into requested currency at the prevailing United Nations Operational Rate of Exchange. In case additional expenses occur for the separation payment in currencies other than USD, these are to be covered by the Participant. The funds shall be paid into a bank account and a country as specified by the Participant, or transferred to the pension fund of another intergovernmental organisation in accordance with the terms of a transfer agreement concluded between IRENA and that organisation or fund.

10.16 If, in the estimation of the PFMB, there is any dispute or uncertainty about the amount payable to a Participant or about the person entitled to receive such a payment (as in the case of the death of a Participant), the PFMB shall be entitled, but not obliged, to refuse payment of the amount deemed by it to be payable and shall, in the event of such a refusal to pay, retain such an amount on a separate interest-bearing deposit account until it shall determine that any such dispute or uncertainty has been fully resolved to its satisfaction, whereupon the resolved amount, including interest earned due to the interest-bearing deposit, less all costs and expenses, shall be paid to the Participant, or to his or her beneficiaries in the event of the death of the Participant.

**Rule 11: Dissolution of the Staff Provident Fund**

11.1 The SPF may be dissolved in accordance with Article 8 of the Principles and the Charter, and its resources shall, notwithstanding any of the foregoing provisions of these Administrative Rules, be applied by the PFMB as follows and in the following order:

- (a) to pay all administrative costs and expenses incurred and still to be incurred directly in relation to the SPF;
- (b) to pay all administrative costs and expenses incurred and to be incurred by the PFMB directly in relation to the liquidation of the Provident Fund;
- (c) to reserve any amount deemed by the PFMB to be necessary to cover any future actual or potential liability of the SPF; and
- (d) to distribute among the Participants their entitlements to the Net Value of their Participants' Accounts.

11.2 Any amount thereafter remaining in the SPF shall be apportioned and disposed of as may be determined by the PFMB.

**Rule 12: Amendments of the Administrative Rules**

The Administrative Rules may be amended at any time by the Management Board provided that:

- (a) No amendment shall be given retroactive effect if such retroactive effect will be to the disadvantage of any Participant;
- (b) Each amendment is notified to all the Participants; and
- (c) The requirements of paragraph 3 of Article 14 of the Charter are satisfied.

**Rule 13: Audit**

The management of the SPF shall be subject to an annual audit by the External Auditor of IRENA, who shall issue an appropriate audit opinion and report in respect of the SPF's financial statements.

**List of Appendices**

- Appendix 1: Declaration of Beneficiaries
- Appendix 2: Additional Voluntary Contributions Form
- Appendix 3: Request to maintain an AVC account open after separation from IRENA and to transfer net value of account used for mandatory contributions to AVC account
- Appendix 4: Request to opt-out from the Staff Provident Fund



## STAFF PROVIDENT FUND (SPF)

**Appendix 1 – Declaration of Beneficiaries for the Staff Provident Fund**

Name: \_\_\_\_\_

ID Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

I, the undersigned, \_\_\_\_\_, hereby designate the following person(s) to be entitled to receive my entitlements from the Provident Fund, in case of my demise and provided he/she/they survive me by 24 hours, in the following proportions:

Name	Relationship	Percentage	Contact details
1			
2			
3			
4			
5			

Please note that if you have a spouse and/or children that are already recognised as dependents by IRENA, the SPF shall not accept a designation of beneficiaries which would allocate more than 50% (fifty percent) of your benefit to beneficiaries other than those dependents (see final page).

I confirm that this declaration was made voluntarily and when I was in good health and of a sound mind.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Rule 2: Declaration of Beneficiaries**

**2.1** Each Participant shall execute a letter in form and substance as set forth in Appendix 1 to these Administrative Rules declaring his or her beneficiaries when payment is required in accordance with the provisions of Administrative Rule 10.9. Each Participant shall indicate in the declaration the percentage of the total payment to be made to each beneficiary.

**2.2** If the Participant has a spouse/partner and/or children that are recognised as dependents by the Secretariat, the SPF shall not accept a designation of beneficiaries from that Participant which would allocate more than 50 (fifty) per cent of his or her benefit to beneficiaries other than those dependents.

**STAFF PROVIDENT FUND (SPF)**

**Appendix 2 – Additional Voluntary Contributions Form**

**Name:** \_\_\_\_\_

**ID Number:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_

**Please note:**

- Your monthly voluntary contribution<sup>1</sup> will be deducted from your monthly salary.
- You will have the opportunity to decide on your Additional Voluntary Contribution (AVC) investments within guidelines provided by the Provident Fund Management Board (PFMB).
- Initially, the assets in your AVC sub-accounts shall be invested in the same manner as the assets held in Members' Accounts where mandatory contributions are credited, however you can change the investment strategy by accessing your investment provider account online.

Please indicate below the amount of your AVC to the Staff Provident Fund. The minimum amount for a voluntary contributions is USD 100. The submission of a new form is required for each lump-sum payment<sup>2</sup>.

The 'Additional Voluntary Contribution Form' needs to be returned to Human Resources on or before the payroll cut-off date (normally the 15th of the month or the preceding working day if the 15th is not a working day). Human Resources may announce an earlier cut-off date for technical reasons.

I hereby request the following voluntary contribution to the Provident Fund to be deducted from my monthly salary.

1) **Monthly voluntary contribution:**  
 USD \_\_\_\_\_ effective \_\_\_\_\_ (Month/Year)

2) **Single lump sum voluntary contribution:**  
 USD \_\_\_\_\_ effective \_\_\_\_\_ (Month/Year)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

By signing this form you agree that you have read and understood the AVC rules (final page).

**The Provident Fund Management Board retains the right to decline requests in accordance with Rule 5. By completing this form, participants in the Provident Fund agree that they have been informed of and accept any and all risks that may be associated with making additional voluntary contributions and selecting a particular fund for investment. IRENA, the Management Board of the Provident Fund, and the Staff Provident Fund accept no responsibility whatsoever for any individual choice of investment or for any potential loss resulting therefrom.**

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AVC amount	Monthly/Lump sum	Effective date
USD		
<b>Authorised PFMB signatory (Print name, signature and date):</b>		

\_\_\_\_\_

<sup>1</sup> A monthly voluntary contribution is the amount you decide to have deducted from your monthly salary (greater than USD 100), in addition to your mandatory contribution to the SPF, and is paid into your AVC sub-account.

<sup>2</sup> A lump sum payment can be made 4 times a year and can be any amount greater than USD 100. It will be paid to your AVC sub-account at the same time as your mandatory contribution.

## Additional Voluntary Contribution Rules

### Rule 5: Additional voluntary contributions

**5.1** In accordance with Article 3.2 of the Charter of the SPF, Participants may make to the SPF additional voluntary contributions (“AVCs”) for which IRENA shall not make any matching contributions. Such AVCs shall meet the conditions set forth in these Administrative Rules and the PFMB retains its right to decline requests for AVCs not meeting such conditions or for any other reason that the Board may deem to require such denial.

**5.2** AVCs shall be credited to a sub-account of the Participant’s Account established for mandatory contributions in accordance with Administrative Rule 4.3.

**5.3** Individual Participants may elect to make AVCs on a monthly basis, or to make lump-sum payments in the course of the year. All AVCs require submission by the Participants to the Office of Human Resources of the Secretariat of a Voluntary Contribution Form (Appendix 2 to the Administrative Rules) specifying either the monthly amount or the lump sum to be contributed to the AVC sub-account.

**5.4** AVCs shall be processed as part of the payroll. In order to ensure timely payment of AVCs into their AVC sub-accounts, Participants shall submit a completed Voluntary Contribution Form on or before the payroll cut-off date (normally the 15th of the month or the preceding working day if the 15th is not a working day). Human Resources may announce an earlier cut-off date for technical reasons.

**5.5** The following provisions apply to AVC monthly payments:

- The minimum amount required is USD 100 per month;
- Additional Voluntary Contributions Forms requesting monthly payments remain in effect until the Participant decides to terminate the monthly payment or change the monthly amount of the AVC, which can be done at the Participant’s discretion provided the USD 100 minimum is respected;
- Participants may change the monthly amount of their AVCs up to four times per year. Each change requires submission to the Office of Human Resources of a new Voluntary Contribution Form specifying the new amount.

**5.6** The following provisions apply to AVC lump-sum payments:

- The minimum amount of each lump sum is USD 100;
- The submission of a new Voluntary Contribution Form to the Office of Human Resources is required for each lump-sum payment;
- Lump-sum contributions may be made up to four times per year.

**5.7** Participants will have the opportunity to decide on their AVC investments within guidelines provided by the PFMB. In the absence of clear instructions from individual Participants, the assets in their AVC sub-accounts shall be invested in the same manner as the assets held in Participants’ Accounts where mandatory contributions are credited.

**5.8** Participants shall bear the risks and costs of the investment decisions they may make on their AVC sub-accounts. In addition, AVC sub-accounts shall bear a share of the SPF management costs proportionally with accounts funded through mandatory contributions.

**5.9** The status and performance of investments held in AVC sub-accounts shall be reported to Participants in the same manner as for the investments made from mandatory contributions.

**5.10** Unlike the Participants’ Accounts maintained for each Participant for mandatory contributions, the Net Value of which can only be paid out on separation from service, Participants may request while in service a partial or total withdrawal from their AVC sub-accounts, provided they give three months’ notice in writing to the Human Resources Office for transmission to the PFMB. Such withdrawals may be requested not more than twice a year, or at life events, such as births, deaths, or change in marital status. Any condition that the request be then accompanied by relevant supporting documents to evidence the event with the final decision on approving a withdrawal by a Participant from his or her AVC sub-account lies with the PFMB.

**5.11** Upon separation from service, Participants have the option:

- (a) To request payment of the Net Value of assets held in both the account used for mandatory contributions and in the AVC sub-account; or
- (b) To request that their AVC sub-account remain open, with or without the possible addition of the Net Value of the account used for mandatory contributions in accordance with Administrative Rule 10.13.

**5.12** A request that an AVC sub-account remain open after separation requires Participants to submit an application using the template provided in Appendix 3 to these Rules, in which they acknowledge and agree that:

- (a) The Agency will not make any contributions after the date of their separation from service;
- (b) They cannot make additional contributions, except for assets transferred from the account previously used for mandatory contributions when the conditions of Administrative Rule 10.13 are met; and
- (c) It will be their sole responsibility to manage the assets in the account, and to pay for any taxes that may be imposed on those assets or on the income generated by those assets.



**Rule 5: Additional voluntary contributions**

5.11 Upon separation from service, Participants have the option:

- (a) To request payment of the Net Value of assets held in both the account used for mandatory contributions and in the AVC sub-account; or
- (b) To request that their AVC sub-account remain open, with or without the possible addition of the Net Value of the account used for mandatory contributions in accordance with Administrative Rule 10.13.

5.12 A request that an AVC sub-account remain open after separation requires Participants to submit an application using the template provided in Appendix 3 to these Rules, in which they acknowledge and agree that:

- (a) The Agency will not make any contributions after the date of their separation from service;
- (b) They cannot make additional contributions, except for assets transferred from the account previously used for mandatory contributions when the conditions of Administrative Rule 10.13 are met; and
- (c) It will be their sole responsibility to manage the assets in the account, and to pay for any taxes that may be imposed on those assets or on the income generated by those assets.

**Rule 10: Benefits Provided by the Staff Provident Fund**

10.13 The PFMB may allow Participants, upon written request before separation, to transfer the Net Value of the account used for mandatory contributions to an AVC sub-account. Requests to that effect shall be made in an application using the template provided in Appendix 3 to these Administrative Rules.

STAFF PROVIDENT FUND (SPF)

**Appendix 4 – Request to Opt-out from IRENA Staff Provident Fund**

Name: \_\_\_\_\_  
 ID Number: \_\_\_\_\_  
 E-mail: \_\_\_\_\_  
 Telephone Number: \_\_\_\_\_

Please read the rules concerning conditions for opting out of the IRENA SPF (see final page)

1. Please indicate below the reason for wanting to opt-out of the SPF and attach supporting documents as necessary.

2. For partial opt-outs of the SPF, please indicate the monthly amount (in USD) that you would like to be paid into an alternative fund (detailed above), as per rules 6.2 (d). The remaining contribution will be put in to the IRENA SPF.

USD \_\_\_\_\_ to be paid into the alternative fund on a monthly basis.

Staff Member: \_\_\_\_\_  
 (Signature)  
 (Date)

**By submitting this form, Staff members requesting approval for opting out of the SPF declare that they understand and agree that:**

**The Provident Fund Management Board retains the right to decline requests for opting out of the SPF: see rule 6.2 (a) and that any additional expenses caused by any opt-out arrangement will be borne by the staff member in question; rule 6.2 (f)**

- i. Any tax reimbursement from IRENA in respect of contributions to the alternative pension scheme will be limited to taxes on their own contributions for which they may be liable as part of their IRENA earnings;
- ii. It will be their sole responsibility to deal with tax issues and to pay any taxes that may be imposed on other contributions and any and all payments or benefits they receive from the pension scheme they have selected.

**IRENA, the Management Board of the Provident Fund, and the Staff Provident Fund accept no responsibility for any potential loss resulting from this decision. By completing this form, staff members in the Provident Fund agree that they have been informed of and accept any and all risks that may be associated with opting out of the SPF, partially or fully. IRENA, the Management Board of the Provident Fund, and the Staff Provident Fund accept no responsibility whatsoever for any individual choice of investment or for any potential loss resulting therefrom.**

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Name of alternative scheme	Fully opt out	Partial opt out	
		Alternative scheme	IRENA SPF
		USD	USD
<p>Authorised PFMB signatory (Print name and signature and date):</p>			

**Rule 6: Conditions for opting out from participation in the SPF**

6.1 In order to ensure that there are no barriers to attracting and recruiting high quality staff for IRENA, the Assembly adopted staff regulation 7.1 which allows IRENA staff to select a pension scheme other than the SPF, subject to criteria determined by the PFMB.

6.2 Accordingly, Accordingly, the PFMB has specified the following set of conditions for staff members to opt-out from the SPF:

- (g) Opt-outs are neither automatic nor guaranteed. They will be considered and evaluated by the PFMB on a case-by-case basis.
- (h) Opt-out requests will be considered only if the alternative fund is with an international organisation, or a government pension scheme.
- (i) Any request for opt-out will be supported by a well-reasoned justification, a description of the proposed alternative scheme, and a proof of contributions to date. Contributions to new schemes to which no contribution had been made will not be considered.
- (j) Partial opt-out will be allowed for government pension schemes. The total contribution will remain the same as in the case of SPF only. That means that the contribution would total in 23.7% of pensionable remuneration, but divided between an existing government scheme and IRENA SPF.
- (k) Any additional expenses caused by any opt-out arrangement will be borne by the staff member in question.
- (l) Staff members requesting approval for opting out of the SPF shall submit their request by using the template provided in Appendix 4 to these Administrative Rules, declaring that they understand and agree that:
  - iii. Any tax reimbursement from IRENA in respect of contributions to the alternative pension scheme will be limited to taxes on their own contributions for which they may be liable as part of their IRENA earnings;
  - iv. It will be their sole responsibility to deal with tax issues and to pay any taxes that may be imposed on other contributions and any and all payments or benefits they receive from the pension scheme they have selected.