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Seventh meeting of the Council of IRENA
2 – 3 June 2014, Abu Dhabi, United Arab Emirates

**REPORT OF THE SEVENTH MEETING OF THE COUNCIL
OF THE INTERNATIONAL RENEWABLE ENERGY AGENCY**

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Report of the seventh meeting of the Council of the International Renewable Energy Agency

1. The seventh meeting of the Council of the International Renewable Energy Agency (IRENA) was held in Abu Dhabi, United Arab Emirates, on 2 and 3 June 2014. The meeting was attended by all 21 Council members: Cameroon, Cyprus, France, Greece, Grenada, India, Israel, Italy, Japan, Malaysia, Mexico, Mozambique, Nigeria, the Republic of Korea, Romania, Tonga, Tunisia, Uganda, the United Arab Emirates, the United States of America and Uruguay; as well as the four alternates: Fiji, Germany, New Zealand and Poland. Also in attendance were 63 other IRENA Members and observers.

Agenda Item 1: Opening of the meeting

2. The Chair of the sixth meeting of the Council of IRENA, Germany, opened the meeting on Monday, 2 June 2014.

Agenda Item 2: Organisation of work

(a) Election of officials

3. At the end of its sixth meeting, the Council had designated Uruguay as Chair and India as Vice-Chair of the seventh meeting of the Council.

4. The Council elected by acclamation Mr Ramón Méndez, Director of Energy of the Ministry of Industry, Energy and Mining of Uruguay, as Chair, and Mr T.P. Seetharam, Ambassador of India to the United Arab Emirates, as Vice-Chair of the seventh meeting of the Council.

5. The Chair appointed Greece as Rapporteur of the seventh meeting of the Council.

(b) Adoption of the agenda (C/7/1; C/7/1/Add.1)

6. The Council considered the provisional agenda for its seventh meeting and decided to add an address to the Council by Governor Deval Patrick of Massachusetts, United States of America, at the start of day two of the meeting. It was also agreed that there would be a brief presentation during the second day of the meeting on the progress of the construction of the Agency's new headquarters.

7. The Council adopted the provisional agenda for its seventh meeting (C/7/L.1/Rev.1) as amended orally.

(c) Report of the sixth meeting of the Council (C/6/SR/1)

8. The Chair introduced the draft Report of the sixth meeting of the Council.

9. The Council approved the draft ‘Report of the sixth meeting of the Council’ (C/6/SR/L.1).

Agenda Item 3: Report of the Director-General: Implementation of the 2014 Work Programme (C/7/CRP/2, C/7/CRP/4)

10. The Director-General welcomed the delegates in attendance, representing around 90 countries and the European Union, noting that this is a remarkable achievement for a body whose membership is only 21 countries. He introduced the ‘Progress report for the 7th Council of IRENA’, which presents the outcomes of the Agency’s activities since the 4th session of the Assembly, at the start of the first biennial work programme cycle. He remarked that the thematic structure of the Work Programme has allowed for a dramatic difference in IRENA’s ability to plan and implement its work, improving capacity for advance planning, as well as for reflection on the impact of activities and projects. He noted that increasingly, cross-divisional teams are formed to work on common projects such as REmap 2030, the Knowledge Gateway Platform, and Clean Energy Corridors, as well as around initiatives and events such as SE4ALL and the preparations for the upcoming Climate Summit.

11. The Director-General highlighted that membership growth has continued, with an increase from 124 Members at the fourth Assembly to 131 Members as of the seventh Council meeting, with more than 35 others in the process of joining the Agency. He also underscored that there have been 13 additional Permanent Representatives accredited to IRENA since the last Assembly, bringing the total to 15¹, which continues to strengthen interaction and engagement with the membership.

12. He stressed that renewable energy – coupled with energy efficiency – is key to the solution to a number of the world’s energy challenges: meeting growing demand in the coming decades, increasing energy security and ensuring universal access, and reducing the environmental impacts of energy production and use. He detailed several components of the Agency’s recent work that have contributed to addressing these challenges.

13. First, the Director-General described REmap 2030 – IRENA’s roadmap for doubling the share of renewable energy in the global energy mix – for which the full report would be launched on 4 June 2014 during the SE4ALL forum in New York. He added that REmap is highlighting a range of options for increased deployment of renewables, as well as a framework for action.

14. Next, he drew attention to the release of IRENA’s Renewable Energy and Jobs Annual Review 2014 at the Clean Energy Ministerial meeting in Seoul, which shows that the sector supports around 6.5 million jobs (14% increase since 2012). The review, which is planned to be released periodically, created widespread interest – with over 200 international print and media outlets reporting on the study.

15. He underscored IRENA’s work in assisting countries in the development of enabling frameworks through the Renewables Readiness Assessment (RRA) process, noting that 21 countries have completed

¹ As of 2 June 2014.

the exercise since 2011, four of which finished this year. He noted that in the coming months, IRENA would focus on strengthening post-RRA action in these countries, as well as analysing the RRAs to date to identify lessons learned and common issues that could be of assistance to other countries.

16. The Director-General emphasised that through country engagement, IRENA is further developing its role as a repository of information, knowledge and experience that transcends borders and facilitates action at the regional level. He noted that this was especially true in the development of the Africa Clean Energy Corridor, which has become a hallmark deliverable in the context of the UN Secretary-General's Climate Summit, as well as IRENA's exploration for similar clean energy corridors in other regions including Central America and in Asia. He added that the Climate Summit in September 2014 would also offer an opportunity to draw attention to the potential that renewable energy presents in the context of SIDS, and that IRENA has introduced the SIDS Lighthouses Initiative, a programmatic approach to the deployment of renewables in Small Island Developing States (SIDS).

17. The Director-General highlighted that the progress the Agency has made thus far in 2014 has been possible because of two essential elements – Members' commitment to the Agency and their timely and generous provision of resources; and the dedication of IRENA staff. He thanked Members for their assessed contributions, of which approximately 55% have been received, and expressed deep gratitude for the voluntary contributions from Belgium, Germany, Iceland, Japan, New Zealand, Norway and the United Arab Emirates.

18. He provided details of IRENA's core staff, comprising 70 individuals from 41 countries, with an additional 13 under recruitment. He added that the Agency's vacancy announcements have attracted some 4,500 applications since the beginning of 2014 and that there has been increased interest from qualified candidates – a reflection of growing recognition of IRENA and the quality of its work.

19. The Director-General closed by noting that he looks forward to working with the entire IRENA membership to continue the progress made, in order to realise the potential IRENA possesses through its unique mandate, wide membership, and human capital.

20. The Chair of the Programme and Strategy Committee (PSC), Mr Martin Schoepe of Germany, reported on the Committee discussions related to the Director-General's Progress Report on the implementation of the 2014 Work Programme, and referred delegations to document C/7/CRP/4 for a full account of the meeting. He noted that the PSC was pleased with the visible progress made by IRENA and welcomed the new style in the presentation of the report. He added that the PSC encouraged a review of certain programmatic activities to assess the status of implementation on the ground, such as that planned for some of the RRAs undertaken to date. The Chair also reported that the PSC had noted the importance of qualitative assessments of the impact of programmatic activities which will eventually assist in a long-term evaluation of the Agency's work.

21. In the discussion that followed, several countries recognised the importance of renewable energy and the Agency's activities in addressing current global energy challenges. In this context, some delegations noted the connection between renewable energy and energy security, referring to the "Brussels G7 Summit Declaration" of June 2014, in which G7 leaders agreed to work with "international organisations such as the International Energy Agency (IEA), the International Renewable Energy Agency (IRENA), and the international financial institutions" to address this issue. Delegations highlighted this as a major acknowledgement of the Agency's potential to contribute to finding solutions to the challenges surrounding energy security.

22. Delegations also congratulated the Agency on a smooth start to the 2014 Work Programme and one delegation stated that IRENA has indeed become a major voice for renewable energy, and expressed agreement with the shift to thematic areas in the structure of the Work Programme.

23. One delegation noted the importance of the adoption of renewable energy in order to mitigate the effects of climate change, and stressed the need for coordination on strategies and the development of networks to address the challenges that countries and regions face. Another delegation pointed out the potential for co-operation with industry and the business sector in IRENA's ongoing work.

24. A number of delegations highlighted what they consider key elements of the Work Programme, including REmap 2030, RRAs, work on capacity building, and the IRENA/ADFD Project Facility.

25. In response, the Director-General thanked delegations for their comments. He noted that the nexus between renewable energy and energy security could form the basis for an approach to the energy discussion. He also expressed gratitude for country contributions to REmap 2030.

26. The Council took note with appreciation of the 'Progress report for the 7th Council of IRENA - Report of the Director-General' as contained in C/7/CRP/2.

Agenda Item 4: Presentation of the Director-General pursuant to A/4/11

27. The Director-General thanked the Council for the honour of presenting his vision for the Agency's future, noting that the experience in building a new institutional structure and a framework that is compelling for the international community has been an opportunity of a lifetime.

28. The Director General recalled that his vision for the Agency presented to the Assembly some three years ago had been one of an inclusive framework bringing together all stakeholders– governments, the private sector, civil society, academia, and all others working toward the transition to a sustainable energy future. The Director-General noted that, at the helm of a new institution, he saw a tremendous opportunity of moving forward the issue of sustainability in a flexible, results-oriented and transparent organisational framework for international cooperation. The Director-General recalled that, at the 1st Assembly, he was asked where he saw the Agency in five years' time, and he had replied that he envisioned IRENA as a central reference point for renewable energy worldwide. Three and a half years later, the Director-General holds that IRENA is well on course toward reaching this ambition.

29. The Director-General noted that the Agency has witnessed rapid growth since its launch in April 2011, with doubling of both membership and budget. He remarked that IRENA's structure has proven sound, financial and managerial practices have demonstrated flexibility and transparency, and the incremental development of the first few years have allowed IRENA to set up a solid institutional framework that meets the Agency's needs. Programmatically, IRENA has been guided by its Medium-term Strategy to become the global voice for renewables, the centre of excellence for renewables, an advisory resource for countries, and a network hub for country, regional and global activities.

30. The Director-General added that success brings with it heightened expectations. Although they are often difficult to meet, they also create an opportunity to increase the effectiveness and impact of the Agency. The Directors-General emphasised that the experience to date provided invaluable insights regarding the

future policy direction, substantive and geographic priorities, and the management and administration of the organisation.

31. From a policy perspective, the Director-General noted that, under his guidance, IRENA would continue to build a business case for renewables, and an enabling renewable energy investment environment worldwide. IRENA would accelerate its work with the private sector, involving business in the Agency's initiatives in a more substantial way. The Director-General also noted that a business case for renewables is emerging as renewables continue to represent the highest capacity additions to the global energy mix, renewable investment and technology cost reductions are rising, and technological efficiencies are improving.

32. The Director-General underscored the socio-economic benefits of renewable energy as a powerful tool for making the case for renewables. He highlighted energy security as an important consideration in bolstering support for renewable energy, and stated that examination of the nexus between sustainability and energy security is an area to explore in the coming years. He underlined the importance of the Agency's work on innovation or REmap 2030 in providing tools to enable stakeholder decision-making.

33. On the matter of the Agency's medium and long-term priorities, the Director-General observed that obstacles to financing renewable energy remains one of the key issues hindering its deployment. He noted that IRENA must help create a model under which countries, investors and entrepreneurs benefit, with an emphasis on investment rather than aid. The Director-General noted that IRENA would continue to look at non-traditional donors and other low-cost concessional frameworks in order to lower the cost of capital in developing countries. He cited IRENA's engagement with the Abu Dhabi Fund for Development through the IRENA/ADFD Project Facility as one example of a framework that provides important access to concessional funding with favourable conditions. He added that this project or similar arrangements could also facilitate progress on the Africa Clean Energy Corridor.

34. The Director-General noted that IRENA is examining and would continue to examine the issue of renewable energy pricing from the point of view of economic efficiency and in light of subsidies that could create distortions. He added IRENA would connect the conversation on renewables financing to the climate discussions in Paris in 2015, to add to Paris' "positive agenda", while remaining outside the negotiating framework.

35. The Director-General noted that a discussion on sustainable livelihoods and the question of energy access is of great pertinence to the Agency, and that advancing the business case for off-, micro-, and mini-grid, as well as hybrid solutions will be vital for rural electrification and universal access. He also stressed that an increased share of variables renewables require enabling technologies for grid infrastructure and systems, and that strengthening knowledge on storage and grid technology options remains one of the priorities.

36. The Director-General noted key areas of work such as IRENA's costing work and technology briefs emerging as point of reference for decision-makers. He underscored that the Agency would continue expanding the scope of this work and noted that in-depth and objective analysis and forecasting of evolving technologies, such as ocean energy, could help accelerate progress and expand the range of renewable energy solutions for a sustainable future.

37. The Director-General stated that the UN Secretary-General's Sustainable Energy for All (SE4ALL) initiative has given a framework through which IRENA has developed the REmap 2030 process. He noted

that REmap 2030 offers clarity as to what is achievable, and demonstrates that a transition to renewable energy is feasible, economic, and cost-effective. This process will continue to be refined and developed to assist Members in planning for 2030 and beyond.

38. The Director-General reflected on the imperative of IRENA's direct and continuous engagement with regions. He noted that, with the growth of IRENA's membership, so has the imperative of widening the scope of regional engagement. He noted that the progress made in advancing the deployment of renewables in Africa and SIDS would be furthered. He stressed that 2014-2015 biennium would mark a decisive move toward working much more closely with Asia, including with Members in the Association of Southeast Asian Nations (ASEAN), and with Latin America and the Caribbean.

39. The Director-General noted the importance of IRENA's engagement with the Agency's membership in the Middle East and North Africa (MENA) region, as well as the Gulf Cooperation Council (GCC) countries. He underlined the substantial diversity of requirements for countries in different stages of development, and the need for IRENA to continue to produce work relevant to all. In this regard, he noted that the Agency would look into the particular needs of Members in developed economies. The Director-General mentioned that the opening of additional regional offices has not been envisaged at this stage, but it is likely that a conversation on this matter would be needed in the coming years, balancing the programmatic needs with the availability of resources.

40. On the topic of management and administration, the Director-General underscored the necessity for an early and inclusive budget planning process with Members, especially when contemplating any future increases. He noted the need for innovative financing options, including voluntary contributions and a system for managing them effectively. The Director-General stressed the importance of monitoring and evaluation which, as the Agency matures and the impact of its work become more evident, will greatly assist in defining programmatic priorities and in facilitating budgetary deliberations. He mentioned IRENA's Project Management Office (PMO) as one of the important tools for quantitative tracking of implementation progress.

41. The Director-General added that, as the Agency grows, it has to be increasingly relevant and assessable to all Members, therefore embedding multilingualism in the Agency's programmatic work is of pivotal importance. He noted that this was also a budgetary issue, for which solutions would have to be found.

42. With respect to staffing, the Director-General pointed out that merit-based recruitment is critical, as quality staff are the foundation of IRENA's success, underpinned by geographic diversity that mirrors its membership. He noted that, with over 40 countries represented, IRENA's commitment to diversity is evident.

43. In conclusion, the Director-General noted that it has been an extraordinary honour for him to have had this position and a truly unique opportunity to lead a new, solution-oriented Agency to advance the agenda of sustainability. He expressed that leading IRENA has been one of the most rewarding periods of his career and that he has appreciated the unwavering support and engagement from Members in the past three and a half years of his tenure. The Director-General concluded that he would be honoured should Members name him as the best-suited person to continue the leadership of IRENA.

44. In the ensuing discussion, many delegations congratulated the Director-General for his leadership of the Agency, especially in his stewardship through initial administration and financial challenges, noting that IRENA has since established itself as a credible player globally. Several delegations noted that this is

an important moment for the future of IRENA and looked forward to being part of the process to further develop the Agency going forward.

45. A number of delegations underscored significant progress that IRENA has made during the Director-General's tenure, including with regard to various substantive areas, such as access to affordable energy, Renewables Readiness Assessments (RRAs), the development of the Africa Clean Energy Corridor, and participation in the Sustainable Energy for All (SE4ALL) initiative. Some delegations noted that continuity of the Agency's current leadership would be important to advance programmatic work currently in place.

46. A number of delegations expressed appreciation for IRENA's engagement in different regions, including in the Pacific, and echoed the Director-General's plans for additional regional focus in Asia, Latin America, and in Small Island Developing States (SIDS) globally. One delegation cited the International Off-Grid Renewable Energy Conference (IOREC) in Manila as a platform for greater cooperation in the region.

47. A number of delegations commented on the Director-General's vision for the Agency's future, supporting plans and ideas presented. One delegation emphasised the importance of IRENA's annual publication in establishing the Agency as an authority in renewable energy. A few delegations expressed support for IRENA to serve as a catalyst to promote change in energy systems worldwide toward greater sustainability, and emphasised the role renewable energy can play in poverty alleviation. Other delegations noted that the transfer of knowledge would be increasingly important, and that IRENA should continue to facilitate this, as well as play a central role in helping countries achieve energy sustainability.

48. Several delegations agreed that a focus on the effectiveness of delivery is a positive step in evaluating programmatic performance. One delegation noted that it is important that all projects are appropriately monitored in order to ensure that IRENA is as effective and efficient as possible. Another delegation underscored that policy advice should be accompanied by concrete, measurable actions to be taken.

49. Some delegations re-emphasised the importance of multilingualism to encourage the broadest possible participation in IRENA and to enable Members' to benefit fully from the Agency's programmatic work.

50. Some delegations welcomed the report on jobs and the socio-economic impacts of renewable energy. Another delegation underlined the importance of coordination between local industry in the deployment of renewable energy, which should be connected to local job creation and to other facets of the market. Some delegations supported the emphasis on partnerships, especially with the private sector and industry, with a close dialogue with Members about key choices in this respect.

51. One delegation thanked the Director-General for the attention he has given to management issues and the governance of the Agency. A few delegations emphasised the importance of a human resources and recruitment plan to accompany the substantive programmatic plan for the future, taking diversity and balance into account. Other delegations emphasised the importance of budget planning. One delegation thanked the Director-General for his assurances regarding engaging Members on any future change in the budget, underlining the importance that the delegation attaches to accounting such change.

52. Some delegations emphasised the importance of consultation between IRENA and Members, and welcomed the importance the Director-General placed on this issue in his presentation, including proactive engagement between the Secretariat and Heads of Delegation.

53. One delegation thanked countries that had provided additional support to IRENA through voluntary contributions.

54. The Council Chair noted that both Council members and non-members expressed their support for the renewal of the incumbent Director-General for the second term. He stressed the importance of the Members' strong support both for the future of the Agency and the Director-General himself.

55. The Council Chair noted that he would, in line with the procedure outlined in document A/4/11, communicate to the President of the fifth Assembly that the incumbent Director-General expressed his willingness to continue serving IRENA as Director-General and that, following his presentation, the Council responded positively to his willingness and unanimously recommended a renewal of his appointment.

56. In response, the Director-General expressed appreciation for the strong support from Members and committed to continue to strive to meet Members' high expectations in the future.

Agenda Item 5: Programmatic Discussions

(a) REmap 2030 – A Global Renewable Energy Roadmap (C/7/DN/3)

57. The Director of the IRENA Innovation and Technology Centre (IITC), Mr Dolf Gielen, presented the main findings of REmap 2030, IRENA's global renewable energy roadmap for doubling the share of renewable energy by 2030. The key conclusions of the report, to be launched at the SE4ALL Forum taking place in New York on 5-6 June 2014, include:

- 1) doubling the share of renewables from 18% in 2010 to 36% in 2030 is technically achievable with existing technologies;
- 2) doubling is affordable when externalities are accounted for;
- 3) doubling will create jobs and spread economic wealth;
- 4) renewables are better for improving health, environment and ensuring energy security;
- 5) renewable energy and energy efficiency combined can keep CO₂ emissions low enough to halt the acceleration of climate change;
- 6) action is needed not only in the power sector, but also in end-use sectors; and
- 7) biomass is a key resource for doubling the global share of renewables.

58. He underlined that the REmap approach is unique because of its inclusive and iterative process, and highlighted that it focuses on identifying technology options rather than target-setting. He also pointed out that each country will have its own tailor-made solution, meaning that not all are expected to double. He thanked Germany and Japan for their voluntary and in-kind contributions to REmap 2030 and many other Members that contributed to the analysis through their country experts' active participation, adding an immeasurable value to the project.

59. The Director mentioned the first country-specific report to be completed is for the United States, and acknowledged the constructive collaboration throughout the process. He mentioned that the REmap analysis of four additional countries will occur in the near future, and that several others had expressed

interest. He added that two REmap action teams will be formed, one on the synergies between energy efficiency and renewable energy, and another on the role of renewables in the transport sector, such as biogas for transportation, solutions for aviation and shipping and electric vehicles. The Director ended his presentation by noting that renewable energy growth needs to be accelerated by developing the right policies.

60. A representative of Japan spoke on the importance of REmap 2030 to provide countries with useful information to recognise their renewable energy mix and technology options. Japan suggested that IRENA deepen the analysis on battery and storage technologies and to support new policies for installation of these technologies. Japan also highlighted the importance of sustainable biomass as a critical resource.

61. A representative of France also spoke on the importance of biomass for achieving a doubling in the global share of renewables. The representative mentioned the importance of using REmap results to carry a more positive message about the potentials of renewable energy in international policy discussions such as in the context of European Union 2020 goals or in the G20 arena. The representative continued by mentioning the importance of innovation for cost reductions and that IRENA should focus more on deployment of modern biomass consistent with sustainability, minimising global warming and other environmental impact goals.

62. A representative of the United Kingdom spoke of the importance of policies for renewable heating. In the United Kingdom, half of total energy use is for heating, and domestically fuel use in gas boilers accounts for 80% of total energy demand. In the UK, a renewable heat incentive is provided for domestic and non-domestic applications. One of the key differences between the two areas of application is the rate of incentive provided and how it is calculated. The renewable heat incentive is provided for a number of renewable technologies in non-domestic applications which operates since November 2011, including solar thermal, waste energy, heat pumps, geothermal and various modern bioenergy technologies. More recently, the domestic renewable heat incentive was opened to application on 9 April 2014. By end of May, 991 installations were credited which include similar technologies for non-domestic applications.

63. Several other delegations affirmed the importance of biomass for doubling the share of renewables and the need for deepening work on this subject. A specific example of the importance of traditional use of biomass in Africa was provided, as biomass accounts for more than half of the continent's total energy use and that the dependency on traditional biomass should be reduced through a shift to sustainable, more efficient technologies. Next to traditional biomass use substitution, two delegations suggested that modern biomass use could be deployed in the power and transport sectors through sustainable feedstock, which do not cause additional greenhouse gas emissions, environmental impacts and land use change, as well as which do not impact food production. One delegation suggested that IRENA could facilitate further discussions around biomass and collaborate with other international organisations working in the field.

64. One delegation highlighted the importance of overcoming barriers to deployment, particularly costs stemming from the lack of availability of financial resources, market conditions, and energy prices. Several delegations suggested that IRENA's future work should be broadened to focus on innovation systems for renewable energy technologies, deployment of breakthrough technologies, including ocean energy and storage as well as participating in the global debate on energy pricing.

65. One delegation inquired whether the targets and timeline of REmap 2030 are realistic for all countries, and another delegation inquired about the assumptions of REmap 2030 with respect to cost reductions, assumed policy and timelines, and how cost and benefits are divided between different actors.

66. In response, the Director stressed that REmap 2030 focuses on the technical possibilities of renewables and what the consequences of a doubling would be, such as the associated costs. He mentioned that it is to be determined by each country how to deploy the various options.

67. The Deputy Director-General thanked countries for their in-kind and voluntary contributions that enabled IRENA to carry out the REmap 2030 work. He also supported delegations' view on biomass and the nexus with land and water as well as the consideration that IRENA could examine storage, ocean energy and heating technologies in the future.

68. The Council took note of the presentation and the discussions.

(b) Regional Clean Energy Corridors (C/7/DN/1)

69. Ms Gauri Singh, Director of the Country Support and Partnerships Division (CSP) presented the Regional Clean Energy Corridors initiative as an important area of IRENA's work programme and one that will allow IRENA to assist Members in transforming their energy mix to a higher share of renewables. She outlined that the economic growth of developing regions, particularly those of Sub-Saharan Africa, Central America, South Asia and Pacific, and the Middle East and North Africa are well ahead of the world average of 2.4% GDP growth in 2012 and that it is forecasted that emerging and developing countries will contribute 60% of the World GDP in 2030. She noted that in these developing economies, power demand will likely increase with the growing GDP, and it will be important to address how this will be supplied. She added that if reliance on non-renewable resources for power generation continues, the economic growth of developing regions would not be economically nor environmentally sustainable.

70. She explained that the Regional Clean Energy Corridors aim to accelerate the introduction of clean, affordable and reliable renewable power options. IRENA, partnering with Members and working with leading institutes in renewable energies, has already started work on the Africa Clean Energy Corridor (ACEC). IRENA is also engaged in Central America with the Central American Interconnection System (SIEPAC) and the Central American Integration System (SICA). In the MENA region, IRENA is building on the region's ongoing electricity market integration. The Director also noted that the Agency plans to initiate discussion in the Association of South East Asian Nations (ASEAN) region.

71. The Director pointed out that the corridor initiatives require strong political and regional support. In addition, many elements need to be addressed, such as the need for capacity building, assisting national institutes to plan and coordinate regional initiatives, enabling harmonised markets and fine tuning regulation to promote trade and higher share of renewables in the market. She concluded by outlining the five action agenda elements of the ACEC, namely the zoning and resource assessment, creation of regulatory and financing frameworks, planning of renewable power integration, capacity building and public awareness of the initiative to scale up renewables.

72. A representative of South Africa highlighted the corridors' opportunity to strengthen interconnectivity between countries, and maximise the benefits of renewable energy resources. She noted that there is political will for this initiative, underlining its contribution to increasing the proportion of renewables in the electricity mix. She also emphasised that the role of Power Pools is important to ensure the realisation of renewable energy deployment. She added that political support would also be crucial in order to translate government commitments into workable frameworks and policy regulations, to allocate resources, establish

proper institutional structures and provide certainty to investors. She closed by noting that the Corridor will provide a pool of skills for the region in the long term.

73. A representative of Mexico welcomed the Central America Clean Energy Corridor initiative and its potential to promote economic and social development, integrate regional electricity markets, catalyse renewable power deployment, create economies of scale attracting private investment, and increase electricity traded on existing infrastructure. She noted that the initiative is coming at a timely moment when Central America's power demand is growing rapidly and when conditions for power trade are being developed. The representative shared Mexico's experience in successful development of geothermal and wind power and encouraged other Members to support the initial Corridor areas: capacity building and the development of operational producers to secure the intake of variable power in the grid.

74. A representative from Tunisia noted that his country would host a workshop to launch the first phase of the "Pan Arab Clean Energy Corridor" for the Maghreb countries in June 2014. He noted that Tunisia sees this initiative as a catalyst to develop a regional renewable energy market, reduce financing costs of renewable energy, facilitate trade in electricity, significantly reduce national needs for emergency power, develop a local renewable energy industry and create jobs. He encouraged such initiatives for regional integration and synergies between countries, and expressed interest in a Renewables Readiness Assessment in Tunisia to enable the development of a policy to promote renewable energy domestically.

75. A representative from Malaysia explained that the countries of ASEAN have surpassed their renewable energy target of 15% renewables by 2015 and are now looking to revise the target. He noted that Malaysia would continue to work on enhancing awareness and information sharing, promoting inter-ASEAN cooperation, encouraging renewable energy financing schemes, promoting commercial development and utilisation of biofuels, and developing ASEAN as a hub for renewable energy. The representative expressed the need for ongoing cooperation between ASEAN and IRENA particularly through seminars and workshops on renewable energy.

76. In the discussion that followed, one delegation expressed support for IRENA as a hub for regional renewable energy cooperation and another delegation stated that the Africa-EU partnership is an important strategic platform for cooperation between European and African countries in the field of energy.

77. One representative noted that the detailed site-specific data collection under the zoning pillar of the Corridor initiative could be useful to present to investors, and urged IRENA to continue supporting such databases. This delegation also supported IRENA's work in identifying financing best practices for the installation of renewables and urged IRENA to suggest new innovative financing solutions in cooperation with different financial institutions.

78. One representative highlighted that variable renewable power, particularly solar and wind power, requires firm energy generation in order to ensure grid stability, and asked IRENA to assist ACEC countries in identifying their current maximum capacity for renewables.

79. Several representatives expressed the need for enabling finance and to raise awareness of benchmarking and costs in order for countries to be able to make informed decisions about renewable energy projects, as well as to encourage increased involvement of development banks. Some delegations asked IRENA to allocate resources to identify bankable projects in order to enable the regional clean energy corridors to shift from the initiative level to tangible projects.

80. Two representatives called upon IRENA to resume discussion on a South East European clean energy corridor, recommending that IRENA collaborate with international partners such as the Energy Community and the UN Economic Council of Europe. The representatives also suggested that IRENA facilitate regional conferences and workshops on renewables in the region and, in cooperation with financial institutions such as the International Finance Cooperation (IFC) or the European Bank for Reconstruction and Development (EBRD), explore ways to mobilise support for investment.

81. In response, the Director-General emphasised the importance of political will and support, demonstrated by Members and their Ministers of Energy, for the success of these regional initiatives. He noted that this has already been achieved with the Africa Clean Energy Corridor, where support is evident from transmission system operators, regulators, development partners, and regional and international financial institutions.

82. The Director-General expressed gratitude to all countries who have offered support for the corridors. He commented that site-specific data for the development of renewable energy projects is available through the Global Atlas, and that the integration of investment-grade data would be a crucial part of the regional clean energy corridor action agenda.

83. Addressing the issue of awareness-raising related to financing, he stated that the Africa Clean Energy Corridor will be brought to the UN Secretary-General's Climate Summit in September 2014. He also noted that IRENA has commenced work on the South East Europe corridor and that further political support would be needed from countries in the region before work can move forward. He also further noted that IRENA is looking at how it can strengthen its partnership with ASEAN.

84. The Council took note of the presentation and the discussions.

(c) Socio-economic benefits of renewable energy (C/7/DN/2)

85. The Acting Director of IRENA's Knowledge, Policy and Finance Centre (KPFC), Ms Rabia Ferroukhi, introduced the second programmatic discussion on the socio-economic benefits of renewable energy deployment and highlighted the role of IRENA in bridging the knowledge gap on the socio-economic impacts of renewable energy. The deployment of renewables has been mainly driven by the ambition to mitigate climate change, improve energy security and enhance energy access. Increasingly, economic issues such as industrial development, income generation and job creation are becoming key considerations for policy-makers. However, specific analytical work and empirical evidence on this subject remain relatively limited, and policy-makers are challenged with the lack of data.

86. In this context, the Acting Director presented some of the findings from the ongoing work on socio-economic impacts of renewable energy. She highlighted that the impact of renewable energy deployment on GDP is overall positive, despite limitations of existing approaches to estimate it fully. She also presented the latest trends in jobs in renewable energy, citing that 6.5 million people were employed in the sector in 2013, directly and indirectly. She pointed out that jobs and other socio-economic effects can be analysed along the different segments of the value chain as well as the supporting processes and that the extent to which value is created domestically depends on the level of development of a country's renewable energy sector. She also noted that the right mix of cross-sectoral policies is needed to maximise the socio-economic benefits of renewable energy, covering deployment and industrial policies, and that building a domestic renewable energy industry requires stimulating investments, strengthening firm level capabilities,

promoting education and training, and encouraging research and innovation. She also stated that there is no one-size-fits-all policy solution to maximise value creation, and that successful policy-making requires close coordination and engagement of diverse stakeholders.

87. In conclusion, the Acting Director underlined the need for sound quantitative analysis of expected socio-economic effects in order to enable informed policy choices. She emphasised the importance of comprehensive data for such analysis and invited Member States who are interested in engaging in this exercise to share relevant data collected with the Secretariat.

88. The representative of the United Arab Emirates highlighted that work done by IRENA on the topic of socio-economic benefits is important to raise awareness on the true costs and benefits of renewable energy and to support informed policy-making. She stated that the media coverage of IRENA's work on renewable energy jobs presents evidence that economic benefits are becoming major drivers for deployment. The representative further highlighted the importance of studies that assess the socio-economic impacts of different sources of energy, and the role they play in making the case for renewables.

89. Second, the representative of Saudi Arabia stressed the importance of the development of local content in renewable energy. He highlighted that only 30% of the total cost of a PV power plant is spent on solar panels, while 70% is in the balance of system which could be localised easily. Therefore, financing mechanisms should not be limited to supporting investments in renewable energy power plants, they should also target the development of a domestic industry to localise the process of setting up these plants. The representative also highlighted the benefits of using renewable energy for desalination, which is expected to play an increasingly vital role in the provision of fresh water, in terms of increased efficiency, reduced costs and potential for energy storage.

90. Third, the representative of Germany stated that the renewable energy sector has presented major macro-economic benefits locally, in terms of GDP, employment and savings from avoided imports of fossil fuels, as a result of stable deployment rates. He highlighted that this is due to the long term target-setting approach adopted in the country and more particularly, the feed-in tariff scheme that has provided investors with a stable framework and minimised risks. He concluded by stating that efforts are needed in balancing the macro-economic costs of investments made as part of the *Energiewende* with the benefits they bring for society.

91. Several delegations highlighted that investments in the sector offer tremendous potential for industrial development and income generation in the presence of appropriate support measures. Moreover, jobs created in the sector could have induced positive impacts on the economy. One delegation also stressed the importance of promoting local as well as regional industries and supporting the domestic manufacturing of components to ensure effective maintenance. Some delegations highlighted that governments realise these potential benefits and are adopting policies to expand renewable energy deployment and the development of local industries even at time of fiscal constraints.

92. Several delegations stated that national plans are increasingly targeting renewable energy deployment and governments are supporting these plans with measures and policies including industrial policy, education and training policies and investments in R&D.

93. Delegations supported IRENA's work on the socio-economic benefits of renewables, highlighting its important role in guiding governments in their renewable energy policy-making efforts. One delegation highlighted the need to assess wider socio-economic impacts in addition to jobs and GDP in order to

showcase the benefits of deployment and receive more political support. The delegate also requested to quantify these benefits in financial terms to help make the case for renewables. Another delegate highlighted the lack of actual data on the contribution of biomass to GDP and jobs. He stressed the importance of conducting capacity needs assessments in order to identify the skills needed for the development of the biomass sector and to promote the local development of those skills.

94. Summing up the discussion, the Deputy Director-General recognised the complexity in identifying the economic interlinkages and to find the optimal solution to maximise macro-economic benefits. He highlighted the general consensus among delegates on the importance of the development of local industries and the need for stable frameworks to enable this development. The Deputy Director-General closed by welcoming countries that have expressed interest in continued collaboration with IRENA on the socio-economic benefits of renewable energy and by recognising the need for further analysis on the topic and the need to broaden the scope of assessment to make the case for renewables.

95. The Council took note of the presentation and the discussions.

Address by Governor Patrick of Massachusetts

96. The Chair invited the Governor of Massachusetts, Mr Deval Patrick, to speak on lessons learned in his state's transition to renewable energy and its efforts to reduce the impact of climate change. Governor Patrick described the approach taken by Massachusetts to address the multiple threats of climate change, particularly efforts to engage utilities, municipal leaders, and the private and public sectors.

97. The Governor noted that Massachusetts has protected its environment and strengthened its economy by harnessing local energy sources, reducing energy use and transitioning to clean and alternative energy through public-private partnerships, with energy efficiency as a top priority.

98. He noted that the Massachusetts economy has grown stronger because of its investment in renewable energy, and that much of the state's economic growth is coming from the clean energy sector. He reported that the state's solar and wind capacity has grown exponentially, its energy savings have tripled, and greenhouse gas (GHG) emissions have been reduced by 16% from 1990 levels. He stated that Massachusetts has demonstrated that a market-based carbon cap-and-trade approach works. Renewable energy in Massachusetts, he noted, has produced 6 billion dollars of economic and environmental benefits, strengthened the local economy, and spurred job growth.

99. In closing, the Governor emphasised that the transition to renewable energy will happen because it must, but that it will not happen overnight. This transition, he insisted, demands the sharing of lessons learned and collaboration with regard for the long view.

100. In response, the Director-General commented on Massachusetts' inspiring results and highlighted the Governor's statement that there is no longer a choice between sustainability and growth; sustainability must be an integral part of future growth.

101. The Council Chair thanked the Governor for his address and for sharing his insights with Council Members.

Agenda Item 6: Policy Discussions**(a) Climate Change thematic discussion (C/7/DN/4)**

102. The Director-General opened the discussion by noting that IRENA had, at inception, made the conscientious decision to not engage in the climate debate. He noted that it might now be time to re-consider the parameters of this decision and asked for guidance from Members on how to position the Agency within the evolving debate. He remarked that renewable energy had become central to consideration of efforts to mitigate climate change and that it is becoming important to discuss how IRENA should participate in the global climate efforts. He noted that the Assembly already decided that the Agency should cooperate with the Climate Technology Network Centre.

103. The Director-General acknowledged that while engagement in such discussions creates a risk of association with the complexity of international negotiation processes, there is also an opportunity to advance the deployment of renewable energy as global awareness and attention to renewable energy solutions increases. He urged Council members to consider whether climate change discussions afford IRENA an opportunity to develop momentum and further encourage renewable energy deployment. To guide discussions, the Director-General pointed out the questions outlined in the discussion note.

104. In the discussion that followed, Council members remarked that reducing greenhouse gas (GHG) emissions is an international challenge and that climate change and the central role played by renewable energy in this context is a matter that should be addressed. Many delegations acknowledged the difficulty of entering the climate debate while at the same time avoiding to engage in political discussions.

105. Several delegations recommended that synergies between IRENA and UNFCCC be explored but urged IRENA not to engage in the politics of negotiations themselves, stating that IRENA's main priority should be to continue to assist countries, particularly emerging nations, mainstream renewable energy as part of national development and climate resilience planning.

106. Delegations suggested that IRENA conduct further analyses on the potential that renewable energy may have in reducing GHG emissions, pursue objectives linked to energy policies such as security of energy supply and energy prices, continue work on risk analysis, and enhance cooperation with UN agencies and other international organisations, NGOs, the private sector and government. Members also agreed that, in this context, the Agency should raise public awareness of renewable energy, share experiences and data, and leverage IRENA products. Specifically, many delegations noted that IRENA should continue to provide technical advice and support, and some referenced IRENA's involvement in the Durban platform working group for enhanced action session and technical expert meetings, such as the Climate Technology Network Centre, as an example of such an approach.

107. Some delegations referred to the Green Climate Fund and requested IRENA to advise Members on how to make use of this fund in the context of renewable energy investment and deployment.

108. One delegation called upon stakeholders to contribute to the green initiatives that have not been a priority since the Kyoto convention, and asked that IRENA give priority to these issues in order to reduce CO₂ emissions and increase the contribution of renewable energy to the global energy mix.

109. Several delegations underlined that IRENA could have a role to support and further the Intergovernmental Panel on Climate Change (IPCC) recommendation to triple or even quadruple clean

energy's share in the global energy mix. One delegation suggested that IRENA could provide an easy-to-read flyer on how to meet IPCC recommendations.

110. IRENA's Director-General thanked delegations for their guidance in charting IRENA's engagement in the climate discussion, underlining that IRENA is not a party to the ongoing climate negotiations, which are clearly outside the Agency's scope and mission but that climate considerations and the negotiations process have important implications for energy. He further acknowledged emerging economies as an issue of particular focus for renewable energy deployment and decarbonisation, and noted that IRENA could impact implementation through roles such as Work stream 2 of the Durban platform. The Director-General also noted the need to engage with the emerging climate financing regime to ensure economic and ecological outcomes and increased renewable energy investment.

111. The Council took note of the presentation and the discussions.

(b) Accelerating renewable energy deployment in developed economies (C/7/DN/5)

112. The Director-General opened by commenting briefly on the evolving policy frameworks of developed economies and stressed the merit of looking at emerging best practices and challenges with existing policy frameworks. This could guide others striving to accelerate domestic adoption of renewables and engender a dynamic process of discussion around successful pathways for enhancing renewable energy penetration under different circumstances.

113. A representative of the Secretariat presented key findings from the IRENA report on 'Adapting Renewable Energy Policies to Dynamic Market Conditions'. He noted that report findings suggest that technology costs will continue to decrease, that planning ahead for renewables integration is necessary, that a rise in decentralised generation is driving a transformation in ownership structures, and that a systemic approach to renewable energy policy-making is essential.

114. A representative of Germany recalled that IRENA is the only intergovernmental organisation focused on energy matters and open to all Member States of the UN. This scope would necessitate that the Agency strives to cater to all its Members. He also stated that the term 'advanced' seemed more pertinent to the issue of renewable energy deployment and less to overall economic development. Germany supported IRENA's continued engagement with countries advanced in renewables deployment and highlighted issues of technology, grid integration, cost reductions, and market challenges as questions of high relevance for many countries and that lessons learned may greatly benefit advancing economies.

115. A representative of Italy seconded Germany's intervention, stating that countries with high renewable energy growth potential could greatly benefit from lessons learned. Italy referenced its own renewable energy strategic directive and urged other countries to foster a similar demand side approach. Italy encouraged IRENA to continue its work on issues such as policy adaptation as they could provide valuable insights into effective policies, targets and other instruments needed for renewable energy deployment.

116. In the discussion that followed, several delegations expressed strong support for IRENA's work on developed economies and thanked IRENA for the timely and relevant report. Delegations noted the need for IRENA to continue in its role as a centre for information and to continue to partner with other international organisations to promote IRENA's products and avoid duplication of work.

117. Many delegations referenced national developments and encouraged exchange of information and best practices among IRENA Members. Obstacles to renewable energy deployment noted by delegations included limited national and regional connectivity, lack of adequate regulatory frameworks, grid connections, storage, cost-efficient support mechanisms, cost of technology, limited knowledge of the financial sector, fiscal shortage, and issues related to social acceptance of renewable energy. Solutions proposed include research, renewable energy corridors, technical integration of grids and smart grids, and the introduction of low cost policies.

118. Many delegations welcomed IRENA's ability to foster an active policy dialogue among Members and assist countries in achieving renewable energy goals, highlighting the Agency's role as an advocate of renewable energy. In this regard, delegations suggested that IRENA continue to develop information tools and advice for policy makers, to evaluate and consolidate best practices, develop a dedicated platform for regulators to better exchange practices and ideas, establish a renewable energy patent pool to encourage innovation and facilitate access to new developments in technology, review new renewable energy legislation, and share information on the development and implementation of national renewable energy targets.

119. Some delegations noted what they considered to be priority initiatives, including REmap 2030, transition pathways and roadmaps for advanced economies, policy and market design for electricity sector transformation, adapting infrastructure for renewable energy integration, and market integration models for large scale deployment of renewable energy. Several delegations also expressed strong support to develop work on biomass. Two delegations encouraged partnering between developed and developing states to maximise project development and minimise costs. One delegation suggested that IRENA develop a series of brief news pieces highlighting ways to move beyond traditional energy sources.

120. Several delegations recommended that IRENA continue work on renewable energy competitiveness, regulatory frameworks, interconnectivity, the harmonisation of support schemes and to examine electricity prices and the electricity end-use sector. One delegation suggested that IRENA deal with public procurement and foreign bidders' access to national markets.

121. Some delegations noted that while suggested areas of focus were all important, IRENA should limit strategies and programmes to those cross-cutting areas which affect all countries.

122. In response, the Director-General commented on the depth, richness and variety of issues raised and thanked delegations for their suggestions. He noted that IRENA had taken note of all suggestions and made particular note of the importance of technology costs and retail electricity costs, noting that transmission and interconnection are areas for future IRENA focus. The Director-General also recognised that biomass was an issue stressed by many delegations from emerging and advanced economies, and that IRENA had developed some ideas on how to address the issue.

123. The Director-General informed delegations that IRENA was close to completion on a study of the success and failures of different target regimes and that the Agency will be conducting studies on regional market analysis and renewable energy legislation in the GCC market and in Latin America and the Caribbean.

124. He proposed, after the strong participation in the discussion, to prepare an analytical note on the topic as a basis for future programmatic focus and suggested that delegations provide feedback to obtain greater clarity on future programming and future activities in this area.

125. The Council took note of the presentation and the discussions.**Agenda Item 7: Strategic Discussion on options for future funding opportunities for the Agency (C/7/2)**

126. The Council Chair introduced the topic ‘Financing of the Agency – strategy for the future’ as contained in document C/7/2, adding that this discussion note could be considered in the wider context of the future of the Agency. He underlined that discussions about financing are connected to questions about IRENA’s direction in the medium and long term, as well as considerations about the role of IRENA in the renewable energy market and the fight against climate change, how the various projects of IRENA should relate to one another, and what should be the size of IRENA’s staff and budget to reach the goals set by Members.

127. The Director-General opened by noting that conversations in the course of preparations of the biennial work programme and budget included a discussion of how to balance the programmatic ambition of the Agency and its growing membership with the challenging economic situation many countries are facing. He introduced the concept note intended to provide a basis for discussions in the coming months by outlining a few main points. He pointed to the current Medium-term Strategy as a framework to help focus IRENA’s programmatic work toward an overarching vision of becoming the voice for renewable energy.

128. He highlighted that there are unique attributes that enable IRENA to add value to the renewable energy discussion in a way that no other organisation can. These include:

- Focused and unambiguous mandate which provides clarity to IRENA’s work and responsibilities;
- Broad membership base and strong Member engagement in the work of the Agency which gives IRENA access to key government partners and allows the Agency to tap into the wealth of knowledge and experience that Members possess;
- Direct and continuous engagement with countries at all levels, which creates durable relationships and first-hand knowledge of countries’ needs, allowing for targeted support; and
- Increasing intellectual capital accumulated through programmatic work and interaction with countries and growing credibility and authority based on substantive products.

129. The Director-General added that even in the short period of time since IRENA’s establishment, the economic and geopolitical significance of renewables has significantly changed, and that it will be critical for IRENA to strike the right balance in critical areas where the Agency has to take the lead if it is to be the voice for renewable energy. In light of this consideration, the Director-General asked a series of strategic questions including:

- Considering developments in recent years, as well as drivers for the future deployment of renewable energy, what are the programmatic areas of IRENA’s work where additional emphasis is needed or in which strategic adjustments should be made?
- Considering growing and diverse needs of Members, some of which are beyond the capacity of the Agency to meet, how can the Agency ensure the most balanced and objective approach to selection of priorities?

- Given the substantial engagement and traction that some of IRENA's programmatic activities are attracting, such as the Clean Energy Corridors or REmap as pathways to large scale deployment of renewable energy, is the current capacity of the Agency adequate to support these initiatives?
- Is it necessary to have a greater level of on-the-ground engagement? Does IRENA need to have regional presence? If so, in what form?
- How can we ensure that the knowledge, analytical and advisory work done by IRENA is applied and makes a real impact?
- What is the extent to which IRENA should be involved in technical assistance and project implementation?
- In light of the fast pace of technology innovation, does the ability of IRENA to translate innovation into specific advice to countries need strengthening?

130. The Director-General noted that these programmatic and strategic questions will have to be matched with the corresponding discussion on the future financing of the Agency, including questions of direct relevance for the next programmatic cycle and beyond. He added that some key financing-related questions in this respect involve: considering the optimal size of the core component of staff in the medium term; the international financing initiatives that may be strategically used for funding of IRENA's work; the possibilities of multi-year commitments on voluntary funding for specific programmatic aspects; and other sources of voluntary funding or innovative financing options that can be used in IRENA. He also asked whether there are examples of organisations from which IRENA could find best practices or innovation in financing.

131. In the discussion that followed, a number of countries noted the importance of this discussion at this point in time for the Agency, to ensure that there is consistency in funding practices and a financing strategy for IRENA's ongoing and planned programmatic work. One delegation noted that how the Agency defines its key objectives is the starting point for consideration, to be followed by a work programme that rigorously supports these strategic decisions. Several delegations noted that the financing discussion is inextricably linked to the strategic plan of the Agency and its substantive work programme.

132. On the topic of selecting priorities in a balanced way, some delegations recommended that the Agency choose areas that have the most impact and are linked to core programmatic issues, such as technology and costing. One delegation noted that monitoring progress would be crucial and expressed support for the Project Management Office (PMO). Other delegations agreed that a concrete demonstration of outcomes is important in this discussion, along with a focus on setting realistic objectives and balancing money available with concrete task goals. One delegation mentioned that even with a disciplined and focused approach, Members should envision that some of the activities of the Agency will not be funded through the core budget.

133. Regarding strategic adjustments in IRENA's current work, one delegation noted that it would like to see more geographical balance, especially more focus on Asia. Other delegations pointed out that extending the Agency's areas of involvement would be possible only by linking programmatic work with the financing and human resources needed to accomplish it.

134. On the topic of a regional presence for IRENA, one delegation recommended that this be a topic for creative means of financing. Another delegation requested additional information on the cost/benefit of additional field offices, noting that the Secretariat could also use existing regional agencies as an alternative to creating specific IRENA presences.

135. In answering the question of how to magnify IRENA's impact, one delegation emphasised the role of a flagship publication that could be launched worldwide to raise the profile of the Agency. Another delegation noted that as a producer of information and knowledge products, IRENA must meet a real need and be available to the public in support of the Agency's role as the voice for renewable energy.

136. On the question of IRENA's involvement in project implementation, one delegation recommended that the focus remain at the strategic level, with country-level technical assistance and implementation outside the scope of the Agency.

137. In order to assess the Agency's current capacity to support activities, one delegation recommended that IRENA take into account the capacity it already has and strengthen it. Another delegation raised the issue of the ratio between core budget and voluntary contributions, and noted that there was a reasonable possibility for increased programmatic funding from voluntary contributions in the future, especially through potential contributors' interest in specific projects.

138. Some delegations recommended that there be a mechanism for organisation of voluntary contributions and for pursuing different future sources of voluntary contributions. On the possibilities of multi-year commitments of voluntary funding, several delegations noted that this would be difficult since their budgets were based on an annual system, but encouraged countries able to make multi-year commitments to do so. One delegation added that international aid budgets are sometimes structured as multi-year, and thus this may be a possibility for some countries.

139. In the discussion of innovative financing options that can be used in support of IRENA's work, a few delegations suggested that IRENA products or services could be sold to support the Agency's financing, such as training workshops, including for the private sector, or a sponsored conference that could be conducted for a fee. Many delegations noted that countries could look at possibilities for supporting IRENA through seconded staff, or by contributing knowledge, skills, or other in-kind support. A few delegations supported mobilising private investment, and suggested that a series of systematic discussions with stakeholders worldwide could encourage more funding from the private sector. A number of delegations noted the possibility to form multi-stakeholder partnerships in order to mobilise other sorts of international multilateral funding for IRENA's work.

140. One delegation recommended that this discussion continue via webinar and teleconference leading up to the next Assembly, and that a discussion of potential synergies be incorporated in the ongoing consultations.

141. The Director-General responded by recognising that Members need to know what they are being asked to finance as part of the budgetary process. He raised the question of whether it was credible to charge for knowledge products, noting the need to balance for-profit activities with an effective communications strategy. He also emphasised the need to stay credible as an intergovernmental organisation in considering involvement by the private sector in funding activities. He thanked countries that had contributed to the Agency voluntarily, and noted that non-earmarked voluntary contributions were of significant value to the Agency's work. He added that there should be a deeper reflection regarding what is entailed in establishing the possible regional offices, and that this and other issues would be part of the ongoing discussion with Members.

142. The Council Chair closed by thanking Members for the fruitful exchange at a crucial moment for the Agency. He continued by noting that the current discussion must be placed in a broader

conversation regarding the future of the Agency and expressed his commitment to continue actively consulting with Members on the subject.

143. He also noted that at the sixth session of the Assembly in 2016, Members would consider and approve the Work Programme and Budget for the next biennium for 2016-2017, and soon after a new Medium-term Strategy to begin in 2018, as the current one will end in 2017. He emphasised that the mission of the Agency must be clear and transparent but also flexible and responsive to worldwide rapid change.

Agenda Item 8: Institutional matters

(a) Audited Financial Statements of IRENA for 2013 (C/7/3)

144. The Director-General opened by noting that Financial Regulation 12.2 prescribes that the Director-General shall submit to the Assembly financial statements and accounts for the past financial period and referred the Council to the financial statements covering the year ending 31 December 2013, as contained in document C/7/3.

145. He reported that the financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) and that the audit of the IRENA 2013 financial statements was conducted by Deloitte and Touche, which was appointed as the external auditor of the Agency as per decision (A/3/DC/11) at the third session of the Assembly.

146. He noted that the auditors had submitted positive – unqualified audit opinion attesting that:

- The financial statements present fairly, in all material respects, the financial position of the Agency as of 31 December 2013, and of its financial performance and its cash flows for the year ended 31 December 2013 in accordance with International Public Sector Accounting Standards;
- Expenditure and income for the Agency for the fiscal year of 2013 have been spent, in all material respect, for the purposes intended and the financial transactions conform to the authorities which govern them i.e. the financial regulations and procedures of the Agency.

147. The Director-General added that, as reflected in the financial statements, USD 28.2 million or 95% of the approved budget of USD 29.7 million was utilised during the reporting period and that as of 31 December 2013, Members had paid 97% of 2013 assessed contributions. He thanked Members who provided voluntary contributions to the programmatic activities of the Agency, amounting to USD 15.7 million or 41% of total revenue.

148. He reported that the overall surplus for the period is USD 7.1 million, which includes core budget cash surplus of USD 1,361,430. He added that an adjustment amounting to USD 546,061 relating to additional core budget cash surplus for the 2012 financial period was made during 2013. The Director-General concluded by noting that, in accordance with Financial Regulation 4.5 (a), the core budget cash surpluses, as shown in Annex II and III of the Financial Statements, will be apportioned to respective Members on 1 January 2015.

149. The Chair of the Administration and Finance Committee (AFC), Mr Conrod Hunte of Antigua and Barbuda, informed delegations that the AFC had expressed appreciation for the report and for its timely

preparation and submission, and referred the Council to document C/7/CRP/3 for a full account of the Committee's deliberations.

150. The Council took note with appreciation of the “Audited Financial Statements of IRENA for 2013” as contained in C/7/3 and submitted the document to the Assembly for its consideration at its next session in January 2015.

(b) Report of the Director-General on internal audit (C/7/4)

151. The Director-General presented the report on the activities of the Internal Audit Office as contained in document C/7/4, pursuant to Financial Regulation 11.4 (b), outlining the audit activities performed by the Internal Auditor. He emphasised that the Internal Auditor has evaluated the adequacy of internal control in the payroll, travel and procurement systems and assessed compliance with relevant policies and procedures, and that the key recommendations of the Internal Auditor and the actions taken by Management on each audit area are stated in this report and had been provided by the Internal Auditor directly to the External Auditors. The Director-General added that he will be reporting on the status of implementation of the audit recommendations, both from Internal Auditor and External Auditor, at the eight session of the Council, which will reflect actions taken on each recommendation in a tabular format as per established practice.

152. Reporting back to the Council, the AFC Chair stated that the AFC had clarified one point regarding payroll processing, as detailed in C/7/CRP/3, and then had taken note of the Report of the Director-General on the Activities of the Internal Audit Office and had agreed to transmit it to the Council for its consideration.

153. The Council took note of the “Report of the Director-General on the Activities of the Internal Audit Office”, contained in document C/7/4.

(c) Staff Provident Fund (C/7/5)

154. The Director of the Administration and Management Services Division of IRENA (AMS), Mr Jayantilal M. Karia, in his capacity as Chair of the Provident Fund Management Board (PFMB), reported on the 2013 Annual Report of the PFMB, prepared pursuant to Article 4 of the Staff Provident Fund Principles.

155. The Director of AMS noted that the PFMB had formally met twice in 2013 and had agreed to further explore cooperation with two institutions to manage the Staff Provident Fund (“Fund”) assets and provide investment strategies in accordance with the approved investment policy. Additionally, he noted that the PFMB is presently drafting rules to enable staff members to make additional voluntary contributions to the Fund and that these rules would be presented to the Assembly at its fifth session for approval in January 2015, after review by the Council.

156. Regarding Fund operation, he noted that at the end of the financial period, 31 December 2013, the Fund total net assets were valued at USD 4,125,899. He added that the External Auditor had rendered an unqualified audit opinion of the IRENA Staff Provident Fund for the year ending 31 December 2013, and had issued one recommendation related to considering alternative investment options for Fund resources

that include appointing an investment manager to implement other sources of investment in line with the Fund's Investment Policy. He underscored that the PFMB has been actively engaged to find a fund manager.

157. Reporting back to the Council, the AFC Chair stated that the AFC had discussed the level of management involvement for the Fund, as detailed in C/7/CRP/3, and then had taken note of the 2013 Annual Report of the Provident Fund Management Board on the Operation of the SPF and agreed to transmit it to the Council for its consideration.

158. In the discussion that followed, one delegation raised the issue of interest income of the fund and noted that performance was not impressive when compared to the rate of inflation. In response, the Director-General noted that IRENA has no precedent for investment, that it takes its fiduciary duties seriously, and that the Agency would be seeking legal advice before making additional investments with the USD 4 million fund because of the volatility in the investment profiles that had been considered.

159. The Council took note of the “Annual Report of the Management Board of the Staff Provident Fund” as contained in document C/7/5 and submitted it to the Assembly for its consideration at its next session in January 2015.

(d) Subsidiary organs of the Council (C/7/CRP/1)

160. The Council Chair introduced the “Note of the Council Chair on subsidiary organs of the Council”, contained in document C/7/CRP/1, pertaining to the subsidiary organs, or committees, of the Council which are currently the Programme and Strategy Committee (PSC) and the Administration and Finance Committee (AFC).

161. He highlighted two recommendations contained in the note, the first of which concerns the tenure of committee chairs and committee members and whether these terms should be extended to two years. Secondly, he noted, the Council is asked to consider whether the participation in committee meetings should be limited to Members of the Agency. Further, as the current PSC Chair is not able to continue with this duty, it was proposed that the outgoing Council Chair, Germany, assume this responsibility until members of the next PSC are appointed and a Chair elected.

162. Reporting back to the Council, the AFC Chair stated that the AFC had discussed the options without objection and had agreed to submit this Note to the Council for its consideration and approval.

163. The Council took note of the “Note of the Council Chair on subsidiary organs of the Council”, contained in document C/7/CRP/1 and endorsed the recommendations set out in section IV, paragraphs 11 to 15, of that document.

164. The Council further agreed that Germany would assume the chairmanship of PSC until members of the next PSC are appointed and a chair elected at the ninth meeting of the Council.

Presentation on IRENA's new headquarters

165. The Deputy Director-General of IRENA, Mr Frank Wouters, gave a presentation on the Agency's upcoming move into its new headquarters, a building in the heart of Masdar City near Abu Dhabi International Airport, expected to take place before the end of 2014. He highlighted the main characteristics of the building and its surroundings, including the fact that it will be in a free zone and an investment zone on roughly a square mile, with a 4-pearl Estidama sustainability rating and with 100 square meters of rooftop PV panels. He stressed that the Secretariat was looking forward to its new location.

166. A representative of the host country, Mr Thani Al Zeyoudi, provided additional details regarding the features of the new headquarters building, including plans to connect this site to a future railway. He noted that the whole building consists of three towers connected to each other around a covered central atrium, and that IRENA would be located in one of the towers, with services for banking, dining, and other amenities located on the ground floor of the building. He added that the other two towers are not yet fully leased, and he invited countries looking to open Permanent Missions to IRENA in the UAE to consider space in this building to enable more in-depth interaction with the IRENA Secretariat on renewable energy issues and on the ongoing aspects of IRENA's work.

167. In the discussion that followed, two delegations asked if the new headquarters would have the space capacity to host a Council meeting.

168. In response, the Deputy Director-General noted that while there will be meeting space, it will probably not be large enough to have a Council. He added that it is also more cost-effective to host Council meetings in local hotels than to bring catering services to the headquarters site. Mr Al Zeyoudi noted that, based on the current building design, there would be one floor that is dedicated to meeting rooms, the biggest of which is larger than the fifth floor meeting room of IRENA's current building, and that there would also be smaller rooms for bilateral meetings. He also noted that it was envisioned that Masdar City would eventually have a conference centre with hotel later on in its development.

169. The Council took note of the presentation.

Agenda Item 9: Arrangements for the eighth meeting of the Council

170. The Council designated Uruguay Chair, and India Vice-Chair of the eighth meeting of the Council, and decided to hold its eighth meeting on 3 and 4 November 2014.

Agenda Item 10: Any other business

171. The Council Chair recalled that the Assembly at its third session in January 2013 had agreed on a procedure to facilitate the election of a new Council every two years, as per the IRENA Statute, noting that this procedure is included in the Rules of Procedure of the Assembly in document A/3/6. He pointed out that the term of the present Council will come to an end at the upcoming fifth session of the Assembly, and

that the IRENA membership will thus be requested to decide on the composition of a new Council in January 2015.

172. The Council Chair proposed, in order to ensure a successful outcome at the fifth Assembly, to invite the President and the Vice-Presidents of the fourth session of the Assembly - Mexico, Maldives, Norway, South Africa and Switzerland - to start consulting within their respective regional groups. He noted that while each group will decide internally how to take the matter forward, he was optimistic that these countries, or any other delegation chosen by each group, could report back to the Council Chair by the next Council on progress made on this issue.

173. The Council agreed with the proposed approach.

174. Greece presented two proposals for consideration by the Council on the topics of islands and biofuels. It was noted that the two proposals, of which supporting documents had been circulated to Council members, had been previously presented, most recently at IRENA's 4th Assembly.

175. On islands, Greece proposed that IRENA adopt a twinning approach between developed and developing economies. Through the selection of a series of islands, IRENA could conduct a pilot study and examine and document the framework, renewable energy resources and available technologies, current operating procedures, investment potential, and economic viability of renewable energy technologies. Conclusions and best practices could then be presented to Members to enable the further uptake of renewables on islands.

176. Greece's second proposal focused on the standardisation of biofuels. Greece proposed that IRENA follow up on work done by the European Union on Internationally Compatible Standards for Biofuels, thereby facilitating trade, improving efficiency of biofuel production, and promoting innovative energy resources and economic security. Analysis could be built on work conducted by the tripartite Task Force from Brazil, EU and USA. Proposed steps to be taken are framework setting, organising an international conference, launching the International Sustainable Biofuels Platform (ISB Platform) and forming Thematic Working Groups. The end result would be to produce a number of technical studies on the topic.

177. The Council encouraged the Greek delegation to continue consultations with Members on the two proposals, with the assistance of the Secretariat, pending their approval by the membership following their presentation at the 4th Assembly and the 7th Council meeting. The Council Chair underlined the importance of placing this in the context of the implementation of the current Work Programme and funding options, in order to reach an understanding on how best to take the matter forward at the eighth meeting of the Council.

178. Japan, as President-designate of the fifth session of the Assembly, noted that the success of the Assembly depends both on the quality of the discussion and on the smooth and orderly organisation and conduct of the meeting. In this context, the delegation expressed appreciation that the Council Chair had provided a process for facilitating the election of the next Council. In closing, the delegation of Japan welcomed the cooperation of the membership which would ensure the success of the upcoming Assembly.

179. One delegation intervened to note that there has been particular interest in IRENA membership among some Pacific Islands that are independent, self-governing islands, but who, according to the Statute of the

Agency, cannot become Members of IRENA as they are not Member States of the UN. That delegation noted that these islands face the same energy and environmental challenges as other islands that can become Members of IRENA. This delegation also encouraged the integration these islands more closely in the work of the Agency whenever possible so that they may benefit from IRENA's work.

Agenda Item 11: Closing of the meeting

180. The Chair thanked delegations for their vision, commitment, and engagement which provided productive feedback and guidance for the activities of the Agency in general and the continued implementation of the 2014-2015 Work Programme in particular and closed the seventh meeting of the Council.

Seventh meeting of the Council of IRENA

2 – 3 June 2014, Abu Dhabi, United Arab Emirates

2 June 2014

Agenda of the seventh meeting of the Council of the International Renewable Energy Agency

1. Opening of the meeting
2. Organisation of work
 - a. Election of officials
 - b. Adoption of the agenda
 - c. Report of the sixth meeting of the Council
3. Report of the Director-General: Implementation of the 2014 Work Programme
4. Presentation of the Director-General pursuant to A/4/11
5. Programmatic Discussion on
 - a. Regional Clean Energy Corridors
 - b. Socio-economic benefits of renewable energy deployment
 - c. REmap 2030 – A Global Renewable Energy Roadmap
6. Policy Discussion on
 - a. Climate Change and the Role of IRENA
 - b. Accelerating Renewables Deployment in Developed Economies
7. Strategic Discussion on options for future funding opportunities for the Agency

8. Institutional matters
 - a. Audited Financial Statements of IRENA for 2013
 - b. Report of the Director-General on internal audit
 - c. Staff Provident Fund
 - d. Subsidiary organs of the Council

9. Arrangements for the eighth meeting of the Council

10. Any other business

11. Closing of the meeting

Seventh meeting of the Council of IRENA

2 – 3 June 2014, Abu Dhabi, United Arab Emirates

1 September 2014

List of participants

Council members (21)

No.	Country	Name	Position/Title	Institution
1	Cameroon	Iya Tidjani	Ambassador	Diplomatic Mission in Saudi Arabia
2	Cyprus	Elpidoforos Economou	Permanent Representative to IRENA	Diplomatic Mission in UAE
3		Christos Gogakis	Energy Attaché	Permanent Mission to the European Union
4		Youssef El Guindi	Commercial Counsellor	Diplomatic Mission in UAE
5	France	Michel Miraillet	Permanent Representative to IRENA	Diplomatic Mission in UAE
6		Cecile Gracy	Deputy Counsellor in charge of IRENA	Diplomatic Mission in UAE
7		Martine Kubler Mamlouk	Deputy Permanent Representative to IRENA	Diplomatic Mission in UAE
8		Nicolas Ruiz	Renewable Energy Expert	Ministry of Foreign Affairs
9	Greece	Dionyssios Zois	Permanent Representative to IRENA	Diplomatic Mission in UAE
10		Charalampos Pippas	Energy Attaché, Chairman of the Energy Group	Permanent Mission to the European Union
11	Grenada	Nickolas Steele	Minister	Ministry of Foreign Affairs
12		Ethelstan Angus Friday	Ambassador	Ministry of Foreign Affairs
13	India	T.P. Seetharam	Ambassador	Diplomatic Mission in UAE
14		Dilip Kumar Khare	Director	Ministry of New and Renewable Energy
15		Namrata Kumar	Deputy Head of Mission	Diplomatic Mission in UAE
16		Rameshnarayan Sawant	Director	Ministry of New and Renewable Energy
17		Santosh Kumar	Attaché	Diplomatic Mission in UAE
18		Vijay Krishnamoorthy	Director	Ministry of External Affairs
19	Israel	Ron Adam	Director, Multilateral Diplomacy, Economic Division	Ministry of Foreign Affairs
20		Guy Feldman	Head of International Affairs	Ministry of National Infrastructures
21	Italy	Matteo Romitelli	Director for Global Issues	Ministry of Foreign Affairs

No.	Country	Name	Position/Title	Institution
22		Giorgio Starace	Permanent Representative to IRENA	Diplomatic Mission in UAE
23		Alessandro Rizzo	Energy Expert	Ministry of Foreign Affairs
24		Caterina Gigliuto	First Secretary	Diplomatic Mission in UAE
25		Riccardo Toxiri	Climate Change and Energy Advisor	Ministry of Economic Development
26		Umberto Bernardo	Deputy Head of Mission	Diplomatic Mission in UAE
27	Japan	Akihiko Uchikawa	Director	Ministry of Foreign Affairs
28		Aya Sunaga	Assistant Director	Ministry of Environment
29		Hiromichi Moriyama	Director	Ministry of Economy, Trade and Industry
30		Kazuto Nakamura	Senior Assistant Director	Ministry of Economy, Trade and Industry
31		Keiichi Sugita	Deputy Director	Ministry of Agriculture, Forestry and Fisheries
32		Kenji Kato	Head of Economic Section	Diplomatic Mission in UAE
33		Kentaro Kaneto	Official	Ministry of Foreign Affairs
34		Tetsuro Oi	Deputy Director	Ministry of Foreign Affairs
35	Malaysia	Ching Thoo Kim	Undersecretary	Ministry of Energy, Green Technology and Water
36		Afahilyati Chehassanphami	Head of Unit	Sustainable Energy Development Authority
37		Ahmad Anwar Adnan	Ambassador	Diplomatic Mission in UAE
38		Mazita Marzuki	Counsellor	Diplomatic Mission in UAE
39		Ruzaida Daud	Head of Unit	Energy Commission
40		Lim Shean Pin	Principal Assistant Secretary	Ministry of Energy, Green Technology and Water
41	Mexico	Margott Galvan Encinas	Director for Africa, Middle East Oil Market	Ministry of Energy
42		Francisco Javier Alonso Escobar	Ambassador	Diplomatic Mission in UAE
43	Mozambique	Telma Matavel	Head of International Affairs	Ministry of Energy
44		Riduan Adamo	Chargé d'Affaires	Diplomatic Mission in UAE
45	Nigeria	Eli Jidere Bala	Director-General	Energy Commission
46		Abubakar Malah Umar	Acting Director	Energy Commission
47		Ibrahim Auwalu	Ambassador	Diplomatic Mission in UAE
48	Republic of Korea	Lee Hyung-jong	Deputy Director-General	Ministry of Foreign Affairs
49		Bae Sung-ho	Director, New and Renewable Energy	Ministry of Foreign Affairs
50		Kim Chang-wan	Deputy Director, New and Renewable Energy Promotion	Ministry of Trade, Industry and Energy
51		Park Duk-ryul	First Secretary, Energy Attaché	Diplomatic Mission in UAE
52		Park June-seo	First Secretary, International Energy Security	Ministry of Foreign Affairs

No.	Country	Name	Position/Title	Institution
53		Soh Jin-young	Director of New and Renewable Energy	Korea Energy Economics Institution
54		Yu Sang-keun	Assistant Manager	Korea Energy Management Cooperation
55	Romania	Elena Popescu	General Director	Department of Energy
56	Tonga	Inoke Vala	Director	Tonga Energy Road Map
57		Honourable 'Akau'ola	Advisor	Tonga Energy Road Map
58	Tunisia	Abdessalam El Khazen	Deputy Director	National Agency for Energy Conservation
59	Uganda	Simon D'Ujanga	Minister	Ministry of State for Energy
60		Aggery Dhamuzungu	Second Secretary	Diplomatic Mission in UAE
61		Emmanuel Ajutu	Principal Economist	Ministry of Energy and Mineral Development
62		Godfrey Ndawula	Assistant Commissioner for Renewable Energy	Ministry of Energy and Mineral Development
63		Henry Bidasala	Assistant Commissioner for Electrical Power	Ministry of Energy and Mineral Development
64		Mbabazi-Alali	Ambassador	Diplomatic Mission in UAE
65		Michael Ahimbisibwe	Senior Energy Officer	Ministry of Energy and Mineral Development
66		Simon Kalanzi	Senior Energy Officer	Ministry of Energy and Mineral Development
67	United Arab Emirates	Thani Al Zeyoudi	Permanent Representative to IRENA	Ministry of Foreign Affairs
68		Ali Al Shaffar	Official	Ministry of Foreign Affairs
69		Dane McQueen	Official	Ministry of Foreign Affairs
70		Sausan Al Jaber	Official	Ministry of Foreign Affairs
71		Majid Dodeen	Official	Ministry of Foreign Affairs
72	United States of America	Timothy Williamson	Deputy Director	Department of State
73		Joseph Murphy	Deputy Director	Department of State
74		Mark Motley	Economic Officer	Diplomatic Mission in UAE
75		Maira Thomas	Economic Officer	Diplomatic Mission in UAE
76	Uruguay	Ramón Méndez	Secretary of Energy	Ministry of Industry, Energy and Mining
77		Nelson Chaben	Ambassador	Diplomatic Mission in UAE
78		Stephanie Grunvald	International Affairs Advisor	Ministry of Industry, Energy and Mining

Council Alternates (4)

No.	Country	Name	Position/Title	Institution
1	Fiji	Aliki Salusalu	Counsellor	Diplomatic Mission in UAE
2	Germany	Martin Schoepe	Head of Division	Ministry of Economic Affairs and Energy
3		Alexander Haack	Team Leader	German International Cooperation Agency (GIZ) and Federal Ministry for Economic Cooperation and Development (BMZ)
4		Ralf Schroeer	Deputy Head of Mission	Ministry of Economic Affairs and Energy
5	New Zealand	Michael Allen	Special Envoy for Renewable Energy	Ministry of Foreign Affairs and Trade
6		Malcolm Millar	Permanent Representative to IRENA	Diplomatic Mission in UAE
7		Merinda-Lee Hassall	Energy Development Manager	Ministry of Foreign Affairs and Trade
8		Stuart Calman	Deputy Director	New Zealand Aid Programme
9	Poland	Adam Krzymowski	Ambassador	Diplomatic Mission in UAE
10		Marcin Scigan	Expert	Ministry of Economy

Members of IRENA

1. Albania
2. Algeria
3. Angola
4. Antigua and Barbuda
5. Argentina
6. Armenia
7. Australia
8. Belarus
9. Belgium
10. Benin
11. Bosnia and Herzegovina
12. China
13. Czech Republic
14. Denmark
15. Djibouti
16. Dominican Republic
17. Egypt
18. Ethiopia
19. European Union
20. Finland
21. Ghana
22. Iceland
23. Iran (Islamic Republic of)
24. Iraq
25. Kazakhstan
26. Kenya
27. Kiribati
28. Kuwait
29. Lesotho
30. Luxembourg
31. Montenegro
32. Netherlands
33. Norway
34. Oman
35. Pakistan
36. Peru
37. Philippines
38. Portugal
39. Saint Vincent and the Grenadines
40. Saudi Arabia
41. Serbia
42. Sierra Leone

43. Slovakia
44. Somalia
45. South Africa
46. Spain
47. Sudan
48. Swaziland
49. Sweden
50. Tajikistan
51. Turkey
52. United Kingdom of Great Britain and Northern Ireland
53. Yemen

Observers

Signatories / States-in-Accession

1. Austria
2. Azerbaijan
3. Colombia
4. Comoros
5. Indonesia
6. Ireland
7. Jordan
8. Lebanon
9. Morocco

UN Member States: Non Signatories / Non States-in-Accession

1. Thailand

Seventh meeting of the Council of IRENA

2 – 3 June 2014, Abu Dhabi, United Arab Emirates

3 June 2014

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

The following comments and recommendations were made at the Administration and Finance Committee (AFC) meeting held on 1 June 2014:

1. Audited Financial Statements of the Agency for 2013

- Appreciation was expressed for the timely preparation and submission of the report, as well as for compliance with the International Public Sector Accounting Standards (IPSAS). It was also noted that 97% of contributions had been received, with a rate of utilization of resources of 95%, indicating that the organization is in good financial health.
- It was noted that the Management Letter of the External Auditor was not included in the document shared with Members, and it was requested that consideration be given to have this document be publicly disclosed in line with the standard practice of international organizations. The Director-General reiterated that a summary of the status of implementation of audit recommendations in the previous Management Letter, including actions taken, had been reported to the Assembly at its third session, that the Secretariat could arrange a viewing of the letter for interested countries, and that the Secretariat will continue the practice of reporting on the status of implementation of the audit recommendations. He noted that a draft Management Letter from the current External Auditor has been received, on which Management has provided its comments. All of the audit recommendations are related to Information and Communication Technology (ICT) systems security, which have been accepted, and IRENA is in the process of implementing them. He added that IRENA will review the development of international best practices on public disclosure of the actual Management Letter of the External Auditor.
- A question was raised regarding the reasons for the 2013 budget surplus. The Director-General responded that this surplus was due to savings resulting from open core positions, which are in the process of being filled.
- Another question was raised regarding the additional surplus listed for 2012. It was explained that an item had been inadvertently deducted instead of being added for the surplus of that year, and that this had been reviewed with the External Auditor. Additional procedures for review and reconciliation of the surplus have been implemented to prevent recurrence. It was further noted that this surplus would be distributed to 2012 Members as presented in Annex III of the Audited Financial Statements.

- An inquiry was made regarding the meaning of the last paragraph of the audit opinion, regarding the previous auditor's opinion, and it was explained that this was a disclosure by the current auditor, based on international auditing standards, indicating that a different external auditor had performed the previous year's audit.
- Another inquiry related to the reasons that the commitments and contingencies, as well as the accumulated surplus, are higher for 2013 compared to 2012. The Secretariat clarified that this is due to a higher number of multi-year projects started in 2013 to be implemented in 2014 for which funds need to be set aside which are included in the accumulated surplus. It was noted that, as the Agency grows and with the biennial cycle, this will be further improved.
- AFC took note, with appreciation, of the Audited Financial Statements of the Agency for 2013 and transmits them to the Council for its consideration.

2. Report of the Director-General on Internal Audit

- A question was asked under Payroll Processing part (b) regarding the meaning the "correction of bookkeeping errors" and whether the Agency had sustained any losses. It was explained that the two instances of overpayment, amounting to approximately USD 1,200 and USD 600, were fully recovered. The bookkeeping errors were minor rounding errors in spreadsheets related to decimal points that did not match with the accounting system. It was explained that appropriate measures are in place to eliminate similar discrepancies in the future.
- AFC took note of the Report of the Director-General on the Activities of the Internal Audit Office and transmits it to the Council for its consideration.

3. Staff Provident Fund

- A question was raised as to the level of the review by IRENA management of investment for the Staff Provident Fund (SPF). The Director-General responded that he takes this responsibility seriously, and that risk profiles and investment details are reviewed closely.
- The AFC took note of the 2013 Annual Report of the Provident Fund Management Board on the Operation of the SPF and transmits it to the Council for its consideration.

4. Any other business

- The Secretariat introduced the "Note of the Council Chair on subsidiary organs of the Council," which was also presented in the PSC session in the morning. In the Note, the Chair proposed to appoint committee members and elect committee Chairs at each first Council meeting following the Assembly's election of a new Council and to limit participation in committee meetings to Members of the Agency. Further, as the current PSC Chair is not able to continue with this duty, it was proposed that the outgoing Council Chair, Germany, assume this responsibility until members of the next PSC are appointed and a Chair elected.
- The AFC took note of the Note and submitted it to the Council for its consideration and approval.

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2 June 2014

Context: Pursuant to decision C/3/DC/3, the Programme and Strategy Committee met to review and inform the Council on the progress made in the implementation of the Work Programme 2014-2015 (A/4/DC/1), as reflected in the Director-General's progress report (C/7/CRP/2).

Objective: The main objective of this meeting was to review and discuss for the Council's consideration in its deliberation the progress made in the implementation of the Work Programme 2014-2015.

Outcome: A set of views and comments captured by the Chair in his summary below to be presented to the Council at its meeting on 2 June 2014.

Chair's Summary of the Outcome of the Programme and Strategy Committee Meeting

The following views and comments were made by participants.

Implementation of the Work Programme 2014-2015

- The Secretariat noted the positive change the introduction of a biennial programmatic cycle has made, since many activities are multi-year in nature.
- The Secretariat expressed its gratitude for contributions to date and encouraged Members' participation in, and contribution to specific programmatic activities, and emphasised that Members' engagement strengthens the Agency's knowledge base and credibility of its work.
- The PSC was pleased with visible progress made by IRENA and welcomed the new style in presentation of the report.
- The PSC encouraged a review of certain programmatic activities to assess the status of implementation on the ground, such as that planned for some of the RRAs undertaken to date.
- The Secretariat informed of the Project Management Office (PMO) tool that enables effective internal management of the implementation and allows for monitoring of and reporting on the progress.

- The Secretariat also noted the importance of evaluation of the work of the Agency beyond the quantitative and financial reporting, to assess the qualitative impact of the implementation of the Work Programme.
- The PSC welcomed the increased focus on measurement of performance and stressed the need to create an evaluation framework that does not overburden the Agency, but provides an effective and accurate assessment tool.
- The PSC noted the importance of qualitative assessment of the impact of the programmatic activities which will eventually assist in a long-term evaluation of the Agency's work.