
INTERNATIONAL RENEWABLE ENERGY AGENCY

Sixth meeting of the Council

Abu Dhabi, 10-11 December 2013

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

The following comments and recommendations were made at the Administration and Finance Committee (AFC) meeting held on 9 December 2013:

1. Implementation of Work Programme and Budget for 2013

- It was noted that since the draft budget report was circulated, one country had made additional voluntary contributions which should be reflected in the document submitted to the Assembly.
- An inquiry was made regarding the status of the 37 Members listed as having outstanding contributions, to which the Director-General responded that the Secretariat regularly follows up with the Members who have not yet paid their assessed contributions. He noted that he would leave the decision to Members whether the list of the countries in arrears would be made available.
- A question was raised about the relatively lower level of expenditure for Strategic Management in 2013, and the Director-General explained that this was mostly due to the vacancy rates.
- AFC noted the significant achievements made in the implementation of the Work Programme and Budget for 2013.

2. Proposed Work Programme and Budget 2014-2015

- A request was made for clarification on the increase in the proposed budget for consultancy and contractual services. The Director-General explained that these services were needed to get expertise that does not exist in the Secretariat and to obtain the expertise of specialised institutions.
- The question of recosting for 2015 was raised, specifically whether this could mean an increase in the level of assessment for 2015. The Secretariat clarified that all costs, including costs for 2015, have been factored into the budget for the biennium and that no change is expected in 2015, except for changes in the percentage of countries' assessments due to growth in membership.
- An inquiry was made about the growth in the number of posts, specifically with regard to whether the growth was related to administration of the Agency or to delivering programmatic activities. The Director-General stated that the Agency aims to maintain a lean administration, and to focus on programmatic activities, noting that the majority of new posts are for programmatic work.

- The proposed budget increase was noted, and an inquiry was made about the possibility of keeping the Work Programme and Budget at the 2013 level. It was reiterated that some countries could not support an increase because of their policies of zero nominal growth. It was noted that any changes to the current budget levels should be referred for Members' consideration at Council.
- It was noted that the ambition for IRENA is high, and that this comes at a price, even in times when Members are facing real financial challenges. It was further stated that, given that IRENA is still growing and new Members are joining, an increase in budget is justifiable, especially since it has been well-detailed and explained.

3. Status Report of the Director-General on Audit Recommendations and Actions Taken

- Further clarification was requested on sharing the various documents related to the audit recommendations with the membership. The Director-General underlined the full commitment of the Secretariat to maximum transparency in sharing the audit recommendations with Members while retaining the Management Letter as an internal tool for improvement.
- The AFC acknowledged the effort made to implement all recommendations made by the External Auditor.

4. Report of the Director-General on the Activities of the Internal Audit Office

- A question was raised as to which areas the Internal Audit Office would examine in addition to those already covered by the external auditor, as well as who would be receiving its reports. The Director-General responded that, in accordance with the Financial Regulations, the reports of the Internal Audit Office are submitted to the Director-General and shared with the External Auditor.

5. Proposed Revisions to the Financial Procedures of IRENA

- While not opposing the adoption of the financial procedures so as to preserve the consensus and to allow the completion of the institutional set-up of the Agency, one delegation¹ underlined its difficulty, as a matter of principle, with the possibility to entrust private sector auditors with the task of external audit in the context of international organizations such as IRENA.
- The AFC noted the proposed revisions to the Financial Procedures of IRENA and had no further comments.

¹ France explicitly requested to place their position on the record.