
Thirteenth session of the Assembly
Abu Dhabi, 14-15 January 2023

Report of the Director-General

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 2021 (“2021 financial statements”) to the External Auditor. The External Auditor audited the 2021 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 2021 financial statements, together with the Director-General’s report thereon, to the twenty-third meeting of the Council (C/23/4).
3. The External Auditor also addressed a management letter to the Director-General in April 2022 that included an audit finding and recommendation. The present report provides Members with a status of the external audit recommendation as contained in the management letter, along with actions taken by the Secretariat to implement those recommendations.
4. The recommendation, along with the progress made on its implementation, are presented in the Annex to this report.

ANNEX

Status of Implementation of the External Audit Recommendations

No.	Audit recommendations	Management action taken to implement the recommendation	Current status
1.	<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>To enhance the monitoring and tracking of HR documents, a streamlined system has recently been implemented to automate and record the status of submissions of documents for the review and approval of the Director of Administration and Management Services and/or the Director-General or the Deputy Director-General (based on the Delegation of Authority). It currently covers staffing-related requests, letters of appointment, contracts and budget requisitions. Through the automation, enhanced visibility and reporting of the new system, compliance with the established submission timelines will be properly verified and enhanced to ensure timely and efficient HR approval processes at IRENA.</p>	On-going