

Thirtieth meeting of the Council
Abu Dhabi, 30-31 October 2025

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

1. Pursuant to Article XII.C of the Statute of the International Renewable Energy Agency (hereafter “Agency” or “IRENA”), the Assembly through its decision A/11/DC/1, appointed Lochan & Co as the External Auditor of IRENA to audit the annual financial statements of IRENA and of its Staff Provident Fund for the four-year period from 2021 to 2024.
2. Pursuant to Financial Regulation 12.1, the Director-General submitted the annual financial statements of IRENA for the year ending 31 December 2024 (“2024 financial statements”) to the External Auditor. The External Auditor audited the 2024 financial statements and issued its report on those financial statements, expressing an unqualified audit opinion. The Director-General submitted the External Auditor’s report and the corresponding audited 2024 financial statements, together with the Director-General’s report thereon, to the twenty-ninth meeting of the Council (C/29/6).
3. The External Auditor also addressed a management letter to the Director-General in April 2025 that included an audit finding and recommendation. The present report provides Members with a status of the external audit recommendation as contained in the management letter, along with actions taken by the Secretariat to implement those recommendations.
4. The recommendations, along with the progress made on its implementation, are presented in the Annex to this report.

ANNEX
Status of Implementation of the External Audit Recommendations

No.	Audit recommendations	Management action taken to implement the recommendation	Current status
1.	The Agency shall ensure that physical verification of assets is conducted on regular basis for all the locations and all assets are included in the physical assets count report to ensure that the controls are in place and functioning effectively	IRENA has updated the fixed asset policy to further clarify responsibilities for asset counts in all offices. IRENA revised the asset counting process to ensure all assets are verified.	Closed
2.	IRENA should ensure that all fixed assets are assigned a unique identification tag number at the time of acquisition. Further, the assets tag number should be mentioned for each asset in the fixed assets register.	Assets listed in the register have system-assigned asset numbers. The items in question, particularly standard modular office elements, are commonly used interchangeably and were not individually tagged, but are accounted for within the register using these system identifiers. IRENA will attach a tag to these in future.	On going