
INTERNATIONAL RENEWABLE ENERGY AGENCY

Second meeting of the Council

Abu Dhabi, 13 – 14 November 2011

**Draft policy on Ethics and Conflict of Interest for
the International Renewable Energy Agency**

1. General Principles

- 1.1 IRENA was established to promote the widespread and increased adoption and sustainable use of all forms of renewable energy
- 1.2 Conflicts of interest can and do exist or appear to exist in the activities of most organizations, and may exist even in circumstances where no unethical or improper act results from such conflicts.
- 1.3 The purpose of this Policy is to ensure that such conflicts are identified and managed in a way that ensures broad public trust and confidence in the decision-making and operations of IRENA, and the highest standard of ethical conduct in IRENA's affairs and the protection of the reputation and integrity of IRENA.

2. Definitions

- 2.1 *Covered Individual* means any individual subject to the Staff Regulations of IRENA.
- 2.2 *Associated Individual* means a Covered Individual's spouse, all children under the age of 21 and parents forming part of the Covered Individual's household, and any other individual who, in the determination of the Director General, is entitled to receive benefits from IRENA as a result of their relationship with a Covered Individual.
- 2.3 *Associated Institution* means (i) any organization, corporation or government in which a Covered Individual is serving as an officer, director, trustee, partner or employee, that receives or may receive funding from IRENA or with which IRENA has an agreement, contract, grant or relationship; or (ii) any person, organization, corporation, government or similar institution with whom a Covered Individual is negotiating or has an arrangement concerning prospective employment.

- 2.4 To *participate personally* means to participate directly or to attempt to influence the outcome of a decision-making process, or the direct and active supervision of a subordinate in a matter. To *participate substantially* means that the Covered Individual's involvement is of significance to the matter.
- 2.5 *Gift* means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, honorarium, or other item having monetary value. These include services as well as gifts of training, transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
- 2.6 *Ethics Advisory Board* means the standing board, composed of three members of the Council appointed by the Council for two-year terms, established to assist with the implementation of this Policy on Ethics and Conflict of Interest. The *Ethics Advisory Board* will assist in ethics matters involving the Director- General, and on any matter that the Ethics Officer submits to it.
- 2.7 *Ethics Officer* means the Secretariat staff member appointed by the Director-General to implement the ethics and conflict policies of IRENA.

3. Conflicts of Interest

- 3.1 A conflict of interest arises when a Covered Individual participates personally and substantially in any particular IRENA matter in which, to his or her knowledge, he or she or an Associated Individual or Associated Institution has a financial, professional, or other interest, if the particular matter may have a direct and predictable effect on that interest. In general, and without limitation, conflicts may be deemed to exist in the following situations:
- Where a Covered Individual's financial interest, or the interests of an Associated Person or Institution could affect the conduct of his or her duties and responsibilities with respect to IRENA or result in a reasonable perception that such a conflict exists;
 - Where a Covered Individual's actions compromise or undermine the trust that the public places in IRENA; or
 - Where the Covered Individual's actions create the perception that the Covered Individual is using his or her position at IRENA for personal benefit or the direct financial benefit of an Associated Person or Institution.

4. Transparency and Disclosure Requirements

- 4.1 All Covered Individuals have a duty to disclose the existence of any actual or potential conflicts of interest, including those that derive from Associated Individuals or Institutions, and the nature of such conflict, whenever he or she becomes aware that a conflict exists, that a conflict is reasonably likely to occur, or where it is reasonable to conclude that there is an appearance of a conflict.
- 4.2 All Covered Individuals at a grade of P5 and above shall prepare and submit a Disclosure of Interest Form to the Ethics Officer annually and whenever there is a material change in the submitted information.
- 4.3 Disclosure of Interest Forms shall be kept in a secure location and will be maintained by the Ethics Officer and made available for inspection by the Director General and Ethics Advisory Board only

as strictly necessary to administer this Ethics and Conflict of Interest Policy. Except as provided for herein, all Disclosure of Interest Forms shall be maintained as strictly confidential.

- 4.4 It is the duty of the Ethics Officer to review the Disclosure of Interest Forms and to identify situations in which circumstances an actual or potential conflict of interest exists as a result of the Covered Individual's activities or holdings in relation to his or her official responsibilities.

5. Procedure when a Conflict of Interest Arises

- 5.1 Covered Individuals are obligated to disclose all actual or potential conflicts of interest, or the appearance thereof, immediately in writing to the Ethics Officer. Covered Individuals are encouraged to consult with the Ethics Officer if questions arise in the application of this policy.

- 5.2 It is the duty of the Ethics Officer to review these disclosures and the Declaration of Interest Forms and the duty of the Director General to decide, in consultation with the Ethics Officer, or in consultation with the Ethics Advisory Board, should both the Ethics Officer and Director General deem such consultation appropriate or should the Ethics Officer and the Director General fail to agree, whether an actual or potential conflict of interest or appearance thereof exists. Following such consultation, should there be a continuing disagreement on the existence of a conflict of interest or appearance thereof, the Ethics Advisory Board shall resolve the matter.

- 5.3 When an actual or potential conflict of interest has been deemed to exist, the Covered Individual shall not participate in the matter that has given rise to the conflict absent a waiver approved by both the Ethics Officer and the Director General, together or in consultation with the Ethics Advisory Board, should the both Ethics Officer and Director General deem such consultation appropriate or fail to agree on whether or in what form a waiver should be issued. Following such consultation, should there be a continuing disagreement on whether or in what form of waiver should be issued, the Ethics Advisory Board will resolve the matter. Waivers may be granted in the following forms, or in any other form appropriate under the circumstances:

- Conditional Participation: This type of waiver allows a Covered Individual to continue his or her involvement in the matter that has given rise to the conflict after disclosing his or interest at the start of work on the matter, subject to any conditions imposed by the decision maker to safeguard against risks that arise from the conflict or the appearance thereof. This waiver is appropriate when the Covered Individual's interest is relatively minor and where disclosure would be sufficient to address any potential effect on the process.
- Partial Exclusion: This type of waiver limits the Covered Individual's involvement in the matter by: (i) excluding the Covered Individual from the portion of the meeting or work where a conflict of interest has been identified; (ii) excluding the Covered Individual from participating in any final decision making process; (iii) requiring the Covered Individual to remove the conflict, such as by divesture of an asset; or (iv) limiting the Covered Individual's participation in the matter in any other manner deemed appropriate.

- 5.4 Should a Covered Individual be found to have an actual or potential conflict of interest that has not been disclosed, or the Ethics Officer or the Director General has reasonable cause to believe that a Covered Individual has failed to disclose an actual or potential conflict of interest, the Ethics Officer will inform the Covered Individual of the basis for such belief and provide him or her with the opportunity to disclose all relevant facts and explain the alleged failure to disclose. If, after hearing the response and making further investigations as may be warranted, the Director General,

in consultation with the Ethics Officer, determines that the relevant individual has failed to carry out his or her obligations under this policy, he or she shall pursue whatever action may be appropriate under the applicable rules, regulations, directives and policies of the Secretariat.

6. Gifts

6.1 Subject to the exceptions set out herein, all Covered Individuals are prohibited from accepting Gifts under circumstances where it could reasonably be construed that the Gift is motivated by the position or the Covered Individual. A waiver of this provision may be granted by the Director General with the agreement of the Ethics Officer, or, upon agreement of both the Director General and Ethics Officer, or in circumstances where the Director General and the Ethics Officer cannot agree, by the Director General following consultation with the Ethics Advisory Board.

6.2 Exceptions

- (a) A Covered Individual may accept unsolicited gifts on behalf of IRENA when, in his or her judgment, refusal to do so would not be in the interest of IRENA. Gifts accepted on behalf of the Secretariat shall be handled under procedures developed by the Secretariat.
- (b) A Covered Individual may accept unsolicited gifts valued at US\$25 or less, provided that the aggregate value of individual gifts received from any one source does not exceed US\$200 in a calendar year.
- (c) As part of their official functions, Covered Individuals may be expected to attend events such as official meals and receptions. Benefits associated with such attendance shall generally not be considered to be a Gift, subject to detailed guidance that the Director General may issue from time to time to determine the category of events that may be appropriately included under this exception.

7. Outside Activities

7.1 Covered Individuals shall not, without prior authorization from the Director-General, hold an office or occupation, whether remunerated or not, outside of his or her employment duties at IRENA. When requesting such authorization, staff members must disclose the nature and scope of the activity and whether any honorarium or other compensation will be received.

7.2 In considering whether to grant such authorization, the Director-General may consult with the Ethics Officer or, if both the Director General and the Ethics Officer deem it appropriate, the Ethics Advisory Board.

8. Post-Employment Restrictions

8.1 For a period of one year following separation from service, former Covered Individuals who have participated in the procurement process are prohibited from seeking or accepting employment with, or otherwise accepted any form of compensation or financial benefit from, any IRENA contractor or vendor of goods and services, regardless of location, which conducts business with IRENA or seeks to do so and with whom such Covered Individuals have been personally involved in the procurement process during the last three years of service with IRENA.

8.2 For a period of two years following separation from service, former Covered Individuals who have participated in the procurement process for IRENA before separation of the service are prohibited from knowingly communicating with, or appearing before, any staff member or affiliate of IRENA on behalf of any third party on any particular matters that were under the official responsibility relating to the procurement process during the last three years of their service with IRENA.

9. Reporting

9.1 On an annual basis, the Ethics Officer will prepare a report on the implementation of this Policy on Ethics and Conflict of Interest. The report should be a general summary of issues associated with implementation, and should, in general circumstances, provide a basic overview of implementation issues needed for Council awareness and oversight. The report will be given to the Director-General to comment upon, but not alter, before delivery to the Assembly.

10 Disclosure of Interest Form

10.1 The following information shall comprise the information to be disclosed on the Disclosure of Interest Form, to be issued by the Secretariat, with appropriate instructions and clarifications, and revised as appropriate over time.

10.2 Covered Individuals required to fill out such forms must identify themselves, their job title, and identify and list all Associated Individuals.

10.3 Covered Individuals at a grade of P5 and above are required to disclose the following information for themselves and all Associated Individuals:

- Assets that have a market value of US\$10,000 or above per asset, or the equivalent in local currency at the operational rate of exchange (assets may generally include but are not limited to stocks, bonds, mutual fund investments and real estate; personal property should be reported only if it is held for investment or business purposes);
- Any profit of more than US\$10,000 on the sale of personal property held for business or investment purposes;
- All stock options, publicly-listed or private, regardless of value;
- All income from sources other than IRENA, including, *inter alia*, royalties and patent fees, honoraria and speaking fees, pension benefits, investment income, profit from the sale of personal or real property valued at \$10,000 or above;
- Any Gift subject to Section 6 from any entity aggregating to US\$200 or more from a single source during the reporting year, whether or not the acceptance of such gift was previously authorized;
- Liabilities of \$50,000 or more (liabilities with respect to personal property should be reported only if it is held for investment or business purposes);
- Substantial or controlling interest in any business or entity;

- Participation in commercial, industrial, scientific, financial, or political affairs of an outside entity;
- Other interests in or association with any entity with which the Covered Individual anticipates or should reasonably anticipate he or she may be required, directly or indirectly, to have official dealings with on behalf of the organization, or which has a commercial interest in the work of the organization, or a common area of activity with the organization;
- Any leadership or policymaking role in any outside organization; in particular, any role which creates a fiduciary relationship between that individual and the entity (e.g., membership on corporate boards);
- Associations with the management or executive boards of, or financial interest in, any business concern if it is possible for the Covered Individual or any Associated Individual to benefit from such association or interest by reason of the Covered Individual's position with the organization.

10.4 Covered Individuals must certify that the disclosures made on the Disclosure of Interest Form are true, correct, and complete to the best of his or her knowledge and belief, and that failure to provide true, complete, and accurate information in the Form to the best of his or her knowledge and belief may have serious consequences, including the institution of disciplinary proceedings.