

Fourteenth session of the Assembly
Abu Dhabi, 15 January 2024

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

1. Pursuant to Article XII.C of the Statute of the International Renewable Energy Agency (hereafter “Agency” or “IRENA”), the Assembly through its decision A/11/DC/1, appointed Lochan & Co as the External Auditor of IRENA to audit the annual financial statements of IRENA and of its Staff Provident Fund for the four-year period from 2021 to 2024.
2. Pursuant to Financial Regulation 12.1, the Director-General submitted the annual financial statements of IRENA for the year ending 31 December 2022 (“2022 financial statements”) to the External Auditor. The External Auditor audited the 2022 financial statements and issued its report on those financial statements, expressing an unqualified audit opinion. The Director-General submitted the External Auditor’s report and the corresponding audited 2022 financial statements, together with the Director-General’s report thereon, to the twenty-fifth meeting of the Council (C/25/9).
3. The present report provides Members with a status of the external audit recommendations along with actions taken by the Secretariat to implement those recommendations.
4. The recommendation, along with the progress made on implementation, are presented in the Annex to this report.

ANNEX

Status of Implementation of the External Audit Recommendations

No.	Audit recommendations	Management action taken to implement the recommendation	Current status
1.	<p>Clause (c) of Rule 105.2 “Appointment Procedure” of IRENA Staff Regulations and Staff Rules states that ‘On reporting for duty, an appointee shall receive and sign a letter of appointment consistent with Annex I to the Staff Regulations and subscribe to the Declaration of Office required by staff regulation 2.10.’</p> <p>We noted that in case of certain instances the letter of appointment issued to staff was signed by Director General after effective date of joining of staff member.</p> <p>IRENA should ensure that appointment letters are signed on or before the effective date of joining.</p>	<p>Action taken to enhance monitoring and tracking of HR Documents. A streamlined system has been implemented to automate and record the status of submission of documents for necessary reviews and approvals.</p>	Implemented
2.	<p>IRENA should incorporate a clause in its Fixed Assets Policy Manual to deal with situations when the staff members left without returning the Agency’s assets.</p> <p>IRENA should seek for legal measures in the host country in order to protect the Agency for any future unforeseen consequences from those assets.</p>	<p>Changes to assets policy have been drafted and are under review.</p>	Partially implemented