



**INSTITUTIONAL CORRUPTION RISK ASSESSMENT REPORT ON THE LIBERIA
ELECTRICITY CORPORATION (LEC)**

FOR THE PERIOD 2018/2019, 2019/2020 and 2020/2021

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| Acronyms /Abbreviations | Meanings |
|------------------------------------|---|
| LEC | Liberia Electricity Corporation |
| LACC | Liberia Anti-Corruption Commission |
| LACEEP | Liberia Accelerated Electricity Expansion Project |
| LACEEP-AF | Liberia Accelerated Electricity Expansion Project -Addition-Financing |
| HFO | Heavy Fuel Oil |
| IDA | International Development Association |
| MG | Mega Watts |
| LEEAP | Liberia Energy Efficiency and Access Project |
| CLSG | La Cote d'Ivoire, Liberia, Sierra Leone and Guinea |
| JEP | Jungle Electric Power |
| T&D | Transmission and Distribution |
| RPU | Revenue Protection Unit |
| LESEP | Liberia Electricity System Enhancement Project |
| IMS | Integrated Management System |
| SOPs | Standard Operating Procedures (SOPs) |

Executive Summary

The Liberia Electricity Corporation is a public utility created in 1973 by the Government of the Republic of Liberia. This entity was established through an act of Legislature with a mandate to produce and supply economic and reliable electric power to the entire nation, while at the same time maintaining the corporation financial viability. Intrinsic in this mandate is the responsibility for improving and expanding the system to meet future growth. LEC therefore has the responsibility of ensuring that efficient, reliable and affordable electric power is available, not only to meet the increasing demand for electric energy in Liberia, but also to serve as a catalyst for socio- economic development.

From 1973 until late 1989, Liberia's electricity service was largely limited to the capital of Monrovia and its environs; around 35,000 customers—almost 13 percent of the population—were served by 1989. LEC also handled the electricity supply of rural areas outside Monrovia through 10 small isolated power systems with a total installed capacity of 13 Mega Watts (MW). The remainder of Liberia's electricity infrastructure was almost entirely destroyed during the periods of civil unrest in Liberia. Efforts have been underway since 2006 in order to restore the Monrovia grid, expand the mini-grid, and expand stand-alone power systems in the interior.

But over the past few years, there has been increasing lack of public confidence in the work of the Liberia Electricity Corporation and its ability to deliver energy to the Liberian People. There have been regular reports of power theft both at the community level and in some instances accusing fingers have been pointed towards the LEC itself as the main perpetrator of the fraud against itself.

The Liberia Anti-Corruption Commission is Liberia's leading anti-graft agency. The Commission feels legally and morally obligated to step in relying on Part V, section 5.2K of the Liberia Anti-Corruption Commission (LACC) Act of 2008 which authorizes the Commission "to conduct research, survey and related studies to understand both (1) the dimension, manifestations, and causes and effects of corruption; and (2) the practices, procedures and systems of governance and management that need to be adopted and promoted to combat, eradicate and prevent acts of corruption".

The Institutional Corruption Risk Assessment was basically intended to test the resilience of the system at the Liberia Electricity Corporation and to ascertain whether the LEC can stand FRAUD STRESS in cases where dangerous individuals attempt to challenge the system. It was further intended to see whether sufficient internal control mechanisms are in place to ensure proper financial management and effective coordination among all the departments that give value for money to the Corporation's shareholders which is the Liberian People.

Following several weeks of work of engagements with authorities at the LEC, the report draws several conclusions on the ineffectiveness of systems in place at the state owner energy corporation.

The Institutional Corruption Risk Assessment (ICRA) of the LEC found that the corporation is in a chaotic state at all levels with even no clear-cut organizational chart and is a corporation that is

heavy at the top and could easily go bankrupt anytime.

The Institutional Corruption Risk Assessment saw a complete lack of coordination in the activities of the corporation among key areas such as Transmission and Distribution, Power Theft, and Commercial. The LEC also has no clear database on all the assets it has deployed around the country and the state of these assets including light poles, transformers, meters and wires. In simple terms, the LEC cares less about what happens to its assets and the customers using them.

The report concludes that there are noticeable areas at all levels of the LEC that are prone to severe risk of fraud and abuse of the system.

While the Liberia Anti-Corruption Commission requested for several documents including the list of dedicated customers which was not made available, the Commission is convinced that the deficiencies noted are largely symptomatic of a very big problem facing the Country's Energy Corporation.

The Institutional Corruption Risk Assessment report recommends that the LEC invest more in innovation and make electricity accessible and affordable to the population through the opening of customer service centers in major districts in the Country and organize properly its relationship with the metering and power sales company-LIBANGO.

Additional investigations are needed for the LEC to help cure some of the deficiencies noted.

Introduction

The institutional corruption risk assessment on the Liberia Electricity Corporation (LEC) was performed for the purposes of identifying threats and weaknesses in the system and control processes and review of the operational effectiveness of the LEC consistent with Part V, section 5.2K of the Liberia Anti-Corruption Commission (LACC) Act of 2008 which states "to conduct research, survey and related studies both (1) the dimension, manifestations, and causes and effects of corruption; and (2) the practices, procedures and systems of governance and management that need to be adopted and promoted to combat, eradicate and prevent acts of corruption".

The Liberia Electricity Corporation (LEC) is the country's only electric power public utility established since 1973 with the primary mandate to produce and supply economic and reliable electric power to the entire nation, while at the same time maintaining the corporation financial viability. The electricity sector plays a key role in a country's development. Lack of affordable electricity in the country is correlated with poor healthcare delivery, fewer jobs' opportunities and a downward trend in the economy.

In the last decade, LEC had not been able to properly deliver services effectively to its customers due to losses to both power theft and other technical factors, thereby making it uneasy to generate the needed revenue. Access to reliable electricity services is essential for inclusive economic, sustainable human and better delivery of education and health services.

Electric power transmission and distribution losses include losses in transmission between sources supply and points of distribution and in distribution to customers. Accordingly, the institutional corruption risk assessment processes showed that the power utility is unable at this moment to measure the actual power leaving its power source at the mount coffee to its various feeders within Monrovia because it lacks energy meter at the various feeder thereby making it difficult to calculate the actual technical losses. However, the percentage given as a loss technically is an estimation.

The objective and scope of the institutional corruption risk assessment

To assess whether Liberia Electricity Corporation (LEC) has an effective institutional framework for preventing corruption at all levels of management whilst managing the multilateral projects that are geared towards increasing access to electricity and support in the sector.

The period for the institutional corruption risk assessment covers fiscal year 2018/2019/2019/2020 and 2020/2021.

Method of data collection/Risk assessment approach

The approach for the institutional corruption risk assessment covered the Liberia Electricity Corporation (LEC) interventions to increase and improve access to electricity and strengthen the institutional capacity within the electricity sector with the assistance of the multilateral organizations. Furthermore, as part of the Sustainable Development Goals (SDGs) domestication, (Goal 7-Ensure access to affordable reliable sustainable and modern energy for all) of the SDG domestication, the country wouldn't lag behind in its compliance with Agenda 2030. The corruption risk assessment took into consideration stakeholders engagements with the senior Management team at LEC head office and the Jungle Electric Power (JEP). The team interviewed the entire senior Management team of both institutions and submitted questionnaires to each Unit/division head at the LEC and reviewed documents. Further, the team visited five (5) counties namely; Montserrado, Nimba, Bong, Margibi and Grand Bassa counties respectively. Moreover, the team visited sixty-five (65) communities within three (3) of the five (5) counties.

See appendix 1, 2, 3 and 4 for details.

1 DETAILED FINDINGS AND RECOMMENDATIONS

1.1 Corporate Governance

Section 85.4 of the LEC act of 1973 with caption 'Board of Directors' states " the formulation of policies and direction of management of the Corporation shall be vested in the Board of Directors consisting of the Chairman of the Public Utilities Authority (who shall serve as Chairman of the Board), the Minister of Finance, the Minister of Justice, the Minister of Planning and Economic Affairs and five other members who shall be chosen from the private sector of the economy and appointed by the president of Liberia".

Contrary to the above, the corporate governance of the Liberia Electricity Corporation (LEC) should be the driver of the public utility that facilitate effective entrepreneurial and prudent management that delivers the long-term success of the LEC. As it stands, it has a serious challenge. The structure of the public utility varies from one administration to another. For instance, the LEC has not settle on a particular organization chart. The 2013 organization chart approved in 2015, is different from the July 2017 organization chart. The 2017 organization chart that is expected to be in use per the nomenclature and positions is far different from the actual positions being used by the current management team thereby making it difficult to analyze the actual structure of the LEC.

Additionally, the finance and accounting policies and procedures manual of the LEC is still in a stage of corporate wilderness. The manual was firstly revised on November 28,2014 and updated December 15, 2020 yet, in the draft stage and not been approved. The commercial department of the LEC is the nucleus of revenue generation and the face of an effective and efficient service delivery. However, there is no written and approved standard operation procedures that guides the work of the commercial department and aid customers wanting the services of the LEC. Further, Research has found several ways through which an organization can optimize efficiency, but one that continues to be lauded as most effective is having a set of Standard Operating Procedures (SOPs). Moreover, the department of Warehouse, T&D department, Power Theft etc. lack written and approved policies that guide their operations including the movement of critical electric equipment like transformers, light poles, wires and meters etc.

1.2 Lack of Innovation by the Liberia Electricity Corporation (LEC)

During the risk assessment process of the Liberia Electricity Corporation (LEC), it was observed that LEC commercial department has unveiled weaknesses in every aspect of discharging their duties. The commercial department lacks the ability to fully deliver services as needed to its customers in Montserrado and Margibi counties respectively. The department of commercial has only one office although it has been operation for nearly fifty (50) years, since 1973.

Additionally, the risk assessment brought to light that the department of commercial at LEC is incapable of handling the growing demand of customers appetite to consume the electric

power in parts of Montserrado and Margibi counties where the electricity grids are present. For instance, if a customer has a complaint in Kakata, Margibi county, that customer has to drive 1hr and 40minutes amidst traffic congestion to get to the only department of Commercial in Monrovia with complaint that may not be address in the soonest of time. This situation is similar with all LEC customers in and around the capital Monrovia. The commercial department lacks innovation and commercial strategy as a State Own Enterprise (SOE) to delivery service as a public utility. Customers of the Liberia Electricity Corporation are overly disappointed over the dismal services they are receiving from the country's only electric power public utility

Moreover, interview held with senior Management indicates that LEC does not have a system in place to meet the growing needs of customers. For instance, customers are not bill instantly. Prepaid customers are not reminded by the customer service agents to know what is obtaining with the power consumption. The public utility does not see her customers as a priority to deliver better services and in return generate the needed revenue to sustain the public utility and its essentiality for broad economic growth.

1.3 Lack of Coordination Between the Commercial Department and Transmission & Distribution

Coordination seems not to exists between the department of commercial and T&D department. The department of commercial do not properly evaluate her system and carry-on proper assessment before accepting customer's application. Our analysis and interactions with both senior management and the public utility customers indicates that the commercial department accepts application from customers, allow the customers to make deposits into LEC's account without coordinating with the T&D department to assessed the customer's premises properly (home or businesses). The department of commercial do not in most cases communicate with the T&D department to know whether there are materials/equipment's in the warehouse before allowing customers to deposit fees into LEC's account.

This lack of information sharing to firstly consult with the T&D department has created a cascading effect and causing serious damage to the LEC network. There are customers who have applied and deposited into the public utility's account dating as far back as 2016-2019 are still struggling to get power into their homes and businesses thereby causing them to get power through dubious means. The department of commercial has not been able to educate customers on the basic procedures for acquiring LEC equipment's before receiving power in their homes and businesses.

Moreover, customers who have been yarning for power over the years have still not been prioritized by the public utility. Additionally, according to the LEC "Internal Audit reports, it shows that there are customers meters that were faulty but receiving and transmitting power to their respective structures. Despite reported complaints from customers on these faulty meters, they have not been replaced or issues corrected."

The reports indicated the Revenue Protection Unit (RPU) has since failed to respond to the audit observations since October 26, 2020. Moreover, the Internal Audit reports also indicated that there was no evidence that the customers benefiting the free power were paying for the power consumed.

1.4 Limited Monitoring on Customers and LEC Assets

The public utility does not monitor its assets in the streets and assets in the hands of its customers. It was established during the risk assessment process and interactions with the senior management team that LEC shows little or no concern for its assets in the hands of customers and those in the streets. The department of commercial has not been able to create a customer friendly relationship to know as to how customers are managing the equipment giving them or problems the customer are encountering on a daily basis with the power consumption. Moreover, our interaction with LEC department of commercial and T&D department enabled us know that they do not know the actual number of customers that are hooked up on a particular transformer within the communities.

Moreover, streets lights in part of the community in Monrovia and Margibi remain off perpetually thereby posting danger to motorists and pedestrians at night. However, we also notice LEC lines from the poles connecting the homes in some communities are very low and could cause disasters to the citizenry.

1.5 No Strategy on Revenue Collection

The Liberia Electricity Corporation (LEC), the only electric power public utility has an Integrated Management System (IMS) that is interfaced with LIBANGO system, a super vendor managing the point of sale, yet, the department of commercial still does not reach out to customers that are not purchasing the LIBANGO token for power. The more purchases of the token by prepaid customers, the higher the revenue generation. Prepaid customers are the highest consumers amongst LEC consumers. The corporate sense of belonging by the public electric power utility is perhaps lacking in that direction. Additionally, it may seem that, since it is an electric power public utility, whether or not it collects minimum revenue through the power generation and distributions, salaries are still paid to all its employees. The public utility is lagging behind in terms of revenue collections because it lacks corporate strategy. LEC is moving closely to a path of becoming insolvent if not experiencing insolvency already. Additionally, LEC Management is not making the equipment available for all customers on time, and those that are having the equipment the Management is falling short to monitor it to the fullest, thereby increasing power theft to customers in all categories and losses in revenue.

1.6 Wage Bills versus Poor Revenue Collections

In the midst of almost sixty percent (60%) loss to power theft and other technical losses, the LEC wage bills remains extremely high than what the public utility collects as revenue to pay salaries and other operations. The wage bills are high to the extent that LEC is unable to make its salaries payments in a single month.

The public utility is paying seventy percent (70%) as salaries to employees initially, and then deferred the thirty percent (30%) in the subsequent month most times. LEC is struggling to break even as a State own Enterprise (SOE) in terms of a vital role of direct services to the population thereby crawling for survivor just to only pay salaries and maintain few of its activities. LEC is going to battle with its epileptic performance until there is a reform that addresses the structural challenges to focus on a better service delivery for more revenue generation.

1.7 Responses from Risk Assessment Questionnaires

The Liberia Electricity Corporation (LEC) is a State-owned enterprise (SOEs), it constitutes a significant part of the economy because of the growing demand of electric power and it is particularly expected to contribute to the achievement of the national development by contributing to the inclusive growth, job creation and promoting economic transformation through efficient, reliable and affordable electric power. From the stakeholders' engagements and responses from the questionnaires, it seems that LEC is overwhelmed with her activities and perhaps unable to further operationalize the sector. From our engagements and interactions with the senior management at head office and the counties, there were personal opinion express during the exercises and admittance to the current state of affairs at LEC which is evidence of the questionnaires filled by key senior managers. ***See appendixes for detailed.***

1.8 Field Verification Assessments (Counties)

The team visited five (5) counties and administered questionnaires in sixty-five (65) communities in three (3) of the five (5) counties. The five counties visited are; Montserrado, Nimba, Bong, Margibi and Grand Bassa, respectively. The three counties in which the questionnaires were administered are Montserrado, Nimba and Margibi.

In Montserrado and its environs, the team divided the county into six (6) zones. Similarly, Margibi county was also divided into four (4) zones. In Montserrado, where the team administered questionnaires in communities shows that power theft is visible in every community and can be ranked at approximately 90%. The head of power theft in his response to questions also confirm that possible illegal connections is about 90%.

In Montserrado, all the communities visited had numerous compliants ranging from power connection, faulty meter, faulty breaker, faulty transformer etc. Majority of the customer's complaint about LEC inability to deliver services and monitor customers are the contributing factors that are causing the increasing wave of power theft in the communities. Some customers displayed service order (SO) numbers dated since 2019 that have not been addressed. There were numerous letters of complaint displayed by customers from LEC that have not been addressed. Some customers admitted that some staff of the LEC are in the know of the illegal connections but refuse to call their names. According to some community dwellers and customers of LEC, they told us they are informed ahead of time by staff from within the LEC when the power theft team are coming into the communities to carry on the raiding.

In Margibi, Kakata city and up to Weala, our visitation in the communities and interactions with community dwellers, showed that power theft might be approximately 38%. It is also important to note that in Kakata and its surroundings and up to Weala, one hundred nine (109) transformers were installed, of that number, according to the Electrical Engineer, five (5) have been damaged and have not been replaced. Our field verifications in the affected communities where transformers are damaged enabled the team to identify those effected customers are hooked up on nearby transformers to get power. Additionally, in Kakata and its surroundings, we also noticed many situations where one meter is serving more than 2-5 homes. It is visible and the team was told during the stakeholders meeting that we would have encountered many of those cases in the communities.

In Bong County, the project has not been commissioned and turned over to Liberia Electricity Corporation (LEC) and as such, the team could not talk to the incoming beneficiaries of the power. The team visited major streets in Gbarnga where the Engineers have completed a service drop for the initial five hundred (500) customers.

During the team visit to Grand Bassa county, it was observed that the substation on the outskirts of Buchanan is nearing completion according to the engineers assigned. However, the team was not presented with any plan by the LEC both by its Monrovia Office or its field officers on how it intends to transmit and distribute power to near-by Buchanan and other smaller towns closer to the substation. Additionally, there was no activities of the Corporation in Buchanan.

1.9 Conclusion

Following the institutional risk assessment conducted by the Liberia Anti-corruption Commission on the work of the LEC, the LACC has noticed areas in the Country's Electricity Company that could create possible grounds for corruption and abuse of office.

Lack of Clear Organizational Structure/Organizational Chart

LEC has no clear organizational chart that clearly delineates the roles and responsibilities of every staff of the entity. An organizational chart developed by the LEC in 2013 and was approved in 2015 has never been used. Another organizational chart developed in 2017 has also not been used as the current structure in the LEC runs far away from all the organizational charts submitted to the LACC.

There are high operational and corruption risk associated with a lack of clear organizational structure in any entity. When the organizational structure in a corporation fails, communication deteriorates, delays in work product ensue and bottom-line profits are affected. To operate effectively, efficiently and to manage country's only public electric power utility and make it viable to increase access to affordable, reliable and modern electric energy in and around the country, and make LEC self-sustaining and illustrate the developmental trends, the LEC must have a straight organizational structure to make sure it is meeting the needs of the business and aware of changes in the operating environment.

No written and approved Standard Operation Procedures (SoP) for the following departments: Commercial, Transmission and Distribution, Warehouse and Department of Power Theft

There is no Standard Operation Procedures at all levels of the Liberia electricity Corporation. Critical departments that are at the nerve center of the LEC lack clear operational procedures. The LACC corruption risk assessment team did not receive any written and approved policy or document from the LEC management of procedure on how lights poles, transformers, wires and meters leave the LEC facilities at the Bushrod Island facility.

There is also no written and approved documentation to show how the three departments coordinate in terms of addressing the needs of communities that need the services of the LEC.

Additionally, the Liberia Electricity Corporation (LEC) has one commercial office since 1973 which is hampering customers accessibility of getting services. There is also lack of coordination between T&D and Commercial which is also an impediment to addressing the numerous problem face by customers.

Public education and awareness on the power consumption and processes of obtaining power are key factors that are lacking currently at the Liberia Electricity Corporation (LEC) which need to be addressed in the soonest.

Moreover, there is lack of monitoring of LEC assets in hands of customers in communities.

Liberia Electricity Corporation (LEC) needs an innovative and a strong governing board of directors with a committed management team that will deep dive into the real issues affecting the power electric utility couple with a reform in the power sector.

Recommendations

We Recommend the followings;

That Liberia Electricity Corporation (LEC) board of directors' needs to review and approve all of its legal instrument. Especially, the organizational chart so that it corresponds with the current positions as part of a good corporate governance process.

The Liberia Electricity Corporation (LEC) department of commercial in collaboration with T&D department need to assess properly the premises (homes or businesses) of customers before allowing those customers to deposit fees into LEC's account. Additionally, the Commercial department should also coordinate with the T&D department to ensure that the required materials are in stock to address the needs of customer before consenting to deposit fees into LEC's accounts.

The Liberia Electricity Corporation (LEC) Commercial department needs to decentralize it offices in Margibi and Montserrado counties respectively.

We also recommend that the Liberia Electricity Corporation (LEC) divide Monrovia into twelve (12) zones comprising of twelve (12) different offices. Those offices should be fully staffed with both Technical and Commercial personnel to address the growing demands of customer's service problems and complaints from the communities.

We recommend that LEC Commercial department makes it a duty to check on customers twice a month and inform senior Management about problems customers are facing within the communities.

We recommend that LEC Commercial department and T&D department put in place a numbering system to enable them know the number of transformers, poles and meters per communities and also to know the number of customers on each transformer within the community.

We recommend that Liberia Electricity Corporation (LEC) give meters to all its customers and stops customers from rotating meters from one community to another community. LEC meters should be coded for a particular community.

We recommend that governing board of directors of the LEC adequately support the T&D department to get energy meter for all its feeders and encourage the Commercial department to work closely with LIBANGO system to track all LEC customers and to know customer data per feeder.

The Commercial department should update senior Management weekly on customer's performance and needs for effective tracking and revenue generation.

We recommend that Liberia Electricity Corporation (LEC) divide Montserrado county into four (4) zones and put it out for bidding so that distribution network is managed by private companies.

Additionally, the government of Liberia through the governing board of directors should have a standing committee with oversight for transmission of all electric power generated by LEC. Therefore, the constitution of the board of directors should take into account the appointment of members of the board with technical background.

2 APPENDIXES

Appendix #1 Liberia Electricity Corporation head office stakeholders meeting attendance

| No | Name | Position | Email address | Cell number |
|----|---------------------------|--|---------------------------|---------------|
| 1 | Samuel Zimbe | Executive Director- Commercial & Regulator | szimbe@lecliberia.com | +231778499903 |
| 2 | George H. Tawalah | Senior Manager- Commercial & Regulator | gtawalah@lecliberia.com | +231777576112 |
| 3 | Philip Jacques | Chief Financial Officer | pjacques@lecliberia.com | +231770299042 |
| 4 | Adam Sheriff | Counterpart-CFO | asheriff@lecliberia.com | +23177528459 |
| 5 | Noel J. Walsh | ED-Engineering | nwalsh@lecliberia.com | +231775663761 |
| 6 | Thomas Z. Gonkerwon | Counterpart-ED | tgonkerwon@lecliberia.com | +231770458741 |
| 7 | Dave Hochstadt | ED-HR | dhochstadt@lecliberia.com | |
| 8 | Diabeson F. Beyan, Jr. | Procurement Manager | dbeyan@lecliberia.com | +231777429191 |
| 9 | Hawa S. Dafuah | Supervisor-Meter Installation Technician | hdafuah@lecliberia.com | +231776880871 |
| 10 | Francis F. Wreh,Jr. | Engineer | fwreh@lecliberia.com | +231776538355 |
| 11 | Josiah B.S. Gwagee,Jr. | Warehouse Manager | jgwagee@lecliberia.com | +231777976403 |
| 12 | Steve Thompson | Meter Theft Manager | sthompson@lecliberia.com | +231777821975 |
| 13 | Richard S. D. Kardor, Jr. | Senior Manager/Finance | rkardor@lecliberia.com | +231777570190 |
| 14 | H. Conor A. Munyeneh | Director Internal Audit | camunyeneh@lecliberia.com | +231777105722 |

Appendix #2 Jungle Electric Power stakeholders meeting attendance

| No | Name | Position | Email address | Cell number |
|----|---------------------|------------------|--|---------------|
| 1 | Bob M. Dolo | Administrator | gyak888@gmail.com | +231777173470 |
| 2 | Nelson Nonduah, jr. | Accountant | nnonduahjr@gmail.com | +231776291635 |
| 3 | Samara G. Zawolo | Customer Service | | |
| 4 | Aleyou M. Keita | General Manager | akeita@junglewatergroup.or | +231776768402 |
| 5 | Daniel K. Agbomson | Engineer | Daniel.agbomsom@junglewater group.org | +231775549715 |
| 6 | Ezekial Equeh, jr. | IT | elqueh@gmail.com | +231778221221 |
| 7 | Paul Parwon | Power theft | Parwon99@yahoo.com | +231775993920 |

Appendix #3 Liberia Electricity Corporation Margibi County office-stakeholders meeting attendance

| No | Name | Position | Email address | Cell number |
|----|--------------------|--------------------|---------------------------|---------------|
| 1 | Anthony S. Baker | Manager | abaker@lecliberia.com | +231777236191 |
| 2 | Bennonie K. Bright | Elec. Engineer | bennoniebright@gmail.com | +231777831588 |
| 3 | Augustine T. Tommy | Superintendent/RPU | Augustinetommy4@gmail.com | +231770149531 |

Appendix #4 Liberia Electricity Corporation Bong County office-stakeholders meeting attendance

| No | Name | Position | Email address | Cell number |
|----|---------------|-----------------------------------|------------------------|---------------|
| 1 | Elijah Geetoe | Consultant/Construction Inspector | egeetoe@nreca-intl.org | +231776857105 |

Appendix #5 Sixty-five (65) Communities

| No | Montserrado County Communities | Nimba County Communities | Margibi County Communities |
|-----|-----------------------------------|-----------------------------|-------------------------------|
| 1. | Red light | Old car garage | Harris Town |
| 2. | ELWA | Palm farm | Vision |
| 3. | Jacob's Town | Catholic comm. | Siafia town |
| 4. | Soul Clinic | Dumbar field | Sugar hill |
| 5. | Duport Road | Dekermahn | German Camp Rd. |
| 6. | Stephen Tolbert Estate | Gbalagbain | Barclay Farm |
| 7. | Johnsonville-Kabbah | Blakay town | Klumah town |
| 8. | Chocolate City | Guinea road | Bassa town |
| 9. | Jamaica road | Public work | Lango town |
| 10. | New Georgia | LPMC comm. | Gbandi comm |
| 11. | Weasay town | Dokie quarter | Kissi comm |
| 12. | Logan Town | Bonnah Suah | Moses Brown Qt. |
| 13. | Freeport | Soko quarter | Peace Island |
| 14. | St Paul Bridge | Sanniquellie main street | Matilda comm |
| 15. | 12 th street | Gamabien | Green Island |
| 16. | Fiamah | Power plant | Madina |
| 17. | New Kru town | College view | Kpapheh town |
| 18. | 19 th street | Gono town | Bong Mines rd. |
| 19. | Matadi comm | Sugar hill | Kakata main st. |
| 20. | | | Borlorla rd |
| 21. | | | New Kakata |
| 22. | | | Green hill comm |
| 23. | | | Binda comm |
| 24. | | | Vai town |
| 25. | | | Buzzie quarter |
| 26. | | | New 14 rd. |
| 27. | | | Old Cassava market |

Appendixes Continue

Liberia Electricity Corporation (LEC) Risk Assessment Questionnaires

| Department: Commercial Department | | | | | | | | |
|--|---|----------|----|-----|-------------|--------|-----|--|
| Checklist filled by: Sam Zimbe | | | | | | | | |
| Position: Executive Director-Commercial and Regulatory | | | | | | | | |
| Email: szimbe@lecliberia.com | | | | | | | | |
| | Questions | Response | | | Risk Rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Is there a policy that guides the work of the Commercial department? | Y | | | | | | There are documented policies and procedures covering different aspects and activities of Commercial |
| 2. | Does LEC have sub-Commercial offices around Montserrado? | | N | | | | | Process underway to establish customer services offices in key locations in Montserrado |
| 3. | What is LEC total number of customers and the categories of customers? <i>Please explain further in the comment column.</i> | Y | | | | | | LEC total active customer database is 115,089 (prepaid – 114,379 and postpaid – 710) under the categories of: Residential, Commercial, Government & Public Entities, NGO |

| | | | | | | | | |
|----|--|---|--|--|--|--|--|---|
| | | | | | | | | & Tax Exempt; and LEC Owned. |
| 4. | What is the total number of customers that are paying for LEC services? <i>Please explain further in the comment column.</i> | Y | | | | | | Total number of customers that are paying energy bills as at 31 July 2021 were around 70,000 |
| 5. | Is there an Assets Customers Mapping Survey (ACMS) database? If yes, please provide us with list of consumers and customers within the database. | Y | | | | | | Provided as attached |
| 6. | Are there Commercial losses to energy? If yes, what is the percentage of losses? | Y | | | | | | 52.9% as at 31 July 2021 |
| 7. | Are there flat rate customers? If yes how many, if no when did it stop? | Y | | | | | | There are 1500 customers on flat rate – Process is ongoing to install meters at the various locations |
| 8. | How effective is LEC Commercial department in terms of service delivery? <i>Please explain further in the comment column.</i> | Y | | | | | | The Department is responsible for the following functions (a) Customer Service (b) Billing & collections(C) Revenue protection (d0 Regulatory Whilst the billing, collections and Regulatory functions have |

| | | | | | | | | |
|-----|---|---|--|--|--|--|--|---|
| | | | | | | | | efficiently delivered, we have challenges with commercial losses (power theft) and customer service. Challenges with customer service are driven by continuous outages due to faulty transformers, shortage of meters to connect , Hence delivery of customer service has not been satisfactory |
| 9. | Does LEC Commercial department check frequently on Post-paid, flat rate and large customers to update them on their bills and payments? If yes, please show the evidence? | Y | | | | | | This is evidenced by the normal routine interactions & commination with the respective customers with respect to their bills and payments |
| 10. | Is LEC Commercial department link to LIBANGO system to know active customers? | Y | | | | | | Please note that the customer database in managed by LEC through the Integrated Management System (IMS). Libango is a Super Vendor managing the Points of Sale |

| | | | | | | | | |
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| | | | | | | | | and as such, Libango system(s) are interfaced with the IMS. |
| 11. | Are there verification exercises on prepaid customers to know whether they are making payments for power through the LIBANGO system? | Y | | | | | | There are reports in In CMS that provide vending pattern for all prepaid customers |
| 12. | Does LEC Commercial department respond in time to customers? | Y | | | | | | Major constraints – funding, materials, logistics, faulty transformers on the network |
| 13. | Does Commercial department sell transformers and poles? If yes, please explain the process in the column section. | | | N/A | | | | All procurements of transformers, poles and equipment, are carried out by the Procurement Department |
| 14. | Does Commercial department provide instant billing form? If no, how long it takes a customer to obtained billing form? | | N | | | | | Billing of postpaid customers is carried out monthly. At present LEC does not bill customers onsite |
| 15. | How long it takes to address inaccurate billing or incorrect bills? <i>Please explain further in the comment column.</i> | Y | | | | | | 1 Week, this requires a complaint being raised, validations and confirmation |
| 16. | Does LEC Commercial department consider customer a priority in the | Y | | | | | | Customers are the sole drivers for |

| | | | | | | | | |
|-----|---|---|--|-----|--|--|--|---|
| | organization? | | | | | | | revenue |
| 17. | Does poor customer service impede LEC Commercial department ability to meet or exceed expectations? | Y | | | | | | Customer service is negatively impacted by outages, faulty transformers, insufficient materials including meters |
| 18. | Does LEC Commercial department maintained a log book for customer's complaints? | Y | | | | | | IMS/InCMS |
| 19. | Does LEC Commercial department solicit customer feedback to learn about preference and means of improvement? | Y | | | | | | There is a Suggestion Box in the Customer Service Centre |
| 20. | How long it takes an applicant to get power connection in his/her home? <i>Please explain further in the comment column.</i> | Y | | | | | | The turnaround time for customer connections has been and is being impacted by material shorted especially meters, hence long turnaround times for making connections |
| 21. | Does LEC Commercial department has a list of companies that are importing electrical devices (transformers, meters etc.)/materials into the country? If yes, are they tested and up to standard for the grid? | | | N/A | | | | All procurements of transformers, poles and equipment, are carried out by the Procurement Department Lists of suppliers are maintained by |

| | | | | | | | | |
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| | | | | | | | | the Procurement Department |
| 22. | Are there dedicated transformers on the LEC network? If yes, please provide the list of dedicated transformers on the network. | Y | | | | | | Lists of dedicated transformers are available in the T&D Department |
| 23. | Is there a written agreement or policy between LEC and Lanstar installing transformers on the LEC network? If yes, please submit the agreement or policy and state all locations where Lanstar has installed transformers on LEC network. | | | N/A | | | | All procurements of transformers, poles and equipment, are carried out by the Procurement Department |
| 24. | Has LEC Commercial department address the transformers that are outside the network? If yes, are customers connected to those transformers and are part of revenue generation? <i>Please explain further in the comment column.</i> | | | N/A | | | | There are Off-Grid networks in Liberia, Customers on the off-grid networks are not LEC customers |

Risk Rating

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|----------|--|
| H | High reliance indicates that the entity has implemented controls that lower the risks identified. |
| M | Medium reliance indicates that the entity has to some extent implemented controls to reduce the risks identified. The level of risk is then considered to be medium. |
| L | No / low reliance indicates that the entity has not implemented relevant controls to limit the risks identified. The level of risk is then considered to be high. |

Risk Assessment Questionnaires

| Department: Power Theft | | | | | | | | |
|--|---|----------|----|-----|-------------|--------|-----|--|
| Checklist filled by: Steve Thompson | | | | | | | | |
| Position: Meter and Theft Manage | | | | | | | | |
| Email: sthompson@lecliberia.com | | | | | | | | |
| | Questions | Response | | | Risk Rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Is there a policy that guides the work on Power Theft? | Yes | | | | | | There is definite guidelines to disconnections |
| 2. | Is there an active hotline to call power theft team? | Yes | | | | | | 4500 4600 |
| 3. | Are employees of LEC link to power theft? If yes, please provide us with the findings including the names those employees. | Yes | | | | | | Allegedly |
| 4. | Are employees of LEC involved in the sale of transformers and meters? Is yes, please provide us with the findings including the monetary value and capacity of those transformers | Yes | | | | | | Yes Under investigation Mainly 15kVA tx and value USD 2,500 each |
| 5. | Are businesses involved in power theft? If yes, please provide us with the findings including the | Yes | | | | | | Yes Too Numerous to quote individual cases |

| | | | | | | | | |
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| | names those businesses that have been caught in theft. | | | | | | | |
| 6. | If power theft is proven, are culprit bill for theft? If no, why? | Yes | | | | | | After being caught they are back billed for the amount they are owing |
| 7. | When meter is by-passed is it classify as power theft? If no, why? | Yes | | | | | | |
| 8. | Where meter is faulty and not recording the consumption, is it classify as power theft? If yes, why? | No | | | | | | customers who's meter goes faulty Should write a complaint letter to customer service so the meter can be changed |
| 9. | Are there illegal connections? If yes, at which rate? | Yes | | | | | | Possibly 90% Of communities have some illegal connections |
| 10. | Are there high-risk communities in relation to power theft? If yes, please list the names of those communities in the comment column. | Yes | | | | | | All Monrovia |
| 11. | Are there danger associated with illegal connections? | Yes | | | | | | Untrained people doing the connections not knowing the state of the wiring in the premises. Possibility of hard or death |
| 12. | How are illegal connections being address? | | | | | | | Removal/normalize would prefer |

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| | | | | | | | | normalize if possible |
| 13. | How does power theft team respond to illegal connections? | | | | | | | Take as much information from the customer if disconnected a disconnection notice given and told to go customer service where they pay for reconnection plus any outstanding owed |
| 14. | Does power theft capacitated to prove theft? Please explain further in the comment column. | | | | | | | N/A |
| 15. | What is the easiest way to reduce power theft? <i>Please explain further in the comment column.</i> | | | | | | | In a real world more public awareness. Bigger meter distribution to all communities, more crews. Lower Tariff |
| 16. | Are Power theft staff being harassed or attacked when they carrying on their duties into communities? <i>If yes, what is the course of action? Please explain further in the comment column.</i> | Yes But not too often | | | | | | If people get rowdy and harassing the crews doing work in the community, they are told to back away leave the area and inform the police |

Risk Rating

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Risk Assessment Questionnaires

| | | | | | | | | |
|-----------------------------|---|-----------------|-----------|------------|--------------------|---------------|------------|---|
| Department: | Procurement Department | | | | | | | |
| Checklist filled by: | Diabeson F. Beyan | | | | | | | |
| Position: | Procurement Manager | | | | | | | |
| Email: | dbeyan@lecliberia.com | | | | | | | |
| | Questions | Response | | | Risk Rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Is the procurement unit adequately staffed? | Yes | | | | | | The procurement unit is staff with over ninety percent of staff being graduates from the Financial Management Training School. Besides, there are other professional certifications obtained by various staffs over the years both home and abroad. |
| 2. | Is there a procurement committee? | Yes | | | | | | |
| 3. | Is there a procurement committee meetings minute? | Yes | | | | | | |
| 4. | Does the Procurement Unit publish GPN on the UNDB online, | Yes | | | | | | |

| | | | | | | | | |
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| | the Bank's external website and one national paper? | | | | | | | |
| 5. | Are Procurement activities for the project carried out in accordance with the WB's Procurement regulations for IPF borrower? | Yes | | | | | | |
| 6. | Is there a procurement plan? | Yes | | | | | | |
| 7. | Are procurement plan prepared online through the STEP platform? | Yes | | | | | | |
| 8. | Under the RFQ, does the Procurement Unit compare price quotations with firms? | Yes | | | | | | |
| 9. | Has there been a procurement audit or post procurement review on the project? If yes, when? | Yes | | | | | | The last post procurement review was done on January 22, 2020. |
| 10. | Are firms shortlisted using QCBS? | Yes | | | | | | |
| 11. | Does the procurement unit comply with both the and PPCA guidelines and WB guidelines on procurement tender and bids? | Yes | | | | | | |
| 12. | Does the procurement unit prepared procurement plan in line with the WB procurement guidelines or the PPCA guidelines? | Yes | | | | | | All plans as prepared are submitted to the Bank and or PPCC for Non-Objection before procurement execution. |
| 13. | Has there being procurement of electrical devices (transformers, meters etc.)/ materials in the following years (2018/2019, 2019/2020 and 2020/2021)? If yes, please provide the list of all electrical devices (transformers, meters etc.) and others electrical | Yes | | | | | | |

| | | | | | | | | |
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| | materials | | | | | | | |
| 14. | Are files maintain for all procurement processes and contracts for good, works and services? | Yes | | | | | | Best practice filing system available that chronologically file documents as per the process of flow of the procurement activity. |
| 15. | Are procurement files kept electronically or in hard copies? | Yes | | | | | | Most are kept in hard copies. Sometimes both hard and soft. |
| 16. | Is there a bid evaluation committee (permanent or ad-hoc) established within the entity? | Yes | | | | | | An ad-hoc committee is set up for each process. |

Risk Rating

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|----------|--|
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Risk Assessment Questionnaires

| Department: Warehouse | | | | | | | | |
|---|--|----------|----|-----|-------------|--------|-----|------------------------------------|
| Checklist filled by: Josiah B.S. Gwagee, Jr. | | | | | | | | |
| Position: Warehouse Manager | | | | | | | | |
| Email: jgwagee@lecliberia.com | | | | | | | | |
| | Questions | Response | | | Risk Rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Is there a Warehouse management policy in place? If yes, is it approved? | x | | | | | | There is a policy but not written. |
| 2. | Is the policy reviewed and | | x | | | | | |

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| | updated regularly? If yes, how often? | | | | | | | |
| 3. | Do you have a logbook/registry for warehouse? If yes, how it is prepared? | x | | | | | | The logbook is the ERP system. |
| 4. | Does the head of T&D signs before electrical devices/materials leaves the warehouse? If yes, in his absences, who signs? | x | | | | | | The Executive Director or a designated person by Management. |
| 5. | Are there instances of electrical devices/materials leaving the warehouse without the head of T&D approved? | | x | | | | | |
| 6. | Are there reports on electrical devices/materials received and distribution? | x | | | | | | |
| 7. | Does ware house management dispose of electrical devices/materials? If yes, how? | | x | | | | | |
| 8. | Are changes made in warehouse registry to reflect disposal and /or transfer? | | x | | | | | |
| 9. | Is disposal report prepared and endorsed? | | | | | | | |
| 10. | Are there instances of materials (transformers, meters etc.) leaving the warehouse and being transfer to other location? | | x | | | | | |
| 11. | In the last twelve (12) months, where has been the focus of transformers distribution in Montserrado? Please give the number of transformers and | | | | | | | ALL AROUND MONTSERRADO WHERE OUR NETWORK AVAILABL. |

| | | | | | | | | |
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| | specific locations? | | | | | | | |
| 12. | Are appropriate parties informed and aware of the transfer of electrical devices/material from their original places to their destinated places? If yes, how? | | X | | | | | |
| 13. | Are electrical devices coded (Transformers) before leaving the warehouse? If yes, how coding is done? | | X | | | | | |
| 14. | Are there instances of electrical devices/material being stolen? If yes, please explain. | | X | | | | | |
| 15. | Does LEC receive electrical devices/equipment's through donor support? | X | | | | | | |
| 16. | Does warehouse management account for electrical devices/materials given by donor? If yes, please explain | X | | | | | | Imported into our system and monitor the inflows and out flows |
| 17. | Are there segregation of duties within warehouse management? | X | | | | | | |
| 18. | Where electrical devices/materials are purchased, delivered, and verified, does warehouse prepare delivery/receiving reports of materials received? | X | | | | | | |
| 19. | Does warehouse signed goods received notes as evidence that electrical devices/ materials were received in full? | X | | | | | | |

Risk Rating

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|----------|--|
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Risk Assessment Questionnaires

| | | | | | | | | |
|-----------------------------|---|-----------------------------|-----------|------------|--------------------|---------------|------------|-----------------|
| Department: | Finance Department | | | | | | | |
| Checklist filled by: | Philip Jacques | | | | | | | |
| Position: | Chief Financial Officer | | | | | | | |
| Email: | pjacques@lecliberia.com | | | | | | | |
| | Questions | Response | | | Risk rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Does the department of Finance have a financial procedural manual? | YES | | | | | | |
| 2. | Does the Finance department have a workplan in place to guide its operations? | No-SOPs Yes for Projects | | | | | | |
| 3. | Are there segregation of duties within the department of finance? | YES | | | | | | |
| 4. | Does Finance department prepares budget? If yes, please submit budget for the following years (2018/2019, 2019/2020 and 2020/2021). | YES | | | | | | |
| 5. | Does department of Finance prepare annual financial statements? If yes, are they in | YES | | | | | | |

| | | | | | | | | |
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| | compliance with the require financial reporting framework? Please submit financial statements inclusive of a balance sheet for the following years (2018/2019, 2019/2020 and 2020/2021). | YES | | | | | | |
| 6. | Does Finance department prepare bank reconciliation statements? If yes, what is the interval? | YES Monthly | | | | | | |
| 7. | Does the Finance department have a petty cash system in place? | Yes | | | | | | |
| 8. | What is the threshold for petty cash? | \$1 | | | | | | |
| 9. | What is the ceiling on petty cash? | \$250 | | | | | | |
| 10. | When do you replenish petty cash? | As Required | | | | | | |
| 11. | Does Finance department maintain a cashbook? If yes, where is it kept? | YES | | | | | | |
| 12. | Are financial transactions supported by documents and duly authorized? | YES | | | | | | |
| 13. | Does the department of Finance withhold taxes from vendors doing business with the LEC? | YES | | | | | | |
| 14. | Does losses to power theft affects revenue? If yes, what is the mitigating plan? | YES, LEC Business Plan | | | | | | |
| 15. | Has LEC being able to solve its insolvency? If no, how long it is | NO Minimum | | | | | | |

| | | | | | | | | |
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| | going to take to solve this problem? | 3 Years | | | | | | |
| 16. | What is LEC annual revenue generation and annual expenditure for the following years (2018/2019, 2019/2020 and 2020/2021)? | 2018/19 \$22.8m 2019/20 \$25.5 2020/21 \$26.8 estimate | | | | | | |
| 17. | Is revenue generation meeting up with the wage bills? If no, how is LEC paying remuneration to employees? | YES | | | | | | |
| 18. | Are there current audit reports? If yes, please submit audit reports for the following years (2018/2019, 2019/2020 and 2020/2021) | YES 2018/19 complete 2019/20 under audit | | | | | | |
| 19. | Are there back up processes on accounting records? | YES | | | | | | |

Risk Rating

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Risk Assessment Questionnaires

| Department: | Internal Audit Department | | | | | | | |
|-----------------------------|--|----------|----|-----|-------------|--------|-----|---------------------|
| Checklist filled by: | H. Conor A. Munyeneh | | | | | | | |
| Position: | Director of Internal Audit | | | | | | | |
| Email: | camunyeneh@lecliberia.com | | | | | | | |
| | Questions | Response | | | Risk rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Is there a policy that guides the work of Internal Audit department? | x | | | | | | |
| 2. | Has there being a risk assessment on the LEC by the Internal Audit department? If yes, when was it conducted? Additionally, please share the risk assessment report | x | | | | | | FY 2019/2020 |
| 3. | Has there being an audit on the entity by the Internal Audit department? If yes, please share the Internal Audit reports for the following years (2018/2019,2019/2020 & 2020/2021) | x | | | | | | |
| 4. | Has the Internal Audit department being audited? If yes, please share the audit reports. | x | | | | | | As part of the LEC. |

| | | | | | | | | | |
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| 5. | Is there a system a place to monitor commercial department on revenue generation? | x | | | | | | | Integrated Management System (IMS) |
| 6. | Are there challenges confronting the Internal Audit department? If yes, please note those challenges. | x | | | | | | | Human & financial resources, and logistics |
| 7. | Based on the goals and objectives of the Internal Audit department, what obstacles do you face that could affect or keep you from achieving your goals and objectives. | | | | | | | | Corporate governance – management attitude to accept internal audit reports and implement audit recommendations |
| 8. | What are some of the areas of risk that the entity is facing? | | | | | | | | Revenue Protection Unit (RPU) – dual functionalities of the high security meters (i.e. postpaid & prepaid); no succession plan for Liberian staffs to operate the high security meters; billing & collection; and hiring new staffs |
| 9. | What do you have in place to manage and | | | | | | | | Management policies and |

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| | deal with these risks? | | | | | | | procedures |
| 10. | What is the worst thing that has already happened in the entity? | | | | | | | Putting customers on flat rate or unmetered customers |
| 11. | What other units do you depend on to achieve your objectives? | | | | | | | All other units. |
| 12. | Are there any particular areas within the entity which you currently have a concern about? | | | | | | | Revenue Protection Unit (RPU), Customer Service, Transmission & Distribution (T&D), and Human Resources |
| 13. | Describe or list any areas within the entity which you are aware of fraud and abuse and the nature of the fraud and abuse. | | | | | | | Finance – cash reported missing & later discovered by a cleaner; RPU – dual functions high security meters and only foreign staffs operating the high security meters; T&D – missing transformers, discovering transformers not |

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| | | | | | | | | installed by LEC on the network, and HR – hiring new staffs outside of the HR Policy |
|--|--|--|--|--|--|--|--|--|

Risk Rating

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|----------|---|
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Risk Assessment Questionnaires

| Department: | Transmission & Distribution Department | | | | | | | |
|-----------------------------|--|----------|----|-----|-------------|--------|-----|--|
| Checklist filled by: | Thomas Z. Gonkerwon | | | | | | | |
| Position: | Counterpart Executive Director | | | | | | | |
| Email: | tgonkerwon@lecliberia.com | | | | | | | |
| | Questions | Response | | | Risk rating | | | Comments |
| | | Yes | No | N/A | High | Medium | Low | |
| 1. | Is there a policy that guides the work of T&D? | Y | | | | | | There are documents for T&D activities including permit to work, limitation of access and sanction for test as well as a safety rule |

| | | | | | | | | |
|----|---|---|---|--|--|--|--|---|
| | | | | | | | | book. |
| 2. | Is there a mechanism put place by T&D to monitor services provided to customers? | Y | | | | | | DMS provides details about time, including time complaint received, resolved, etc |
| 3. | Are there transformers outside of LEC network? If yes, how many transformers and their location | | N | | | | | T&D has no information on transformers outside of LEC's network |
| 4. | Are employees of the T&D department involved with the sale of transformers and meters? | | N | | | | | Illegal and conflict of interest |
| 5. | Does T&D respond promptly to customer needs? | Y | | | | | | Depends on the availability of manpower, transport and materials |
| 6. | Does Feeder Base Manager account for power leaving their feeders? If no, why? If yes, can you place monetary value? | | N | | | | | Lack of energy meters and customer data per feeder |
| 7. | Does T&D fully capacitated to distribute power? | | N | | | | | Transmission & Distribution network needs to be extended; customer connection gaps need to be filled; specialized |

| | | | | | | | | |
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| | | | | | | | | training for staff as well adequate installation tools, equipment and materials |
| 8. | Are the substations fully functional? | Y | | | | | | Some substations need capacity upgrade while others need to be automated |
| 9. | How long it takes to installed transformer? <i>Please explain further in the comment column.</i> | | | | | | | For power transformer, 8-12 weeks; For Distributions transformers 1 week |
| 10. | How long it takes to replace damage transformer? <i>Please explain further in the comment column.</i> | | | | | | | For power transformer 4-6 weeks; Distribution Transformer 1-2 days |

Risk Rating

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Documents review were;

- ✓ 2013 organization chart
- ✓ 2017 organization chart
- ✓ Annual report and financial statements for the year ended June 30,2019
- ✓ Financing agreement between Liberia Accelerated Electricity Expansion Project (LACEEP) between republic of Liberia and International Development Association (IDA)
- ✓ Additional Financing-Liberia Electricity System Enhancement Project
- ✓ Human resource department files review
- ✓ Internal Audit reports
- ✓ Procurement reports
- ✓ Finance and accounting policies and procedures manual
- ✓ LEC employee handbook

**Liberia Electricity Corporation (LEC)
Risk Assessment Questionnaires**

| | | | | | | | | |
|-----------------------------|---|-----------------|-----------|------------|--------------------|---------------|------------|--|
| Department: | Human Resource Department | | | | | | | |
| Checklist filled by: | Dave Hochstadt | | | | | | | |
| Position: | Executive Director-Human Resource | | | | | | | |
| Email: | dhochstadt@lecliberia.com | | | | | | | |
| | | Response | | | Risk rating | | | Comments |
| | Questions | Yes | No | N/A | High | Medium | Low | |
| 1. | Does the HR department have a HR manual? | Yes | | | | | | Employee Handbook and Policies in Place – developing a full HR Management Plan at present |
| 2. | Does the HR department have a workplan? | Yes | | | | | | |
| 3. | Does HR Department track employee’s attendance? | Yes | | | | | | Biometric system in place but due to COVID has been suspended at present so manual attendance tracking until Biometric system can be reimplemented |
| 4. | Is there an attendance log? | Yes | | | | | | As per above |
| 5. | Does employees sign in & out daily on attendance log? | Yes | | | | | | As per above |
| 6. | Is there a cut-off time required for employees to sign in and sign out? | Yes | | | | | | |

| | | | | | | | | |
|-----|--|-----|--|-----|--|--|--|---|
| 7. | Does the HR Department have fixed time for employee's work and lunch hours? | Yes | | | | | | Between 12 and 2pm as per Handbook |
| 8. | Does the HR Department have lunch schedule in place for employees? If yes, how is it monitor? | | | N/A | | | | Lunch between 12 and 2pm – monitored by Supervisors |
| 9. | Does the HR Department maintain records for all employees and contractors (if any)? If yes, are they kept in personnel files (hard or soft copies)? | Yes | | | | | | Hard copy files |
| 10. | Are there instances where staff have been absent from work without excuse? If yes, what was done to curtail such behavior? | Yes | | | | | | Disciplinary action taken for unexcused absence from work – some employees have been terminated for excessive unexcused absence |
| 11. | Does the HR department ensure that records in the employee's files are accurate and adequate? | Yes | | | | | | Older records are not complete due to lost records during civil war and other incidents |
| 12. | Does each employee file contain the following documents? Employment/contract letter, contract or completed personnel action notice, copy of advertisement of position | Yes | | | | | | All contain employment/contract letters, Personnel action notices, CVs etc |

| | | | | | | | | |
|-----|---|-----|--|--|--|--|--|--|
| | in local dailies or other platform, job description/ ToR, credentials, CVs etc. Please specify others in the comment column? | | | | | | | |
| 13. | Are files reviewed at a regular interval to established completeness? | Yes | | | | | | Though older files as mentioned earlier, some older records have disappeared over time. |
| 14. | Are all the background checks and related verification regarding a prospective employee done before handling them offer letter? | Yes | | | | | | |
| 15. | Does the HR department have a performance management system /performance appraisal in place? If yes, how often? | Yes | | | | | | Appraisals completed annually |
| 16. | Does LEC maintain written records of performance appraisals? | Yes | | | | | | |
| 17. | Has there being disciplinary actions against employees? If yes, please state the actions/reasons. | Yes | | | | | | Various reasons – misconduct, absence from work, negligence, theft, gross misconduct, causing damage to company property, etc Actions dependent on case and |

| | | | | | | | | |
|-----|---|-----|--|-----|--|--|--|---|
| | | | | | | | | evidence presented – warning, restitution, final warning, suspension, termination |
| 18. | Does LEC pay employees monthly NASSCORP contribution as required by law? If yes, do you follow up at NASSCORP contribution record department? | Yes | | | | | | |
| 19. | Does HR department contribute to payroll preparation? If yes, please submit the payroll for following years (2018/2019, 2019/2020 and 2020/2021). | Yes | | | | | | Only where changes status or other reasons for differences in payment etc – payroll records you will need to obtain from Finance Department who prepare payroll |
| 20. | What is the total work force of LEC? Please categorized the numbers into Administration and Technical, permanent employees and contractors | | | N/A | | | | Total: 802 Perm – 553 Contract – 249 Tech – 380 Admin (incl Security) - 422 |
| 21. | Is LEC overstaff or understaff? | Yes | | | | | | Overstaffed in my opinion |
| 22. | Is there a capacity gap at LEC? | Yes | | | | | | Great deal of training has been done in the last 1-2 years but more will be required |

| | | | | | | | | |
|-----|---|-----|----|-----|--|--|--|--|
| | | | | | | | | particularly after retirements etc |
| 23. | Does the workforce capable to match the task at LEC? | Yes | | | | | | To an extent |
| 24. | What is the total number of staff needed at LEC to make it effective and efficient? | | | N/A | | | | In my opinion 500-600 but certain functions such as security would need to be outsourced |
| 25. | Is revenue generation matching the wage bills? | | No | | | | | Revenue collection is low due to power theft and other factors which has an effect |

Risk Rating

| | |
|----------|---|
| H | High reliance indicates that the entity has implemented controls that lower the risks identified. |
| M | Medium reliance indicates that the entity has some extent implemented controls to reduce the risks identified. The level of risk is then considered to be medium. |
| L | No / low reliance indicates that the entity has not implemented relevant controls to limit the risks identified. The level of risk is then considered to be high. |