



2 June 2014

Sixth meeting of the Council of IRENA  
10 – 11 December 2013, Abu Dhabi, United Arab Emirates

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

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## **Report of the sixth meeting of the Council of the International Renewable Energy Agency**

1. The sixth meeting of the Council of the International Renewable Energy Agency (IRENA) was held in Abu Dhabi, United Arab Emirates, on 10 and 11 December 2013. The meeting was attended by all 21 Council members: Cameroon, Egypt, Germany, Grenada, Iraq, Japan, Malaysia, Mexico, Mozambique, New Zealand, Niger, Poland, the Republic of Korea, Sudan, Sweden, Tonga, Turkey, the United Arab Emirates, the United Kingdom, the United States of America and Uruguay; as well as the four alternates: Australia, Fiji, France and Greece. Also in attendance were 50 other IRENA Members and observers.

### **Agenda Item 1: Opening of the meeting**

2. The Chair of the fifth meeting of the Council of IRENA, Mr. Karsten Sach of Germany, opened the meeting on Tuesday, 10 December 2013.

### **Agenda Item 2: Organisation of work**

#### **(a) Election of officials**

3. At the end of its fifth meeting, the Council had designated Mr Karsten Sach, Deputy Director-General for International Cooperation, Ministry for the Environment, Nature Conservation and Nuclear Safety, of Germany as Chair, and Mr Ramón Méndez, Director of Energy, Ministry of Industry, Energy and Mining, of Uruguay as Vice-Chair of the sixth meeting of the Council.

**4. The Council elected by acclamation Mr. Karsten Sach of Germany as Chair, and Mr. Ramón Méndez of Uruguay as Vice-Chair of the sixth meeting of the Council. The Chair, Mr. Karsten Sach, assumed the chairmanship of the Council.**

**5. The Chair appointed Egypt as Rapporteur of the sixth meeting of the Council.**

#### **(b) Adoption of the agenda (C/6/1; C/6/1/Add.1)**

6. The Council considered the provisional agenda for its sixth meeting and decided to add one new item, namely “Selection and appointment of the Director-General of IRENA” as new item 8.e.

**7. The Council adopted the provisional agenda for its sixth meeting (C/6/L.1) as amended orally.**

**Agenda Item 3: Report of the fifth meeting of the Council (C/5/SR/1)**

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

9. One delegation requested that paragraph 69 of the draft report be reformulated regarding the insertion of a footnote in Annex 1 of the Audited Financial Statements of the Agency for 2012 which relates to that country's date of membership in the Agency and its implication on that country's mandatory contribution to the Agency's budget in 2011. The Council agreed to the request.

**10. The Council approved the draft 'Report of the fifth meeting of the Council' (C/5/SR/L.1) as amended orally.**

**Agenda Item 4: Implementation of the Work Programme and Budget for 2013 (C/6/2; C/6/CRP/4; C/6/CRP/5)**

11. IRENA's Director-General, Mr Adnan Z. Amin, welcomed delegations and reflected on the Agency's growth in membership which has almost doubled since the inaugural IRENA Assembly in 2011, with 122 Members and over 40 countries in the process of joining. He noted that in 2013, a large number of Members were engaged in at least one of IRENA's activities and that an increasing number of countries are providing voluntary contributions to the Agency.

12. The Director-General then drew attention to some of IRENA's primary activities in support of countries' transition to a secure, clean energy future. He noted that there has been increasing demand from Members for Renewables Readiness Assessments (RRAs), a process which enables countries to identify the gaps and actions required to accelerate the deployment of renewables and which 14 countries have completed and four others are undertaking. He also highlighted a number of initiatives bringing together countries and stakeholders, including: REmap 2030, IRENA's renewable energy roadmap for doubling the share of renewables in the energy mix by 2030, which is supported by a network of 82 experts from 42 countries; the Costing Alliance, which brings together governments, companies, industry associations and researchers to share data for real-world renewable energy projects and which 51 public and private entities have expressed interest in joining; the initiative on public support for renewables, which aims to debunk myths about renewable energy; and the EconValue initiative, which is bringing together entities from across the globe to gather and disseminate evidence on the value creation of renewable energy in support of the business case for renewables.

13. The Director-General stated that IRENA continues to seek new ways of catalysing action. He provided examples such as IRENA's partnership with the Latin America Energy Organisation (OLADE) and the International Geothermal Association (IGA). He noted that IRENA is working closely with countries as well as other institutions to forge strong partnerships, enhance the Agency's work and realise the benefits from complementarity of effort. He added that 2014 marks the beginning of the Sustainable Energy for All (SE4ALL) decade, which will continue to be an important part of IRENA's work.

14. The Director-General pointed to IRENA's more than 25 publications and over 40 programmatic events so far in 2013, which have helped the Agency to continue to forge a reputation as a home of reliable, up to date and relevant information to the global renewable energy debate.

15. The Director-General reported on developments in the management of the Agency, and that out of the total 81 approved posts, 76 are currently filled or under active recruitment. He noted that 27 vacancy announcements were posted during 2013, which attracted over 4,000 applications, and that staff on board are from 43 nationalities, of which 47% are females and 53% are males. He also mentioned that work is ongoing in preparation for the move to IRENA's permanent Headquarters offices provided by the host country at the new complex in Masdar City.

16. The Director-General noted that, in a strategic sense, it has been a momentous year for IRENA. He explained that with the Medium-term Strategy as the guiding framework, the refined structure streamlining the implementation of the work programme, and a growing membership and partnership base, IRENA was able to identify the priorities and needs of countries and regions, capture global trends and leverage its strengths and resources with those of its partners. He pointed out that this experience has served as a basis for defining programmatic focus and priorities for the upcoming Work Programme and Budget 2014-2015.

17. The Director-General concluded by noting that the Agency is proud of its achievements to date and, energised by the broad support from the membership. It looks forward to continuing the work to accelerate the global uptake of renewable energy in the years ahead.

18. The Chair of the Programme and Strategy Committee (PSC), Mr Hans Jörgen Koch of Denmark, reported on the Committee's discussions related to the annual report, and referred delegations to document C/6/CRP/4 for an account of the meeting and comments. He noted that the PSC was pleased with IRENA's visible progress, which demonstrated a concrete impact in advancing the Agency's mandate through meeting countries' needs in response to their requests and being the voice of renewable energy. He noted that the PSC welcomed IRENA's increased visibility on the global energy and sustainable development scene.

19. The Chair of the Administration and Finance Committee (AFC), Mr Conrod Hunte of Antigua and Barbuda, reported on the Committee discussions related to the implementation of the 2013 programme of work, and referred delegations to document C/6/CRP/5 for a full account of the meeting and comments. He reported that the AFC had noted the significant achievements made in the implementation of the Work Programme and Budget for 2013. He noted that an inquiry had been made regarding the status of the 37 Members listed as having outstanding contributions, to which the Director-General had responded that the Secretariat regularly follows up with those Members who have not paid their assessed contributions.

20. In the discussion that followed, several delegations remarked that they were pleased with the quality of the Agency's continuing work in 2013 toward becoming the global voice for renewable energy, noting that this provided a solid basis for the first biennium. These delegations highlighted IRENA's achievements with REmap 2030, its capacity building efforts, the Global Renewable Energy Islands Network (GREIN), off-grid and mini-grid work and the Global Atlas for renewable energy potentials. One delegation made specific reference to the importance of IRENA's role as the renewable energy hub for the SE4ALL Initiative.

21. One delegation noted the growing importance of geothermal energy, adding that the growth of coal plants continues to be a challenge for clean energy plans. Another delegation emphasised the importance of the standardisation of biofuels to its renewable energy activities while another one noted the importance of further work on renewable energy investment and inquired about the status of the Agency's proposed activities with the private sector.

22. A number of delegations emphasised the importance of IRENA's collaboration on the country and regional level worldwide, such as with regional organisations in planning for the launch of the Central American renewable energy corridor, as well as capacity-building for Africa, Asia and the Pacific. One delegation emphasised the importance of workshops and training programs for capacity building in renewable energy, especially in geothermal, where expertise could be augmented by IRENA's experiences.

23. One delegation commended IRENA's engagement in the Pacific and the Small Island Developing States globally, and requested further review of the effect monopolies of utilities and tariffs on investment could have on islands, and offered to serve as pilot project site for IRENA's further investigation on this topic. Another delegation remarked that IRENA's RRA process has been helpful in assessing how to address the island's utility monopoly.

24. Two countries commented that it would be helpful if the Secretariat's descriptions of Agency activities included additional analysis, statistics, and results-based information. Another delegation asked that more attention be given to the successful cases in IRENA's programmatic work, so that these cases can be publicised to member countries. One delegation noted the importance of sufficient notice and additional lead time for announcements on IRENA's activities to allow for countries to make plans or respond to various projects, recommending that a platform be established for more regular communication with Members.

25. One delegation emphasised the importance of voluntary contributions to support the Agency's work, and two others stated their intentions to make additional voluntary contributions in support of capacity building, the Africa Clean Energy Corridor and biomass work. One delegation drew attention to the outstanding 2013 assessed contributions from 37 countries that amount to USD 1 million, underlining the importance of the fulfillment by Members of their financial commitments.

26. One delegation inquired about the criteria used to fill the vacancies in the Secretariat and whether Members' contributions was a factor, noting the high number of applications and the importance of a competitive recruitment process.

27. Finally, one delegation announced its intention to become a full Member of the Agency before the fourth Assembly and to be part of the assessment for the full period of 2014-2015.

28. In response, the Director-General expressed appreciation for the positive responses to the Agency's work and noted that there are opportunities for continued improvement.

29. On communications, he noted that media coverage of IRENA's activities is increasing steadily and that the Agency is developing the capacity for increased strategic communications, aiming at a higher visibility in the coming year. He noted that the REmember platform is currently being launched, and said that the Agency will continue to improve its engagement with Members in general, and to enable them to participate in Agency activities, especially with the challenge of short project timelines.

30. The Director-General noted that cooperation with the private sector is a key aspect of IRENA's work and of the transition to a renewable energy future. He noted that in order to avoid creating bureaucracy, previous ideas of institutionalising additional structures for engaging with the private sector had transitioned towards a thematic approach based on decentralised leadership, such as with the involvement of the private sector in IRENA's Costing Alliance. He also noted that the Agency is strengthening its ability to gather data work with statistics.

**31. The Council took note with appreciation of the ‘Report of the Director-General on the Implementation of the Work Programme and Budget for 2013’ (C/6/2) and decided to submit it to the Assembly for its consideration and adoption.**

**Agenda Item 5: Work Programme and Budget for 2014-2015 (C/6/3; C/6/CRP/4; C/6/CRP/5; A/4/DC/L.X)**

32. The Director-General of IRENA opened the discussion by underscoring that the proposed Work Programme and Budget for 2014-2015 is the product of three years of experience, is supported by the active engagement of Members and is reflective of the need for continuity as the Agency seeks to remain responsive to a changing environment. He noted that it is streamlined around six thematic areas, optimising the use of Agency resources, and that it has been developed in line with the provisions of the Statute and Medium-term Strategy, Members’ inputs, internal strengths and partner activities.

33. The Director-General highlighted a number of initiatives and programmatic activities to assist countries and regions to plan for the global energy transition, such as Renewables Readiness Assessments (RRA) and post-RRA actions, REmap 2030 and the SE4ALL Hub function. He also referred to the Agency’s work on grid infrastructure, energy planning and resource management solutions – noting that such programmes will help mainstream renewable energy options and strategies in countries’ energy plans.

34. The Director-General noted that Members place high importance on IRENA’s knowledge products and activities, outlining developments in the field of resource potentials (Global Atlas), the costing of renewable energy, and the IRENA Renewable Energy Learning Partnership (IRELP). He presented the Agency’s work in the areas of statistics, policy and best practice databases, as well as the development of new tools to support countries, partners and other stakeholders. He highlighted work to improve policy frameworks and market conditions for the accelerated deployment of renewables, with a focus on addressing financial risks and facilitating investment to enable investment and growth.

35. He underscored the importance of renewable energy access for sustainable livelihoods, and announced that the Agency will establish a long-term platform for dialogue and action, building on the IOREC initiative (International Renewable Energy Off-Grid Conference and Exhibition). The specific focus would be on technologies for rural and productive applications, mini-grids and support for Small and Medium Enterprises. The Agency will also build on other existing initiatives – the Africa Clean Energy Corridor initiative, partnering with the Central American Electrical Interconnection System (SIEPAC) for a clean energy corridor in Central America – and explore new initiatives – clean energy corridors in the ASEAN and MENA regions, Central Asia and South-East Europe – to catalyse coordinated action and facilitate cooperation to accelerate the deployment of renewables at regional levels.

36. The Director-General also noted that the Agency will continue to work with islands by expanding its activities related to GREIN (Global Renewable Energy Islands Network). This would include new interest clusters, resource assessments, waste-to-energy and desalination work, as well as additional roadmaps and grid stability studies. He also underlined the importance of actively engaging in the preparations for the SIDS Conference in Samoa in 2014.

37. He noted that the programmatic work of the Agency will be underpinned by comprehensive communication and outreach activities, delivering strong messages and driving global awareness. He added

that, given the Agency's wide and active membership base, this would allow for the worldwide dissemination of IRENA's products. He also noted that the Agency's administrative and management functions would remain subject to scrutiny, with the goal of continuous improvements and added efficiencies.

38. In conclusion, the Director-General emphasised that the Agency is aiming at making a meaningful and sustained impact during the coming biennium and at demonstrating the unique value of its mission. He acknowledged the significance of the current global economic and financial realities and underlined the need to achieve the proposed critical mass of core funding in order to achieve goals, meet membership expectations, and ensure the sustainable growth of the Agency.

39. The Chair of the Programme and Strategy Committee (PSC) reported on the committee discussions and referred delegations to document C/6/CRP/4 for an account of the meeting. He reported that the committee had welcomed the comprehensiveness and balance of the new programming approach of identifying broader objectives and focusing on specific areas of impact. The PSC also had noted the geographical expansion of the programmatic work and stressed the need for meaningful involvement in a range of selected issues. It also underlined the importance of continuing to promote and encourage active engagement with stakeholders and partners to ensure synergy and complementarity, and to leverage the Agency's strengths. The Chair of the PSC noted that the committee had recognised budgetary constraints and encouraged creative solutions to resource programmatic activities, underlining the need to prioritise activities while maintaining the overall strategic coherence of the Work Programme.

40. The Chair of the Administration and Finance Committee (AFC) reported on the committee discussions and referred delegations to document C/6/CRP/5 for an account of the meeting. The Chair noted that the committee had agreed in general that any change to the proposed budget level should be referred for Members' consideration at Council. He reported that while some Members, given the current economic and financial climate, requested to maintain the 2013 budget level, others, pointing to the fact that the Agency was still growing, supported an increase in budget as justifiable, provided it was well-explained.

41. In the discussion that followed, a few delegations highlighted the considerable pace in membership growth as a sign of the Agency's increased international profile and relevance.

42. A number of delegations welcomed the new format of the Work Programme and Budget and its timely distribution and consultation with Members well in advance of the Council meeting. Members underscored the usefulness of the proposed activities and the clarity of the thematic approach, which provides a clearer picture of the application of renewable energy into real world settings. A number of delegations welcomed the continuation of IRENA's programmatic work, including its work on islands, the Africa Clean Energy Corridor initiative, the Global Atlas, Remap 2030, the Renewable Costing Alliance, Renewables Readiness Assessments, SE4ALL, cities and its grid integration work. A number of delegations expressed the desire to actively participate in specific programmatic work, such as a pilot programme for future island work, the Africa Clean Energy Corridor, collaboration on wind energy for the Global Atlas, and grid integration work.

43. A couple of delegations welcomed the proposed regional approach and several delegations encouraged closer cooperation with specific countries and/or regions, notably eastern and southern Europe, the Gulf Cooperation Council region, Asia, and Southeast Asia in particular, while one delegation expressed caution about the pace of regional expansion.

44. One delegation underlined the need to prioritise efforts and another delegation cautioned against a potential overlap of some work areas. A couple of delegations encouraged a more analytical, as opposed to descriptive, display of outcomes of the Agency's work. A few delegations noted the importance of strategically engaging other stakeholders in order to avoid duplication of work and to leverage institutional strength. One delegation emphasised the importance of the Agency's presence and contribution at relevant international meetings while another delegation underscored the importance media presence, in particular social media, plays for the Agency.

45. On the topic of budget, a number of delegations welcomed the budget proposal, highlighting the young age of the organisation and emphasised the need to support the Agency in all its activities. Some delegations referred to internal policies of zero nominal growth. Others noted that, although they felt that the budget was justified, given the Agency's overall mandate and programmatic goals, the current global economic and financial climate would make it difficult for them to fully support the proposal and asked that alternative proposals be considered. Several delegations proposed that the Agency actively looks for additional sources for funding the requirements of its proposed budget, and to leverage institutional strength by further engaging partners and private sector investment.

46. After further consultations with delegations on the proposed Work Programme and Budget for 2014-2015, the Council Chair said that he believed that an agreement was within reach. He announced that such an agreement would reflect the constructive and positive atmosphere of the discussions. This agreement would be based on a draft decision that he circulated to the Council, as well as the following text:

*47. "The Council agrees on the increase to the core budget to USD 40 million for the 2014-2015 biennium. This growth in core resources continues the positive trajectory for the Agency. The Council supports the programme of work proposed by the Director-General, and notes that it reflects the main areas where the members see the need for IRENA's active and sustained engagement. As this level of ambition cannot be reached with the core budget alone, countries are strongly encouraged to provide additional voluntary funding to enable the full implementation of the Director-General's proposal. In this context, the Council welcomes the announcement of the United States that it aspires to provide additional USD3 million for specific work programme activities in the course of the biennium."*

48. Many delegations supported the proposal, underscoring its ability to balance the Agency's ambitious goals with the financial difficulties faced by some Members. A number of Members thanked the delegation of the United States for their commitment and for having contributed to this agreement in a meaningful way.

49. The Chair emphasised the need for additional voluntary contributions and funding beyond the core budget, which was supported by many delegations. In response to some Members already providing voluntary contributions to the Agency and calling upon others to follow suit, a few delegations noted their intention to do the same and to commit additional funds as voluntary contributions, after the revision of the scale of assessments.

50. While expressing its support for the proposal, one delegation supported by another underlined that the current core budget level would not suffice for the Agency to live up to its mandate in the longer term. These delegations expressed their hope for the Agency to continue to grow on all fronts, backed by stable, predictable funding. In this context, a few delegations underlined that it was necessary to have a discussion on the development of the Agency in the near future in order to consider longer term resource requirements, as well as the strategies to secure them.

51. A number of Members recommended an exploration of how to strengthen the Agency's ability to undertake additional activities, by considering innovative options for funding and cooperating with other relevant actors. One delegation underlined the importance of examining ways to consult on the development of the Work Programme and Budget in the future.

52. The Director-General expressed his gratitude to delegations, highlighting the positive feedback received on the proposed Work Programme of the Agency throughout the discussions, and welcomed the proposal to discuss the longer-term resourcing of the Agency. He underlined that by embarking on a biennial programming cycle, the Agency was entering into a new phase, with a greater depth to its activities. He thanked delegations for their unwavering commitment and support, recognised those Members that had already provided voluntary contributions and thanked Members for their active engagement in taking IRENA's objectives forward.

53. The Chair closed by encouraging delegations to consider providing additional voluntary contributions and highlighted the shift toward a biennial programming cycle with an enhanced focus on implementation and its overall strategic significance moving forward. He also noted that the Director-General will revise the proposed Work Programme and Budget with the core budget of 40 million, for submission to the Assembly.

**54. The Council noted that the proposed Work Programme and Budget 2014-2015 would be amended to reflect the core budget of 40 million for the biennium 2014/2015, endorsed the related draft decision (A/4/DC/L.X), and decided that the amended draft, and the draft decision, should be summited to the Assembly for its consideration and adoption.**

#### **Agenda Item 6: 'REthinking Energy' (C/6/CRP/1)**

55. The Director-General of IRENA introduced the topic by noting that IRENA is increasingly contributing to the global debate on renewable energy and that, by developing 'REthinking Energy', the Agency will have an opportunity to identify trends and topics emerging in the field as well as to share its thinking on the potential of renewable energy to transform the global energy paradigm.

56. He stated that the publication is envisioned as a future-oriented contribution toward the transition to a more renewables-based sustainable energy system, and as a document that could assist policy-makers and industry to take up existing and emerging opportunities from this systemic shift. He added that, as a reflection of IRENA's membership and the Agency's position as the global hub for renewable energy, the Secretariat has worked to ensure that the development of the publication has been a consultative process, involving Members, as well as technical experts, leading thinkers and other institutions.

57. He reported on progress to date, noting that the 2014 publication, currently in the working draft stage, looks at the transformative implications of rapid economic shifts, population growth and the relative income growth of developing countries expected over the next few decades, and the implications that this is expected to have on energy demand. He further stated that the publication, also building on existing literature, will offer a compelling narrative on the critical importance of renewable energy.

58. He listed other key observations and suggestions made in the draft, including among others: 1) the decreasing costs of renewable energy and the arrival of affordable distributed renewable energy solutions

provide an unprecedented opportunity to change thinking about energy; 2) financing and business models are evolving, supporting wider participation and opportunity; and 3) municipalities, small businesses and individuals have entered the energy market alongside traditional large energy producers. He also noted that the publication will provide a deeper look at renewable energy costs and benefits, renewable energy in communities, and changes in energy infrastructure.

59. The Director-General outlined the process for finalising the publication, noting that upon invitation from the Secretariat, 36 Members had nominated technical focal points who had met on the sidelines of the Council to comment on the working draft. He concluded by saying that, when preparing the final version of the publication, the Secretariat would take into account comments received during the review of the working draft.

60. One delegation thanked the Secretariat for the effort thus far, mentioned its support for the institutional publication through voluntary contributions, and noted that it would like to make comments on the current working draft and future editions. This delegation suggested that the publication could cover both the medium and long-term view for industry, transportation and other areas, and that subsequent editions could cover specific regions in turn.

**61. The Council took note of the progress on ‘REthinking Energy’.**

#### **Agenda Item 7: IRENA/ADFD Project Facility (C/6/4; C/6/5)**

62. In his introduction to the Council, the Director-General noted that mobilising the necessary finance is among the toughest challenges faced in up-scaling renewable energy deployment in developing countries and underlined that with more than USD 800 million worth of loans requested in the first cycle of the IRENA/ADFD Project Facility (Facility), strong demand exists for concessional finance from new sources. He noted that the UAE’s commitment of USD 350 million in concessional loans through the Abu Dhabi Fund for Development (ADFD) to projects in developing countries recommended by IRENA, represents important new finance in the renewable energy sector.

63. The Director-General thanked the Chair of the Advisory Committee (Committee), Minister Iлона Antoniszyn-Klik of Poland for her exemplary leadership during this first funding cycle, and the Committee for their dedication to ensuring the success of this first cycle as well as to enhancing the process. He introduced the “General Principles”, a refined set of procedures and conditions for the Facility which have been drawn up based on lessons learned and experience gained during the implementation of the first project cycle and in close consultation with the Committee and the ADFD, and aim at guiding the overall operation of the Facility. The Director-General emphasised that projects presented are required to be transformative, replicable and innovative in order to be successful. He also reported on preparations undertaken for the second funding cycle, including the opening of the website for applications, and the issuance of a call for expressions of interests to be on the Committee for the second cycle which is composed of up to seven members and up to seven alternates. He reported that by the close of deadline, the following seven Members have expressed interest to serve on the Committee: Argentina, Fiji, Japan, Poland, Sierra Leone, St Vincent and the Grenadines and Sudan, while Benin, France, India, the Republic of Korea and South Africa signaled their availability to serve as alternates. He closed by informing Members that, following the final selection by the ADFD, successful projects will be announced at the fourth session of the Assembly on 18-19 January 2014.

64. A representative of Poland, speaking on behalf of the Chair of the Advisory Committee, provided a summary on the work of the Committee and its outcomes during the first project cycle and referred delegations to the full report set out in document C/6/4. He elaborated on the programme of work of the Committee during the first cycle, noting that applications received are representative of the geographic spread of the Agency's membership and cover a variety of renewable energy technologies and activities. He continued that all of these projects share the promise of improving energy access, helping address energy security and creating broad positive socio-economic impacts. He informed the Council that the Committee recommends continuing improvements to the IRENA/ADFD Project Facility to meet the needs of IRENA Members and closed by thanking the other Committee members, as well as the Panel of Experts, for the good cooperation during the first cycle.

65. In the ensuing discussion, a representative of the host country expressed its appreciation for the work of all involved during the first project cycle and underlined the host country's interest in enhancing partnerships with other financial institutions in order to ensure the success of the Facility. One Committee member thanked all involved for the work done, and expressed its expectation that findings gained and streamlining from the first cycle would further enhance the Facility and looked forward to a meaningful outcome by the fourth Assembly. One delegation informed Members that it had put forward its expression of interest to serve on the Committee and stands ready to support its work while suggesting to utilise information gathered during the first cycle for the development of the Facility during subsequent cycles. Two delegations inquired about alternatives to the required government loan guarantee while one suggested that applications could be submitted in languages other than English and that the regional stakeholders and institutions who have some experience in this area could be involved in the future.

66. In its response to these interventions, the UAE confirmed that it took note of the issues raised and that it would revert back on these points after consultation with the ADFD. The Council took note of the discussions and asked the Advisory Committee to revert back to the Council for further consideration.

**67. The Council took note of the 'Report of the Chair of the Advisory Committee on the IRENA/ADFD Project Facility' (C/6/4) and endorsed the draft 'General Principles of the IRENA/ADFD Project Facility' (C/6/L.5) and decided to submit both documents to the Assembly for its consideration and the latter for adoption.**

## **Agenda Item 8: Institutional matters**

### **(a) Financial Procedures (C/6/6)**

68. In his introduction, the Director of Administration and Management Services, Mr Jayantilal M. Karia, recalled that the Assembly at its third session had approved the introduction of a biennial work programme and budget cycle, effective 2014-2015, and that it had requested the Director-General to submit amended Interim Financial Regulations (Regulations) reflecting this change to the fourth Assembly for its consideration and adoption. At its fifth meeting, the Council took note of the proposed amended Regulations put forward by the Secretariat and recommended to the Assembly to approve the proposed revisions at its fourth session, subject to the confirmation of two Members of their position on Regulations 4.5, 6.2 and 6.4. He noted that it was the Secretariat's understanding that the two Members had since confirmed their agreement on proposed amendments to financial regulations. He also noted that the Council, at its fifth session, requested the Director-General to amend the Financial Procedures accordingly and report on them

to the Council at its sixth session. The Secretariat presented the proposed changes to Council members and explained that, in addition to the changes necessitated by the introduction of a biennial cycle, amendments were proposed to align the Procedures to international best practices and enhance compliance with IPSAS, as well as to reflect Assembly decisions on specific matters since the Procedures were initially promulgated.

69. The Chair of the Administration and Finance Committee (AFC) informed the Council that the AFC had noted the proposed revisions to the Financial Procedures.

70. One delegation<sup>1</sup>, 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, 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 organisations such as IRENA.

**71. The Council noted the proposed revisions to the Financial Procedures of IRENA (C/6/6). The Council, noting that the two Members had now confirmed their agreement on the proposed amendments to the Financial Regulations, reconfirmed its recommendation to the Assembly to approve the proposed revisions at its fourth session.**

**(b) Status of the implementation of audit observations and recommendations (C/6/7)**

72. The Director of Administration and Management Services, in his introduction to the matter, informed the Council that the Office of the Auditor General of Norway had submitted a report with respect to its audit of the financial statements of the Agency for 2012, covering the period 1 January 2012 to 31 December 2012, which the Council had reviewed at its fifth session. The Secretariat informed the Council that the report before it provides Members with a status of the implementation of audit observations and recommendations. The Secretariat further noted that the External Auditor's overall findings did not identify serious weaknesses or shortcomings in the internal control. The Secretariat noted that the Director-General has taken appropriate actions to fully implement all audit recommendations. As requested by the Council at its fourth session, a summary of actions taken on each recommendation is shown in a tabular format in the report.

73. Reporting back to the Council, the Chair of the Administration and Finance Committee (AFC) informed delegations that the Committee requested further clarification on sharing various documents related to the audit recommendations with the membership, and that the Director-General had 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 Chair of the AFC closed by informing the Council that the AFC acknowledged the effort made to implement all recommendations made by the External Auditor.

**74. The Council took note of the 'Status Report of the Director-General on Audit Recommendations and Actions Taken' (C/6/7) and decided to submit it to the Assembly for its consideration.**

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<sup>1</sup> France specifically requested to place its position on the record.

**(c) Report of the Director-General on internal audit (C/6/8)**

75. In its introduction, the Director of Administration and Management Services noted that the Internal Audit Office was formally established with the appointment of an Internal Auditor who took office on 15 April 2013. The Secretariat referred the Council to the Internal Audit Charter, annexed to the Report of the Director-General on the Activities of the Internal Audit Office, which was prepared by the Internal Auditor and approved by the Director-General in July 2013 and is defining the mission, independence, objectivity, scope of work, and accountability of the Internal Audit Office while being consistent with Professional Practice of Internal Auditing, promulgated by the Institute of Internal Auditors. The Secretariat reported that the Internal Auditor has prepared the 2013 Audit Plan, which has been agreed with the Director-General, and reviewed the status of implementation of the External Auditor's recommendations. The Secretariat noted that, as agreed with the Director-General, a risk management plan would be developed in order to prioritise, manage, eliminate, or reduce major risks and that the Internal Auditor is currently reviewing the adequacy of internal controls in the field of travel, payroll and procurement and is assessing compliance with relevant legislation. The Secretariat closed by informing the Council that, in accordance with relevant regulations, a comprehensive, independent annual report of the Internal Auditor will be submitted to the External Auditor.

76. Reporting back from deliberations of the Administration and Finance Committee (AFC) on the Report of the Director-General on internal audit, the AFC Chair noted that there had been limited discussion on that matter but that 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 and that 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.

77. One delegation expressed its appreciation for the establishment of the internal audit function and the degree of transparency this creates. That delegation noted that other international organisations would make reports on internal audit available to their members, and sometimes to the public, and suggested that the possibility of proceeding in a similar manner would be explored at some point in the future, depending on the experience of others with such an enhanced level of transparency. In his response, the Council Chair stated that the Council took note of the intervention and that the matter would be revisited, as appropriate, once related experience has been gained by others.

**78. The Council took note of the 'Report of the Director-General on the Activities of the Internal Audit Office' (C/6/8) and decided to submit it to the Assembly for its consideration.**

**(d) Report of the Ethics Officer (C/6/9)**

79. The Ethics Officer, Ms Salma Khalid, introduced her report to the Council and informed Members of the manner in which the activities of the Ethics Officer had been implemented during the reporting period, from 01 October 2012 up to 31 October 2013. She noted that only one request for advice from a Covered Individual on an ethical issue has been received, to which a response was satisfactorily provided, and that no issues requiring consultation with the Ethics Advisory Board have emerged. She informed the Council that ethics training was conducted for all Covered Individuals based in Abu Dhabi. She reported further that all Covered Individuals have complied with the Disclosure of Interest filing requirement and that the review did not reveal any actual or apparent conflicts of interest. The Ethics Officer referred the Council to the two recommendations contained in the report, pertaining to appropriate training for a newly-appointed

Ethics Officer, and the institutionalisation of systematic and regular training for all Covered Individuals, and closed by informing the Council that the Director-General has reviewed the present report and concurred with the recommendations contained therein.

80. One delegation expressed its appreciation for the work of the Ethics Officer and identified the fact that there has not been a need to resort to the Ethics Advisory Board as an indicator of success and of the progress made during the past two and a half years. In response to the suggestion of another delegation to explore the idea of establishing a whistleblower function in order to increase the credibility of the organisation externally, the Ethics Officer noted that the Secretariat will look into the matter in order to revert back to the Council at one of its future meetings.

**81. The Council took note of the ‘Report of the Ethics Officer on the Implementation of the Policy on Ethics and Conflict of Interest’ (C/6/9) and decided to submit it to the Assembly for its consideration.**

**(e) Selection and appointment of the Director-General of IRENA (C/6/CRP/6)**

82. The Council Chair, introducing the item, underlined that the topic was of a procedural nature. He explained that the current Rules of Procedure do not include a provision for this matter on the selection and appointment of the Director-General. He stressed that, with the incumbent’s term expiring in 2015, the fourth Assembly has to adopt procedures on the appointment of a Director-General. The Chair introduced his proposal, explaining that it aims to cater for two different scenarios: a selection procedure to appoint a new Director-General, and a simplified procedure for a possible renewal of an incumbent without resorting to the full process of re-advertisement and a complex application and selection procedure. He emphasised that the latter provides for the membership to decide that it is in the Assembly’s best interest to reappoint the incumbent for a second term, subject to his/her expression of interest. He noted the importance of a merit-based process, and the option of a full-fledged advertisement and application process would be available, even if the incumbent decides to run for a second term.

83. One delegation sought clarification whether the incumbent, in case the Council decided to advertise the post after hearing his/her presentation, would be considered as a shortlisted candidate. The Chair clarified that in the case the Council decides to advertise the post, the incumbent will need to apply and undergo the same process as all other applicants. In response to the query of another delegation whether the Rules of Procedure of the Council would apply in the context of this procedure, and whether the proposal put forward draws on examples from other international institutions, the Chair confirmed that the Rules of Procedure of the Council would apply and that precedents and practices of other international institutions have been taken into account. Another delegation advocated the principle of merit and the need to consider a pool of suitable candidates. In response, the Chair underlined that, while merit remains the guiding principle, providing for a lean process would be efficient and cost-effective, since a full-fledged process comes with considerable financial consequences for the Agency, as well as for those Members who would have to dedicate the time and resources to a lengthy process, with a high possibility of the same result.

84. Some delegations expressed their satisfaction with the work of the Agency under the current Director-General, while a number of others underlined that the Council, at this stage, was not required to decide whether to renew the term of the current Director-General or not, but to agree on a procedure to provide for Members’ decision-making in 2015 and beyond. A number of delegations supported the proposal before Council noting that the proposed procedure strikes a balance by providing an option for the appointment of a new Director-General if a change in leadership of the Agency was desired, while at the same time avoiding

complex procedures if there were an agreement among Members that the incumbent would continue for one additional term.

85. Summing up discussions, the Chair noted that the Council agreed on the need for a formal procedure to be applied for the appointment of a new Director-General or the renewal of the incumbent Director-General and that there was general support for the proposal before delegations.

**86. The Council endorsed the draft ‘Selection and appointment of the Director-General of IRENA’ (C/6/CRP/6) and decided to submit it to the Assembly for its consideration and adoption.**

### **Agenda Item 9: Programmatic discussions**

#### **(a) Key renewable energy policy adaptation challenges**

87. The Deputy Director General of IRENA, Mr Frank Wouters, opened the first programmatic discussion by highlighting that the ongoing expansion in renewable energy can be viewed as a broader recognition of renewables as a clean, reliable and cost-effective alternative to conventional generation. He stated that this growth is driven by the increasing adoption of renewable energy targets and implementation of support policies by countries. He emphasised that the renewable energy sector – which is marked by rapidly decreasing costs and growing deployment – is highly dynamic in nature. The Deputy Director-General stressed the importance of policies to be as dynamic as the market they are trying to support in order to ensure efficiency and effectiveness of the support policies, as well as the long-term reliability of the energy system. This will require adequate measures to be in place that allow for periodic adaptation of policy frameworks. He concluded by expressing his confidence in that the ensuing discussion will serve as an important opportunity to learn from the diverse country experiences present at the Council meeting.

88. The Director of IRENA’s Knowledge, Policy and Finance Center (KPFC), Mr Hugo Lucas, highlighted the role of IRENA as central knowledge repository and a centre of excellence for renewables policy and finance issues. In this context, he presented some of the findings from the ongoing work on renewable energy policy adaptation to dynamic market conditions. He highlighted that the evolving markets pose a set of key challenges for policy makers that include: keeping pace with the rapidly decreasing cost of technology to maintain the efficiency of support schemes; adequately adapting policies to approaching grid parity for renewable energy technologies; and integrating higher shares of variable renewables into the energy system. He presented relevant trends, and outlined general experience, from adaptation measures being adopted by different countries to address these challenges. Among others, he pointed out the general shift to more market-based mechanisms, such as auctions. He also noted that it is important for all stakeholders to take into account the changing roles, responsibilities and ownership structures, and for them to adapt accordingly. In conclusion, the Director presented a brief overview of relevant activities within the proposed Work Programme 2014-2015, and particularly highlighted the importance of regional initiatives.

89. The representative of Uruguay, invited to present on the topic, highlighted that at least one of the two main cost components of renewable energy – overnight costs and interest rates – benefit from long-term stable policies that reduce risks. The delegate stated that a dramatic reduction in cost for renewables, in particular wind and solar was experienced with the implementation of an international tendering scheme, with much of the deployment taking place without any financial support. He noted that the growth in

renewables also benefitted from accompanying measures that include grid analysis, improvement in forecasting procedures, among others.

90. Second, the representative of Mexico shared Mexico's experience from implementing a pilot net metering scheme for grid-connected solar installations. The scheme, which involved public-private partnerships, was made possible by the presence of cost-competitive technology and viable business models. The programme is expected to contribute to and up-scale the energy transition away from fossil fuels.

91. Third, the representative of Germany stressed the importance of striking the right balance between predictability of support schemes and being as flexible as necessary to adapt to falling costs. He presented the specific case of adapting fixed feed-in tariffs to premium feed-in tariffs, which maintain the principle of the scheme, while allowing for the adaptation to the decreasing costs of technology. He emphasised the need to consider the changing roles of consumers and generators in the energy sector. In ensuring the smooth integration of variable renewables into the energy system, the delegate highlighted the importance of improved forecasting mechanisms and planning for expansion and reinforcement of the grid infrastructure, including interconnections.

92. Delegations highlighted the importance of adapting existing support mechanisms to the rapidly decreasing cost of technology. Several delegations commended IRENA's ongoing work on this highly relevant and important topic, and provided insights on their respective country experiences in design and adaptation of renewable energy policies. One delegation presented the characteristics of its tendering scheme and outlined several design features, including classification of system types, bidding conditions, implementation timeline, among others, that address specific challenges and risks. The same delegation also highlighted that the country is currently in the design and early implementation stage of net metering schemes to promote decentralised production. One delegation mentioned that IRENA's work on Costing can play an important role in guiding governments in their adaptation efforts.

93. Several delegations addressed the topic of integration of renewables. Delegations highlighted the importance of planning for infrastructure needs, mandatory technical operating procedures and forecasting procedures. Another delegation also stressed the benefits of dedicated control centers that monitor and forecast generation in real-time to allow maximum integration under secure conditions. Several delegations also highlighted the importance of energy storage in the integration of higher shares of renewables in the energy mix.

94. The importance of a systems approach to renewable energy implementation was highlighted by one delegation. Another delegation highlighted that design and implementation of adaptation measures should consider the contribution and sharing of responsibilities between all stakeholders in the market. One delegation also highlighted the importance of avoiding structural deficits in the energy sector and retrospective measures that negatively affect investor sentiments while another emphasised that one of the major obstacle for achieving grid parity is the existing support for non-renewable energy.

95. The Council Chair summarised the programmatic discussion and took note of both advances in and challenges to promoting increasing deployment of renewable energy. The Chair closed by noting that programmatic discussions play a vital role in addressing existing misconceptions regarding costs and reliability of renewable energy technologies.

**96. The Council took note of the presentations and the discussions.**

**(b) Regional initiatives for up-scaling investment in renewable energy**

97. The Deputy Director-General introduced the topic by noting that demand for electricity is expected to triple or quadruple in some regions in the next 25 years and that there is growing recognition among governments that opening and connecting markets on a regional level has several distinct benefits. He stressed that consultations with stakeholders suggest that a holistic framework that enables IRENA to identify the gaps in resource assessment, regional planning, access to finance, and harmonised regulations to promote trade will be critical. The Deputy Director-General pointed out that IRENA's regional initiatives aim to build a platform to discuss how power grids can carry more renewables and address gaps. He continued that political momentum for these initiatives has to be built to sustain the underlying technical analysis and capacity building. He concluded that the Secretariat is seeking Members' guidance on whether the proposed activities complement their own activities and meet their needs.

98. The Director of IRENA's Country Support and Partnership Division (CSP), Ms Gauri Singh, presented the rationale behind IRENA's regional clean energy corridor initiatives. Each of these initiatives aims to enable the creation of a larger renewable energy market through integrated planning at the regional level to accelerate the introduction of clean and cost-effective renewable power options. She explained that cost savings are possible by displacing fossil fuels with cheaper renewable energy options through regional trade. She illustrated three possible drivers for countries to embark upon regional clean energy corridor initiatives, namely: 1) enhanced energy security, 2) development of renewable energy as a commodity for export, and 3) use of imported renewable energy to reduce energy costs and support rapid economic growth.

99. Referring to the proposed 2014-2015 Work Programme of the Agency, the Director outlined details of the proposed regional clean energy corridor initiatives in the ASEAN (Association of Southeast Asian Nations) region, Central America, Eastern and Southern Africa, and potentially in Central Asia and the Middle East and North Africa (MENA) regions. She noted that IRENA's interventions would focus on supporting the harmonisation of regulations to facilitate renewable energy electricity trading. This process would also benefit from IRENA's knowledge products, including its work on costing and resource potentials (Global Atlas), to provide evidence-based analysis to identify opportunities for investment in generation and transmission. The Director categorised the proposed activities under five areas: 1) renewable power development zones building on data from the Global Atlas, 2) regional renewable power planning to realise cost savings, 3) enabling regional power markets through harmonised regulations and support for independent power producers, 4) facilitating finance and mitigating risks, and 5) cross-cutting capacity building based on partnerships. She invited the membership to provide IRENA with access to practitioners in the field and emphasised that IRENA is looking to work with bilateral agencies to ensure coordination.

100. A representative of Mexico, invited to speak on the topic, commended the regional approach of IRENA in leading renewable energy integration globally, highlighting the productive dialogues which have been facilitated by IRENA. He emphasised that Mexico has a specific interest in international energy policies for energy integration, and with its national targets for energy strategy and climate change, it sees the energy sector as a motor for social development and economic growth while protecting the environment. He referred to Mexico's untapped renewable energy potential and stressed that the country looks forward to the facilitation of an exchange of knowledge and best practices as well as cooperation for the integration of clean energy into the regional systems of Latin America and the Caribbean.

101. Second, the representative from Egypt commended IRENA for initiating the Africa Clean Energy Corridor initiative which aims at accelerating development of renewable energy potential in Africa and

linking different countries and sub-regions to satisfy their growing power demand and address climatic challenges. Furthermore, he expressed Egypt's continued support for the Africa Clean Energy Corridor.

102. Third, Mozambique's representative explained that despite being one of the fastest growing economies in sub-Saharan Africa and having the second-highest potential of hydro power in Africa, the country has a mere 30% electricity access rate and its electricity grid experiences high distribution and transmission losses. He noted that Mozambique supports the Africa Clean Energy Corridor Initiative and sees it as an opportunity to reinforce its position on renewable power supply in the Southern African Power Pool, while supplementing its economy through revenue from electricity export, ensuring energy security and enhancing the electricity access rate and power supply quality.

103. During the ensuing discussion, one delegation noted that it is very important to link high level policy dialogues on a regional scale with the activities on the ground and recommended that IRENA attend the high level meeting of the African European Energy Partnership (AEEP) on 12 and 13 February 2014 in Addis Ababa, Ethiopia as the Agency's attendance would enable coordination with relevant partners and activities for identifying future common work. Another delegation expressed full support to IRENA going forward with the regional Africa Clean Energy Corridor Initiative, highlighting that it recently hosted nine countries of the East and Southern African Power Pools for a study tour of the country's effective wholesale power market and high percentage of renewables generation. Still another delegation proposed an initiative to work with islands in different regions to develop renewable energy development roadmaps and another initiative to help develop international standards for biofuels. It was further suggested that key interlocutors for development of clean energy corridors are the Power Pools in each region.

104. **The Council took note of the presentations and the discussions.**

**(c) Grid infrastructure as enabler for a power sector transition to renewable energy**

105. The Deputy Director-General introduced the third programmatic discussion by highlighting the importance of grid infrastructure as an enabler for transitioning the power sector towards renewables. He provided a number of concrete examples of how the decentralised nature of renewables is changing the operating and cost structures of transmission and distribution networks, and how the short lead times for solar PV deployment are putting pressure on long-term investments in transmission and distribution lines.

106. The Director of the IRENA Innovation and Technology Centre (IITC), Mr Dolf Gielen, gave a presentation on the current and future work programme activities on grid infrastructure. He thanked a Member for its voluntary contributions towards grids and storage which have supported IRENA's activities in this area. He highlighted the Agency's activities on mini-grids, off-grid, and regional power planning, and the analysis of growth in variable renewables under REmap 2030. The Director also presented the new IRENA publication, "Smart Grids and Renewables: A Guide for Effective Deployment", which provides a set of strategies to guide decision-makers in the transition to a smarter grid, along with a comprehensive overview of the smart-grid technologies available for the integration of renewable energy, including relatively high shares of variable sources such as solar and wind energy.

107. A representative of Japan, invited to intervene on the topic, spoke of the importance of grids and storage activities for the integration of renewable energy in his country. As an island, Japan is actively undertaking a number of activities and projects on renewable energy grid integration, such as the development of mini-grids in Japanese islands, a pilot micro-grid with storage batteries for a 50 MW grid,

including 4.2 MW of wind and 4 MW of solar PV, in the Okinawa region and NEDO's pilot project on micro-grids and electric vehicles in the State of Hawaii. Japan is also strengthening its main grid through designated special focus areas for wind power, large scale storage batteries coupled to its substations, and new private sector investment models. Japan stressed the importance for IRENA of working with other international organisations on the topic of grid infrastructure development.

108. Second, the representative of the United States of America shared the country's experience on grid infrastructure development for renewable energy integration. He explained how the USA, through a number of tools, has been planning and upgrading a variety of grids to integrate renewables. These tools include the development of more dynamic transmission lines through line rating, synchrophasors (PMUs), and advanced compensators (STATCOMs), and by engaging firms in dynamic scheduling of both supply and demand. Furthermore, Hawaii was mentioned as an excellent example of how technologies and planning tools can be used to transition an island from diesel to 30% renewables-based power generation in five years. Five examples were provided: 1) the use of centralised solar PV systems to provide grid functions; 2) the provision of operational flexibility and reserves; 3) balance distributed and centralised systems; 4) add storage technologies to limit frequency deviations, and; 5) upgrade combined cycle gas turbines.

109. Third, a representative of Italy spoke of the country's experience in integrating high shares of variable renewables into its power system. By 2012, Italy had already surpassed its European renewable energy target for the power sector set for 2020, and in June 2013 it had already experienced a number of days without use of fossil fuels for power generation. The integration of renewables into the grid in Italy is supported by a number of activities, including variable electricity pricing on an hourly basis since 2005, demand side management through disconnection agreements, a smart metering system for 32 million people, an assisted satellite metering system for wind speed and solar irradiance across 3200 installations in Italy, and the development of storage facilities at a national level as well as for off-grid solutions. Italy offered to share its experience and best practices with IRENA, including the satisfaction results of users of the satellite metering programme.

110. Several delegations affirmed the importance of IRENA's work on grid infrastructure for providing renewables-based electricity access to off-grid regions, and for connecting countries at a regional level through IRENA's corridor work. Two delegations provided specific examples of recent renewable power generation additions to their grids, or how they are exploring new plans for storage and interconnectors to support renewable energy integration. Furthermore, a number of delegations shared their experience on how they are balancing the need for off-grid and mini-grid systems with a further expansion of their national grids.

111. Several delegations also affirmed the need for more international cooperation on the topic of grid infrastructure and smart grid technologies. One delegation suggested that IRENA could explore ways to support direct country-to-country collaboration on the topic of smart grids, while a number of other delegations suggested collaboration with different regional actors, with other international organisations, and with actors operating transmission and distribution networks. Furthermore, one delegation suggested that IRENA could focus on a number of key activities that would indicate the added value of IRENA's work relative to the activities by other international organisations.

112. The Deputy Director-General summed up discussions by noting the support for IRENA's work on the clean energy corridors and the offers of support from countries with specific experience in the integration of renewables into their grids. He also supported delegations' view that IRENA should actively engage

with other entities, promote international cooperation, and provide added value to the key players working on grid infrastructure developments.

**113. The Council took note of the presentations and the discussions.**

**Agenda Item 10: Arrangements for the fourth session of the Assembly (C/6/10)**

114. The Director-General noted that due to the fast-paced membership growth, the membership of the Agency accounts for around 80 percent of global energy consumption. He emphasised that the IRENA Assembly is thus well-positioned as a platform for energy thought leaders to convene in order to discuss global developments and examine challenges and opportunities on the road ahead to an increased uptake of renewable energy. He underlined that at the upcoming Assembly, Members will discuss the Agency's programmatic direction for the next two years, aligning IRENA's longer-term activities with its strategy and vision as the Agency enters its first biennial Work Programme and Budget cycle.

115. The Director-General announced that the Assembly will showcase some of IRENA's flagship activities, on the global and regional level. Building on the success of past meetings, the session will also include Ministerial Roundtable discussions as well as the IRENA-Financial Times Question Time Debate, this year hosted in Masdar city, the future home to IRENA Headquarters. He noted that the IRENA Assembly coincides with the beginning of the Abu Dhabi Sustainability Week (ADSW) and highlighted that the ADSW will feature a series of meetings hosted by IRENA, such as the 'IRENA International Renewable Energy Jobs Conference'.

116. The delegation of Japan announced that Japan offers to assume the Presidency of the fifth session of the Assembly and recorded Mr Fumio Kishida, Minister for Foreign Affairs, and Mr Toshimitsu Motegi, Minister of Economy, Trade and Industry, as Co-Presidents of the session.

**117. The Council took note of the presentation of the Director-General and the announcement of the Japanese delegation.**

**Agenda Item 11: Arrangements for the seventh meeting of the Council**

**118. The Council designated Uruguay Chair, and India Vice-Chair of the seventh meeting of the Council, and decided to hold its seventh meeting on 2 and 3 June 2014.**

**Agenda Item 12: Any other business**

119. The host country of the Agency extended an invitation to all delegates to attend events held in Abu Dhabi between 20 and 22 January 2014 during the Abu Dhabi Sustainability Week.

**Agenda Item 13: Closing of the meeting**

120. The Chair thanked delegations for the productive discussions and the high-level of cooperation displayed in the course of the meeting and closed the sixth meeting of the Council.

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Sixth meeting of the Council of IRENA

10 – 11 December 2013, Abu Dhabi, United Arab Emirates

10 December 2013

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## **Agenda of the sixth 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
3. Report of the fifth meeting of the Council
4. Implementation of the Work Programme and Budget for 2013
5. Work Programme and Budget for 2014-2015
6. ‘REthinking Energy’, IRENA’s institutional publication
7. IRENA/ADFD Project Facility
8. Institutional matters
  - a. Financial Procedures
  - b. Status of the implementation of audit observations and recommendations
  - c. Report of the Director-General on internal audit
  - d. Report of the Ethics Officer
  - e. Selection and appointment of the Director-General of IRENA
9. Programmatic discussions
  - a. Key renewable energy policy adaptation challenges
  - b. Regional initiatives for up-scaling investment in renewable energy
  - c. Grid infrastructure as enabler for a power sector transition to renewable energy

10. Arrangements for the fourth session of the Assembly

11. Arrangements for the seventh meeting of the Council

12. Any other business

13. Closing of the meeting

Sixth meeting of the Council of IRENA

10 – 11 December 2013, Abu Dhabi, United Arab Emirates

16 January 2014

## List of participants

### Council members (21)

No	Country	Name	Position/Title	Department
1.	Cameroon	Oumarou Issa	Consul General	Ministry of External Relations
2.	Egypt	Ihab Hamouda	Ambassador	Embassy of Egypt
3.		Atef Abdelmeguid	General Manager of Agreements and Foreign Affairs	New and Renewable Energy Authority
4.		Mahmoud Atia	Vice Chairman for Projects Operations and Maintenance	New and Renewable Energy Authority
5.		Mahmoud Talaat	Minister Plenipotentiary	Ministry of Foreign Affairs
6.		Mohamed Kandil	Second Secretary	Embassy of Egypt
7.	Germany	Karsten Sach	Deputy Director General	Federal Ministry for Environment
8.		Alexander Haack	Team Leader	German International Cooperation (GIZ)
9.		Ilka Hirt	Desk Officer	Federal Ministry for Environment, Nature Conservation and Nuclear Safety
10.		Martin Schoepe	Head of Division	Federal Ministry for Environment, Nature Conservation and Nuclear Safety
11.		Nikolai von Schoepff	Ambassador	Embassy of Germany
12.		Ralf Schroeer	Deputy Head of Mission	Embassy of Germany
13.	Grenada	Ethelstan Angus Friday	Ambassador	Embassy of Grenada
14.	Iraq	Dhia Baiee	Deputy Director General	Renewable Energy Directorate
15.		Rabab Alshouk	Attaché	Embassy of Iraq
16.	Japan	Akihiko Uchikawa	Director of Economic Security Division	Ministry of Foreign Affairs
17.		Hikomichi Moriyama	Director, International Affairs Office	Ministry of Economy, Trade and Industry
18.		Kazuto Nakamura	Assistant Director, International Affairs Office	Ministry of Economy, Trade and Industry
19.		Keiichi Sugita	Deputy Director Environment Policy Division	Ministry of Agriculture, Forestry and Fisheries

No	Country	Name	Position/Title	Department
20.		Nobu Masuda	Diplomat	Embassy of Japan
21.		Tetsuro Oi	Deputy Director of Economic Security Division	Ministry of Foreign Affairs
22.	Malaysia	Anbalagan Kannan	Undersecretary	Ministry of Energy, Green Technology and Water
23.		Mazita Binti Marzuki	Deputy Head of Mission	Embassy of Malaysia
24.		Mazlina Hashim	Regulatory Officer	Energy Commission
25.		Mohdelmi Anas	Director	Energy Commission
26.		Norazaliza Damiri	Assistant Director	Sustainable Energy Development Authority
27.		Sheanpin Lim	Principal Assistant Secretary	Policy Planning and International Relations
28.	Mexico	Alejandro Amerena Carswell	Assistant Secretary for International Affairs	Ministry of Energy
29.		Margott Galvan	Director for Africa, Middle East	Ministry of Energy
30.	Mozambique	Bruno Senguaio	Head of Minister's Office	Ministry of Energy
31.		Ismail Abdul Rahman	Counsellor	Consulate of Mozambique
32.	New Zealand	Michael Allen	Special Envoy for Renewable Energy	Ministry of Foreign Affairs
33.		Malcolm Millar	Ambassador	Embassy of New Zealand
34.		Merinda Lee Hassall	Development Manager, Energy	Ministry of Foreign Affairs and Trade
35.		Stuart Calman	Deputy Director, Energy and Infrastructure	Ministry of Foreign Affairs and Trade
36.	Niger	Bello Nassourou	Director of Renewable Energy and Domestic Energy	Ministry of Energy and Oil
37.	Poland	Adam Krzymowski	Ambassador	Embassy of Poland
38.		Andrzej Lysiak	First Counsellor	Embassy of Poland
39.		Marcin Scigan	Expert	Ministry of Economy
40.	Republic of Korea	Kim Sun-pyo	Minister	Embassy of the Republic of Korea
41.		Lee Sang-jun	Associate Research Fellow	Korea Energy Economics Institute
42.		Park Duk-ryul	Energy Attaché	Embassy of the Republic of Korea
43.		Park June-seo	First Secretary	Ministry of Foreign Affairs
44.		Yu Sang-keun	Assistant Manager	Korea Energy Management Corporation (KEMCO)
45.	Sudan	Amal Babiker	Director of Organizations Directorate	Ministry of Water Resources and Electricity
46.		Nourelaiem Hamadelniel	Deputy Head of Mission	Embassy of Sudan
47.	Sweden	Erik Brandsma	Director General	Swedish Energy Agency

No	Country	Name	Position/Title	Department
48.		Lisa Lundmark	Senior Advisor International Affairs	Swedish Energy Agency
49.	Tonga	Inokefinau Vala	Director Term	Tonga Energy Road Map
50.		Honourable Akauola	Term C Advisor	Tonga Energy Road Map
51.	Turkey	Selahattin Cimen	Deputy Undersecretary	Ministry of Natural Resources and Energy
52.		Ahmetgokhan Demirtas	Second Secretary	Embassy of Turkey
53.		Caner Can	Energy Advisor	Ministry of Foreign Affairs
54.		Cem Dogan	Assistant Expert	Ministry of Natural Resources and Energy
55.		Cezmi Gurel	Advisor	Ministry of Natural Resources and Energy
56.		Halime Semerci	Head of Department	Ministry of Natural Resources and Energy
57.		Melihbora Kerimolu	Head of Department	Ministry of Foreign Affairs
58.		Muhammednecip Erim	Assistant Expert	Ministry of Energy and Natural Resources
59.		Mustafa Erkec	Assistant Expert	Ministry of Energy and Natural Resources
60.		Sebahattin Soz	Head of Department	Ministry of Energy and Natural Resources
61.		Vural Altay	Ambassador	Embassy of Turkey
62.	United Arab Emirates	Thani AlZeyoudi	Permanent Representative to IRENA	Ministry of Foreign Affairs
63.		Ali Alshafar	First Secretary	Ministry of Foreign Affairs
64.		Dane McQueen	Energy Advisor	Ministry of Foreign Affairs
65.		Ghalia Humaidan	First Secretary	Ministry of Foreign Affairs
66.		Majid Hasan Al Suwaidi	Lead Climate Change Negotiator	Ministry of Foreign Affairs
67.		Meshayel Omran	Head of Climate Change	Oil Department
68.		Naoko Kubo	Analyst	Ministry of Foreign Affairs
69.		Rowda AlOtabia	Diplomat	Ministry of Foreign Affairs
70.		Sameer Jameel Assaf	Domestic Policy Expert	Ministry of Foreign Affairs
71.		Sausan AlJaberi	Diplomat	Ministry of Foreign Affairs
72.		Shaima AlAydaroods	Diplomat	Ministry of Foreign Affairs
73.		Somayya Alyamahi	Architect Green Buildings	Electricity and Water Desalination Authority
74.	United Kingdom	Nick Clements	Head of International Low Carbon Engagement	Department of Climate Change
75.		Isabelle Marsh	Secretary	Embassy of the United Kingdom
76.	United States of America	Timothy G. Williamson	Deputy Director	Office of Alternative and Renewable Energy

No	Country	Name	Position/Title	Department
77.		Bill McElnea	Senior Advisor	U.S. Department of Energy
78.		Brandon Pierce	Economic Officer	U.S. Department of State
79.		Claire Ruffing	Economic Officer	U.S. Department of State
80.		Edward Faris	Senior Advisor	U.S. Department of State
81.	Uruguay	Ramon Mendez	Secretary of Energy	Ministry of Industry, Energy and Mining
82.		Nelson Chaben	Consul General	Consulate of Uruguay

#### Council Alternates (4)

No	Country	Name	Position/Title	Department
1.	Australia	Tina Latif	Senior Analyst	Ministry of Foreign Affairs
2.		Shari Laphorne	Assistant Manager	Department of Industry
3.	Fiji	Robin Nair	Ambassador	Embassy of Fiji
4.		Aliki Salusalu	Counsellor	Embassy of Fiji
5.		Emosi Rakai	First Secretary	Embassy of Fiji
6.	France	Michel Miraillet	Ambassador	Embassy of France
7.		Cécile Gracy	Assistant	Embassy of France
8.		Cyril Vial	Policy Advisor for Energy and Climate Change	French Ministry of Ecology
9.		Martine Kubler-Mamlouk	Counsellor	Embassy of France
10.		Stephen Marchisio	Head of Strategic Sectors Support Department	Ministry of Foreign Affairs
11.	Greece	Charalampos Pippas	Energy Attaché	Permanent Representation of Greece to the European Union

**Members of IRENA**

1. Albania
2. Angola
3. Antigua and Barbuda
4. Argentina
5. Belarus
6. Benin
7. Cyprus
8. Czech Republic
9. Denmark
10. Djibouti
11. Dominican Republic
12. Finland
13. Gambia
14. India
15. Iran (Islamic Republic of)
16. Israel
17. Italy
18. Kenya
19. Lesotho
20. Luxembourg
21. Montenegro
22. Netherlands
23. Nigeria
24. Norway
25. Oman
26. Pakistan
27. Peru
28. Philippines
29. Portugal
30. Qatar
31. Senegal
32. Sierra Leone
33. Slovakia
34. South Africa
35. Spain
36. Swaziland
37. Tunisia
38. Uganda

**Observers**

**Signatories / States-in-Accession**

1. Afghanistan
2. Austria
3. Belgium
4. Colombia
5. Comoros
6. Indonesia
7. Ireland
8. Kuwait
9. Morocco

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

1. Brazil
2. Thailand
3. Ukraine

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

The following views and comments were made by participants.

### **1. Report of the Director-General on the Implementation of the Work Programme and Budget for 2013**

- The Programme and Strategy Committee (PSC) welcomed and took note of the Report.
- The PSC was pleased with visible progress made by IRENA.
- The PSC noted that the Report demonstrated a concrete impact in advancing IRENA's mandate through meeting countries' needs in response to their requests and becoming the voice of renewable energy.
- The PSC welcomed increased visibility on the global energy and sustainable development scene.

### **2. The proposed Work Programme and Budget 2014-2015 (WPB 2014-2015)**

The PSC:

- Welcomed the new programming approach of identifying broader objectives and focusing on specific areas of impact.
- Recognised geographical expansion of the programmatic work.
- Welcomed the comprehensiveness of the work programme and efforts to ensure the balance of priorities to ensure best value-added.
- Underlined the efforts to promote renewable energy in a broader context of sustainable development, energy efficiency and climate change.

- Encouraged engagement with stakeholders and partners to ensure synergy and complementarity, and to leverage comparative strengths.
- Stressed the need to actively engage with a wide range of partners to amplify the impact of respective activities.
- Underlined budgetary constraints some Members are facing and encouraged creative solutions to resource programmatic activities, including through additional voluntary contributions.
- Noted the need to, in view of resource constraints, prioritise among activities without compromising the overall strategic coherence of the work programme.

## **2.1 Strategic Direction**

- The PSC stressed the need for robust communication and outreach efforts.

## **2.2 Thematic Areas**

### **a. Planning for the global energy transition**

The PSC:

- Encouraged the active and prominent role in SE4ALL, and highlighted the need to coordinate SE4ALL-related activities Agency-wide to avoid duplication of effort.
- Noted that REMAP2030 can play a decisive role in designing future energy system.
- Underlined the importance of focus on biomass and encouraged the work in this area.

### **b. Gateway to knowledge on renewable energy**

The PSC:

- Welcomed the strengthening of the work on statistics and encouraged cooperation with the entities already working in this field.
- Noted the work on costs as a critical step in overcoming barriers to renewables deployment.

**c. Enabling investment and growth**

The PSC:

- Stressed the importance of overcoming financing barriers, including finding innovative solutions.
- Noted the necessity to engage the private sector and financial institutions in relevant activities.

**d. Renewable energy access for sustainable livelihoods**

- The PSC welcomed the focus on access as one of the most promising areas for renewables deployment.

**e. Islands: lighthouses for renewable energy deployment**

The PSC:

- Emphasised the importance of the continuous engagement with islands and a holistic approach to addressing their specific circumstances.
- Noted GREIN as a tool to advancing specific technical and economic aspects of renewables deployment in island settings.
- Encouraged leveraging the strengths and resources of national and multilateral agencies active in capacity building to ensure value added of IRENA's efforts.

**f. Regional action agenda**

The PSC:

- Underscored the transformational nature of clean energy corridors initiatives and encouraged exploring synergies with the existing bilateral initiatives.
- Noted the positive impact of regional work on national agendas.

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## **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 delegation<sup>1</sup> 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.

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<sup>1</sup> France explicitly requested to place their position on the record.

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The Council endorsed the following draft and decided to submit it to the Assembly for its consideration and adoption.

### **Draft Decision on the Work Programme and Budget for 2014-2015**

The Assembly,

*Recalling* its firm belief in the vast opportunities offered by renewable energy in addressing the challenge of the growing energy demand worldwide and the concern about climate change;

*Reaffirming* its determination to strengthen the role, capacity, and effectiveness of the International Renewable Energy Agency in order to realize its full potential and to respond to the needs of Members;

*Acknowledging* IRENA's crucial role in supporting countries in strengthening their abilities to advance the widespread and increased adoption and use of renewable energy;

*Reaffirming* the Agency's Medium-term Strategy, which outlines its mission to be 'the principal platform for international cooperation, a centre of excellence on renewable energy and a repository of policy, technology, resource and financial knowledge and to support countries in their transition to a renewable energy future';

*Welcoming* significant progress made in advancing the programmatic work to support countries in their transition to a sustainable energy future;

*Acknowledging* the resulting growth in demand for the Agency's services and a continuing increase in its membership;

*Noting* that the proposed Work Programme and Budget 2014-2015 is the product of dialogue with and feedback from Members, in light of the balance required between developing the Agency's programmatic work and the need to remain responsive to a changing environment;

*Mindful* of the challenges posed due to the difficult global economic environment;

*Mindful also* of the need to ensure ambition, stability and predictability of the Agency's core resources to enable it to fulfil its mission;

*Recalling* Article XII of the Statute on the budget of the International Renewable Energy Agency;

*Having considered* the report of the Director-General on the proposed Work Programme and Budget for 2014-2015;

*Taking into account* the views expressed by Members during the consideration of this item:

1. *Decides* to adopt the proposed Work Programme and Budget for 2014-2015 with the amount of USD 40 million to cover core activities and administrative costs, across the biennium;
2. *Invites* Members, Signatories, States in Accession and other potential Members to provide additional voluntary contributions to the IRENA budget, to strengthen the Agency's ability to undertake additional activities in support of the programme of work;
3. *Requests* the Director-General to establish cooperative arrangements with bilateral multilateral and international initiatives and entities, such as Clean Technology Cooperation Network and the Green Climate Fund, to jointly implement elements of the Work Programme;
4. *Requests* the Director-General to work with the Council to seek innovative options for future funding opportunities for the Agency, in accordance with the provisions of Article XII/A.3 of the Statute, and to report on the progress made at the fifth session of the Assembly;
5. *Authorises* the Director-General to make transfers between appropriations sub-programmes pursuant to Financial Procedure 104.1 (b) up to the limit of 15 per cent of the amount appropriated for the sub-programme in question.