

**PREPARATORY COMMISSION FOR THE
INTERNATIONAL RENEWABLE ENERGY AGENCY**

**Decision on the Commission of an Exceptional External
Audit and Acceptance of the Audit Offer by Norway**

Fourth session
24th and 25th October, 2010
Abu Dhabi, UAE

PC.4/DC.9

**Decision on the
Commission of an Exceptional External Audit and Acceptance
of the Audit Offer by Norway**

The Preparatory Commission for the International Renewable Energy Agency (hereinafter referred to as the “Commission”), at its fourth session:

noting the FROT recommendation number 10 (Independent Audit on IRENA’s operations) to conduct an urgent independent financial audit to increase transparency and accountability of the Commission;

noting that Member States need to have an accurate and independent understanding of the finances of the Commission to facilitate voluntary contributions;

recognising that the incoming senior management should have an impartial assessment of the assets and liabilities of the Commission as they come on board;

noting that the members have held extensive consultations on how annual audits should be conducted for IRENA, and on the Financial Regulations and Rules that should be adopted by IRENA on this issue;

recognising that an exceptional audit should not be held up by the ongoing discussion in the appropriate fora;

pursuant to Article 15 of the Financial Regulations and particularly Regulation 15.2

noting that discussions on this issue should continue towards the Fifth Preparatory Commission in Spring 2011;

and *noting* that neither of these external reviews is intended to prejudice the on-going discussions with regard to permanent audit arrangements for the Agency;

mindful to minimise the additional burden on the Secretariat staff during this transitional period, and emphasizing the hard work done by the Secretariat team in advance of the July 2010 FROT review which should provide a solid basis for this exceptional audit.

and *noting* with gratitude the generous offer of the Office of the Auditor General of Norway to conduct, free of charge, the comprehensive annual audit for 2010, and commending their offer to the Commission;

- I. Decides that the Secretariat shall host a publically tendered, year-to-date audit starting as soon as is practicable, and mandates the Secretariat to immediately draft and issue a request for proposals based upon the recommendations in the FROT report.
- II. Decides that this extraordinary audit shall be made available to all Signatories upon its completion, as well as to the Office of the Auditor General of Norway.
- III. Decides that this financial insight is not intended to replace the audit that will follow after the end of the financial year, or to make an exception to the application of Article 15 of the Financial Regulations and Chapter 15 of the Financial Rules of the Preparatory Commission.
- IV. Decides that the audit of the 2010 financial and calendar year will form the basis for the transition from Preparatory Commission to Agency at the First Assembly
- V. Accepts the generous offer of the Office of Auditor General of Norway to conduct the comprehensive annual audit for 2010, free of charge.