



Minutes and decisions Sixth meeting of the Board of Directors of the Africa Renewable Energy Initiative Nouakchott, Mauritania July 1st 2018

Heads of Delegations in attendance

H.E. Prof. Alpha CONDE, Chairperson and President of Guinea

H.E. Idriss DEBY, President of Chad

H.E. Hage GAINGOB, President of Namibia

H.E. Dr. Monica JUMA, Minister of Foreign Affairs, Kenya

Hon. Dr Yasmine FOUAD Minister of Environment, Egypt

H.E. Dr Amani ABOU-ZEID, Commissioner for Infrastructure and Energy, African Union Commission (AUC)

Mr. Amadou HOTT, Head of Delegation, African Development Bank (AfDB)

H.E. Neven MIMICA, Commissioner, International Development and Cooperation, European Commission (EC)

Ambassador Brigitte COLLET, Negotiator for Climate Change and Renewable Energy for France

1. Opening of the meeting

The Chairperson H.E. President Alpha Condé opened the meeting and welcomed all Members of the Board and Observers.

2. Adoption of the agenda

The agenda [AREI/BD.02-18/01] was approved.

3. Approval of the minutes of the fifth Board meeting held in Addis Ababa on January 27th 2018

The minutes of the fifth meeting of the Board of Directors [AREI/BD.02-18/02] were approved.

4. Recruitment of permanent Director of AREI Independent Delivery Unit

The Chairperson introduced the agenda item on recruitment of the permanent Director of the AREI IDU, recalling that the Board had approved the terms of reference and modalities for the recruitment process in the previous meeting. A recruitment panel consisting of representatives of each of the five voting Member States from each of the five African regions, a representative of the African Union Commission (AUC), a representative of the African Development Bank (AfDB), and a representative of international partners was to oversee the process and produce a shortlist of up to five persons for the Board's consideration. A meeting of the panel was held in Abidjan on June 19th - 20th, 2018. A report of the Recruitment Panel was produced for the Board and signed by the five Member State representatives. The Chairperson invited the authoring panel members from Namibia and Chad to present a summary of the report to the meeting [AREI/BD.02-18/03].

Mr John Titus, Technical Expert appointed by H.E. President Hage Geingob of Namibia, presented the following statement:

The Recruitment Panel held a meeting in Abidjan, Cote d'Ivoire to discuss the appointment of the permanent Head of the AREI IDU. The meeting took place from June 19th to 20th, 2018.

The report prepared reflects the views by the representatives of the five Member States, and is signed by all of them. The report also recognises that representatives from the African Union Commission (AUC), African Development Bank (AfDB) and the European Union (EU) participated and provided their views during the interviews.

The recruitment process approved at the fifth AREI Board meeting held in January 2018, stipulates that Member States in the Board shall oversee the process through a recruitment panel, and that the process shall be conducted through a transparent, competitive process in line with relevant and applied international standards for the selection, and in accordance with the criteria identified in the relevant Board document.

Member State panel members concluded that the AfDB did not conduct the process in line with the decision of the Board and neither involved nor consulted with the panel, despite repeated demands from panel members.

Hence, it was not possible for the panel to thoroughly scrutinise the process to provide a creditable short list of candidates for consideration and a decision by the Board at this Board meeting.

The Panel decided that despite the shortcomings identified, to proceed with the interviews of the long list proposed by the recruitment agency, without prejudice of the outcome.

In light of the above and after thorough deliberations, the Member State panel members agreed to present two options for the consideration of the Board:

1) To restart the whole process and conduct it in accordance with the approved recruitment process. This would mean the recruitment panel would set all modalities, including final choice of recruitment firm and the role AfDB may play.

2) To continue the recruitment process by recommending the one candidate whose credentials clearly stand out to the Board for consideration.

The Chair thanked Mr Titus for his presentation and opened the floor for comments. He said that he personally did not want to stop the process and that a selection in the present meeting would be desirable.

The African Union Commission and the African Development Bank underlined that the decision of the Member State representatives to present a report without the involvement of the other members of the panel contravenes the decision of the Board that makes no distinction between the members of the recruitment panel. The African Development Bank and the African Union Commission nevertheless supported the option to move forward.

Egypt supported the option that the person concluded as outstanding by the five country experts be appointed in the present meeting. Upon inquiry by H.E President Hage Geingob of Namibia, the technical expert and panel member from Chad (Mr Jean Paul M'Batna) clarified that due to the problems encountered with the recruitment process it had not been possible to produce a shortlist for the Board meeting. To propose more names than the one top candidate would necessitate more time for the panel to undertake proper assessments and hence a delay in decision-making.

H.E. President Idriss Déby Itno of Chad also agreed that it would be proper and desirable to select the candidate in the present meeting.

Mr Titus and Mr M'Batna presented the top candidate as Ms Safiatou Alzouma Nouhou from Niger. They explained that she met all criteria in the Terms of Reference, and has extensive experience in the renewable energy sector. She presently works as a Regional Programme Officer for Sub-Saharan Africa for the International Renewable Energy Agency (IRENA), and has outstanding experience and networks.

The Chair concluded that there was consensus among the Board members *and formally appointed Ms Safiatou Alzouma Nouhou as the Permanent Director of the IDU.*

The Board unanimously decided to offer Ms Alzouma the position of permanent Director of the AREI IDU.

Egypt highlighted the associated need to resolve the transition to permanent hosting; recognising the current transitional period with AfDB expires in July 2018.

She proposed that the transitional period be extended. She also proposed that a study on possibilities for countries and institutions to host AREI be conducted by the IDU. She suggested the matter could be resolved at an extraordinary meeting of the Board in connection with the UN General Assembly in New York in September.

H.E. President Idriss Déby Itno of Chad said that the process of identifying the new permanent host would need to be conducted in a thorough manner, should not suffer from ambiguities and should take into consideration the balance aspect in terms of Headquarters of AU-sponsored institutions where some countries had none.

The Chair said that no country had formally manifested their interest to host the IDU as yet. When a country does so, there would need to be a proper process to evaluate its candidature.

5. IDU Activity Report

The Interim Director Ambassador Seyni Nafu provided brief reports on IDU activities since the previous Board Meeting, and pointed to the Board documents that had been prepared for more details.

5.1. Evaluation of projects approved by the Board

In terms of assessments of projects submitted for attribution he recalled that 19 projects had been submitted to the Board at its second Board meeting and 5 additional projects following the fourth Board meeting. It was only in May 2018 that the IDU was in a position to recruit staff to conduct proper assessments. Focus was now on developing a methodology that is both solid and reliable but also flexible and efficient. Good progress was made in the last month and the IDU is currently in direct contact with those having submitted the projects to ensure all data gaps were filled. An updated status report of the 19 projects had just been provided by EU [AREI/BD.02-18/04].

5.2. Programme and project portfolio update

The Interim Director reported that a consultant had been recruited in May to speed up the elaboration of the current overview of projects, programmes and other priority intervention across African countries. A survey and database had been developed and were being brought to all African countries to generate updated and more complete information. There were currently 440 projects exceeding 50 GW in the database. This figure clearly exceeds AREI's 10 GW goal for 2020. The Interim Director concluded it would be important to determine how much of this were in alignment with AREI criteria. [AREI/BD.02-18/05]

5.3. Regional consultations

The Interim Director reported that a regional consultation had been held in N'Djamena, Chad for the Central African region on April 26th -28th [AREI/BD.02-18/06]. The other four consultations had been postponed to July and August to allow focus on the recruitment process and the Board meeting. Kenya, Namibia and Egypt clarified they had been ready to host the meetings, but had agreed to postpone them after suggestions.

5.4. IDU Budget (July 2017 - June 2018) implementation status

The Interim Director reported that three consultants and one administrative support staff had been contracted in May 2018. Since a considerable amount of funds remains from what had been approved for July 2017-June 2018 period, it was suggested that the Board extends the current budget until the Board Meeting in January 2019, where the new Director would then be expected to present a new budget. [AREI/BD.02-18/07].

Financial report by the African Development Bank (AREI Trustee)

AfDB presented the financial report noting that to date, 846,653 Euros have been committed and 480,234 Euros disbursed. All funds were pre-financed by the Bank but following the receipt of a written authorization from France they would be reimbursed and future expenses directly charged to the Trust Fund. The AfDB also noted that the financial report for the fifth Board meeting included an error corresponding to 41,862 Euros higher than what had earlier been reported as the cost for consultants; the report presented at this Board reflects the deduction of that amount.

EU and France requested the permanent Director to present at the next Board Meeting a detailed multiannual work plan and budget. The EU recalled the EUR 11 million already earmarked by international partners to support the

functioning of the Independent Delivery Unit, including EUR 3 million that EU is ready to provide as announced earlier and which has to be linked to a clear set of objectives and results.

The Board decided that the current budget be extended until the end of the year. The permanent Director is expected to present a multi-annual work plan and budget at the January Board Meeting.

Egypt raised the issue of payments for past work based on the approved budget (June 2017 - May 2018) be resolved before the permanent Director takes office. She noted that the Board had instructed the expeditious execution of these payments already in the previous meeting and that the new Director would need to have a fresh start.

6. Any other business

The African Development Bank raised the issue of the transitional arrangements that are expiring in July and suggested that they be extended until the end of the year.

The Chair of the Board agreed with this proposition and there were no different views expressed.

The African Development Bank also underlined that as far as the legal personality of AREI is concerned, which in accordance with the governance framework applied immediately but in the view of the Bank has de facto not yet materialized, should be suspended during the transitional arrangements.

The Chair of the Board concluded that he will write to the other members of the Board on this matter.

The African Development Bank noted that the last Board Meeting asked the experts to provide a formulation regarding the right to vote on financial matters for the Bank and noted that the agreed language to be used on this matter is as follows: "The Trustee shall, during this transitional period, have voting rights on financial and other fiduciary related matters in cases where this does not pose a potential conflict of interest".

Egypt reiterated its request that the IDU explore the different options for permanent hosting and that a proposal be presented at the next Board Meeting under the new Director.

The Board tasked the IDU to explore options for permanent hosting to be presented to the Board.

7. Closure of the meeting

The Interim Director thanked the Board for having put its trust in him to carry out the work during the past year. The Chair thanked the Interim Director for his work, and all Board member for their engagement.

He closed the meeting by concluding that Africa through AREI had begun to speak with a single voice.