



# **LIBERIA ELECTRICITY REGULATORY COMMISSION**

# **Annual Report**

**for the**

**Calendar Year Ended December 31, 2023,**

**Pursuant to Chapter 10 of the Executive Law of 1972**

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## ACRONYMS AND ABBREVIATIONS

AfDB		African Development Bank
BoC		Board of Commissioners of LERC
CLSG		Cote d'Ivoire – Liberia – Sierra Leone – Guinea
ECOWAS		Economic Community of West African States
ELL		2015 Electricity Law of Liberia
ELR		Electricity Licensing Regulations, 2020
ERERA		ECOWAS Regional Electricity Regulatory Authority
ERI		Electricity Regulatory Index (for Africa)
ERU		Economic Regulation Unit
ESI		Electricity Supply Industry
EU		European Union
GoL		Government of Liberia
HFO		Heavy Fuel Oil
HV		High Voltage
IEC		Information Communication and Education
IT		Information Technology
JEP		Jungle Energy Power
KfW		Kreditanstalt für Wiederaufbau
kV		Kilovolts
kWh		Kilowatt hour
LAN		Local Area Network
LEC		Liberia Electricity Corporation
LERC	or	Liberia Electricity Regulatory Commission established under the 2015 Electricity Law of Liberia
Commission		
LACEEP-AF		Liberia Accelerated Electricity Expansion Project – Additional Financing
LEWC		Liberia Electrical Wiring Code
MME		Ministry of Mines and Energy
MW		Megawatt
PURC		Public Utility Regulatory Commission (Ghana)
PURC		Public Utility Research Center (USA)
RDBMS		Regulatory Data Base Management System
RGI		Regulatory Governance Index
TA		Technical Assistance
TEC		Totota Electric Cooperative
TRU		Technical Regulation Unit



## 1.0 MESSAGE FROM THE CHAIRMAN

Dear Stakeholders,

I am very pleased to present the annual report of the Liberia Electricity Regulatory Commission. As the chairman, I am proud of the progress we have made as a regulator despite our sector being faced with high generation deficit and growing energy demand, thus leading to imbalance in supply and demand of electricity.

Through diligent oversight and strategic decision-making, we have endeavored to foster a competitive electricity market where quality of supply and service remain a challenge. Our focus on consumer protection, affordable tariffs, and the economic viability of service providers or operators has brought some level of satisfaction to consumers and their respective service providers.

Our key achievements in 2023 are the following:

- Official launch of Certification and Licensing of Electrical Professionals and Contractors Regulations and Electrical Wiring Regulations and Liberia Electrical Wiring Code.
- Implementation of a provisional electricity tariff and quality of services survey.
- Customer service compliance inspection.
- Launch of the Five-Year Strategic Plan.
- Establishment of a Regulatory Database Management System (RDBMS).
- Capacity building study tour to the Electricity Regulatory Authority of Uganda.
- Issuance of an Amended Import license to LEC.
- Numerous capacity building initiatives for staff of the LERC.
- Issuance of a Large Micro Utility License to LIBENERGY.

I would like to express my gratitude to our dedicated staff, stakeholders, and partners for their contributions to the success of the Commission. Your collaborative efforts have been instrumental in achieving our goals and advancing the electricity sector.

As we look to the future, we must remain committed to our mission of ensuring a sustainable electricity market that meets the needs of all stakeholders. We will continue to work closely with our partners to address the challenges and take advantage of evolving opportunities, and to ensure that our regulatory frameworks remain robust and effective.

Thanks for your continued support and engagement.

Lawrence D. Sekajipo, CPA, CFE, DBA, JSM  
**Chairman, Board of Commissioners**

## **2.0 INTRODUCTION**

The Liberia Electricity Regulatory Commission (LERC) is an independent regulator of the electricity market, consistent with the 2015 Electricity Law of Liberia (“the Law”), which prescribes the legal and regulatory framework for the sector. The Commission is overseeing the transformation and development of the electricity sector to attract investment, improve availability, and adequacy as well as quicken the pace of access to electricity in a liberalized market. The Commission is to ensure sustained coordinated and accelerated growth and development of the electricity sector in a conducive and competitive environment. Specifically, the Commission mandate is to ensure the implementation of the Law by managing the regulatory process for promoting investments in generation, transmission, and distribution.

The Commission oversees and regulates the following:

- Planning – coordination of plans to ensure adequate and reliable supply of electricity.
- Licensing – control entry and exit and effective monitoring of license terms and conditions.
- Liberalizing and supervising the electricity sector through transparent sector regulations.
- Economic regulation – ensuring reasonable rates and allowing only efficient and prudent costs in electricity pricing (tariffs).
- Technical regulation – establishing standards and codes and ensuring compliance as well as ensuring open access to transmission networks.
- Quality of service and consumer satisfaction – promoting and protecting consumer rights.
- Compliance and enforcement – monitoring and enforcing performance standards and targets.
- Resolution of service and license related disputes – handling consumer complaints; arbitrating and mediating disputes.
- Public awareness – increasing awareness to rights and duties.
- Demand side management – promoting efficiency and conservation.

## **2.3 Organizational Goals**

### **2.3.1 Vision**

The vision of LERC is to harness the best talents in the pursuit of an excellent regulator, driven by transparency, accountability, and good governance.

### **2.3.2 Mission**

The mission of LERC is to maintain a conducive electricity regulatory environment, attractive to private sector investment; to accelerate universal access to affordable, reliable, and safe electricity services for consumers in a competitive market, ensuring adequate supply of electricity for sustained economic growth and enhanced quality of life.

### **2.3.3 Core Values**

Consistency, Accountability, Proportionality, Integrity, Transparency, and Excellence.

## **3.0 SYNOPSIS OF THE ELECTRICITY SECTOR OF LIBERIA**

### **3.1 Introduction**

The performance of the electricity sector of Liberia in 2023 was unsatisfactory due to significant generation deficit, and continuous gaps in transmission and distribution across the country. Hydropower remains the highest contributor to electricity generation in Liberia. This is followed by thermal technology and the remainder from power imports and other sources.

With respect to power generation, only 93 MW of the total installed capacity of 126 MW was available. The ongoing reduction in operational capacity at the Mt. Coffee Hydro Plant and the Bushrod Thermal Plant has been due to the failure of one of the four turbines and breakdown of two generators respectively. These generation challenges were also exacerbated by the seasonal variations resulting in decreased inflow to the Mount Coffee run-off-river scheme.

Liberia's total imported power generation of 8MW (33-kV cross border interconnection with Cote d'Ivoire) was increased to 35MW by additional 27MW through the interconnected Cote d'Ivoire, Liberia, Sierra Leone, and Guinea (CLSG) transmission network. These power imports and other expected Independent Power Producers' participation will set the basis for addressing future power inadequacies.

### **3.2 Structure of Liberia's Power Sector**

The four main players of the electricity sector of Liberia are as follows:

- The Ministry of Mines and Energy (MME): responsible for oversight of the energy sector, including the formulation of energy policies and master plans.
- The Liberia Electricity Regulatory Commission (LERC): the independent regulator of the electricity sector,
- The Liberia Electricity Corporation (LEC): the government-owned vertically integrated national utility engaged in the generation, transmission, distribution, import, and sale of electricity.
- Rural and Renewable Energy Agency (RREA): an autonomous agency of the Government of Liberia responsible to facilitate and accelerate the economic transformation of rural Liberia by promoting the commercial development and supply of modern energy products and services to rural areas through the private sector and community initiatives with an emphasis, but not necessarily exclusive reliance, on locally available renewable resources.
- TRANSCO CLSG: is a regional transmission company owned equally by the national utilities of Cote d'Ivoire, Liberia, Sierra Leone, and Guinea. It was created in March 2012 by an international treaty amongst the four countries as a Special Purpose Vehicle (SPV) to finance, construct, own and operate the

225KV CLSG transmission network which integrates these post - conflict countries in the regional electricity market.

### 3.3 Electricity Supply

#### 3.3.1 Sources of Electricity Supply

Generation type	Installed capacity	Available capacity
Hydro (LEC)	88 MW Mt. Coffee	60 MW Mt. Coffee
Thermal (LEC)	38 MW HFO thermal plants – Bushrod Island	26 MW HFO thermal plants-Bushrod Island
Solar PV/diesel hybrid (TEC)	140 kW Totota	63 kW

#### Imports

Nimba	4MW
Maryland	2MW
Grand Gedeh	2MW
CIE	27MW

*Table 1: Regulated Entities contribution to Liberia Electricity Supply Industry*

No	Power Generation Source	Annual Electrical Energy Contribution to ESI (MWh)	Percentage
1	Hydro (LEC)	324121.44	65.57
2	Thermal		0.65
	LEC	3080.23	
	TEC	131.28	
3	Solar PV (TEC)	69.53	0.01
4	Imports		
	Nimba/Gbarnga	27920.32	33.77
	CLSG	138995.80	
<b>Total</b>		<b>494318.60</b>	<b>100</b>



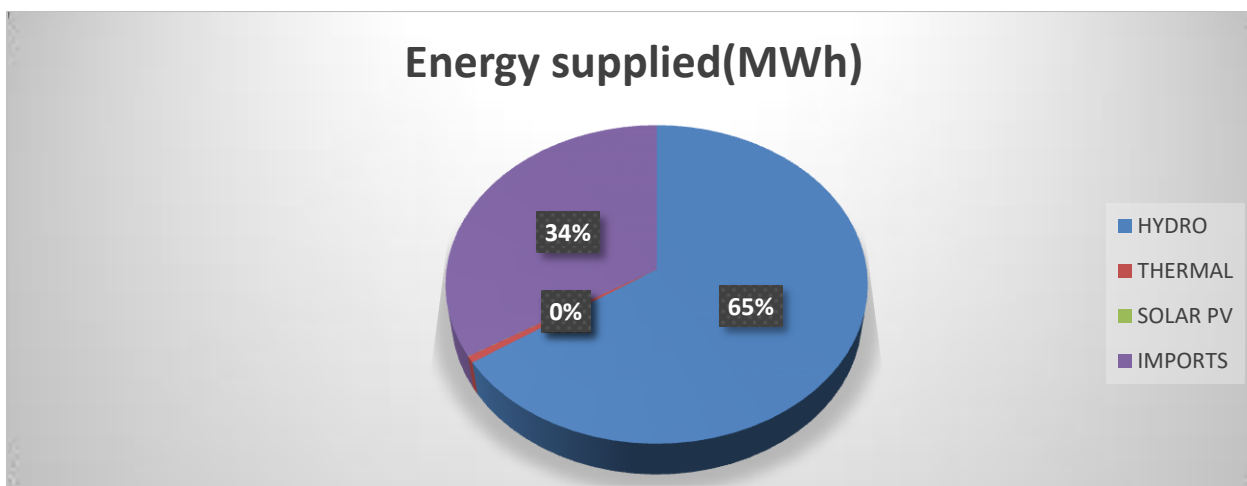


Figure 1: Distribution of energy sources in Liberia.

Hydro power generation remains the highest contributor to the Liberia electricity supply industry of Liberia.

### 3.3.2 Transmission Facilities

The Liberia Interconnected Transmission System currently operated at 66kV spans 258 km. In addition to upgrading eight substations, seven new substations have been constructed within the 66-kV transmission network.

The 225-kV regional interconnected transmission line operated by Transco CLSG spans 537Km within Liberia and contains five substations (Botota, Buchanan, Mano, Mt. Coffee, and Yekepa).

The Liberia Electricity Corporation, a state-owned enterprise working collaboratively with international donor institutions has contracted, through international competitive bidding, companies for implementing the extensions of new transmission lines and additional Bulk Supply Points (BSP) construction.

Table 2: Status of project interventions for the reporting period

1	26.21Km Schefflin-RIA 66Kv transmission line and BSP	% Works completed	Date of commissioning
a)	Line stringing	100	Pending
b)	Tower foundation	100	
c)	Tower erection	100	
d)	RIA BPS	100	
e)	Schefflin BPS	100	
2	16.3Km Paynesville -	% Works	Pending

	Scheifflin 66Kv transmission line	completed	
A)	Line stringing	100	
b)	Tower foundation	100	
C	Tower erection	100	
3	9Km Congo town-Paynesville 66Kv transmission line	100	September 30,2023

Liberia has a total length of the 66KV transmission network.

*Table 3: Liberia's Transmission network capacity*

Utility	2023
Liberia electricity Corporation (66Kv)	391.2

### **3.3.3 Distribution Facilities**

The National Utility operated 466 km of 22kV and 230 km of 33kV distribution lines and an existing transformer capacity of 76MW. Ongoing electricity distribution expansion projects are expected to increase distribution transformer capacity by 134MW. Expansion of the Liberia Interconnected Transmission System is being implemented by several donor funded projects.

*Table 4: Liberia's distribution network capacity*

Utility	2023
Liberia Electricity Corporation (22Kv)	667.53
Liberia Electricity Corporation (33Kv)	N/A
Jungle Energy Power (33Kv)	271.9
Totota Electricity Corporative (0.4Kv)	8

### **3.4 Electricity Access and Demand**

Ongoing network expansions in transmission and distribution have witnessed more customer connections throughout the electricity service areas of licensed distribution operators.

Table 5: Comparative analysis of service providers' performance in 2023

	Utility	FY 2022	FY 2023	Percentage (%) increase
Customer connections by operators	LEC	199441	280615	28.93
	JEP	8134	17769	54.22
	TEC	376	391	3.8
	TOTAL	207951	298775	30.39
Electricity Sales by Operators (MWh)	LEC	109287.216	233151.523	53.13
	JEP	128.322	849.9	84.90
	TEC	156.769	179.639	12.73
	Total	109572.307	234181.062	53.21
PEAK DEMAND (MW)	LEC	65.3	84.03	22.29
	JEP	*	5.5	n/a
	TEC	0.057	0.054	-5.56 <sup>#</sup>

The successful implementation of a load management scheme and the introduction of Energy efficiency awareness campaigns ensured that network demands are kept in check as mitigating measures to balance system supply and demand.

## Key Accomplishments In 2023

### 4.1 Legal, Licensing and Public Affairs

The Legal, Licensing and Public Affairs (LLPA) Unit provides advice to the office of the Managing Director and Commissioners to ensure that the Commission, licensees, and other stakeholders in the electricity supply industry operate in compliance with the provisions of the Electricity Law and other related laws. The Unit also oversees all matters regarding licensing and public affairs at the Commission and ensures that electricity regulatory functions and licensing are done in accordance with the 2015 Electricity Law of Liberia and applicable regulations.

#### 4.1.1 Issuance of an Amended Import License to LEC

The Board of Commissioners (BoC) on 28 July 2023 amended the Liberia Electricity Corporation (LEC) electricity Import License. The amendment now permits the Corporation to increase its electricity import capacity into the country from 10MW to 110MW.

In March 2023, LEC submitted an amendment application to the Commission requesting an increase in its electricity import quota based upon what it described as “fast increasing demand that has consequently raised LEC’s average daily peak load to over 56MW in less than three months”.

In addition, LEC informed the Commission that demand for electricity in Liberia is still increasing and more bulk customers are yet to be connected to the national grid. The management of LEC asserted that imported power demand in the next years shall continue to increase at a fast rate beyond what was anticipated in the agreement with the Ivory Coast based company, CIE.



Members of the BoC and LEC officials at a ceremony for the issuance of an amended Import License

It is the hope of the LERC that the Amended Import License will assist LEC meet its national goal of 70% access to electricity for Liberians by the government's projected date.

**4.1.2 Issuance of a Mirco Utility License to LIBENERGY**

On December 7, 2023, the Commission issued a Large Micro Utility Distribution License to LIBENERGY for the distribution of electricity without discrimination to customers within Grand Gedeh, Maryland, River Gee, and parts of Nimba.

The licensing was preceded by a rigorous scrutiny that included the conduct of three separate public hearings in September 2023 in the three counties.



Officials of LERC, LEC, and River Gee and Maryland counties superintendents following the licensing of LIBENERGY

The ceremony was graced by the Superintendents of Maryland, River Gee and Grand Gedeh counties, Ministry of Mines and Energy, LEC among others.

The Commission has now issued its second Large

Micro Utility Distribution License to LIBENERGY in accordance with the 2015 Electricity Law of Liberia (ELL). The Large Micro Utility Distribution License issued LIBENERGY is valid for five years.

### 4.1.3 Complaints and Disputes Resolution Regulations

The Commission received a total of seven complaints against licensed operators from consumers of electricity in Montserrado, Nimba and Bomi Counties.

From the number of complaints received, six were lodged against the Liberia Electricity Corporation while one was lodged against the Jungle Energy Power. The Commission resolved five in relation to quality of service, damaged transformers, metering, and billing.

The customer complaints mechanism is also used to collect feedback from consumers on the performance of licensed operators.

Below is a graph indicating the type of complaints.

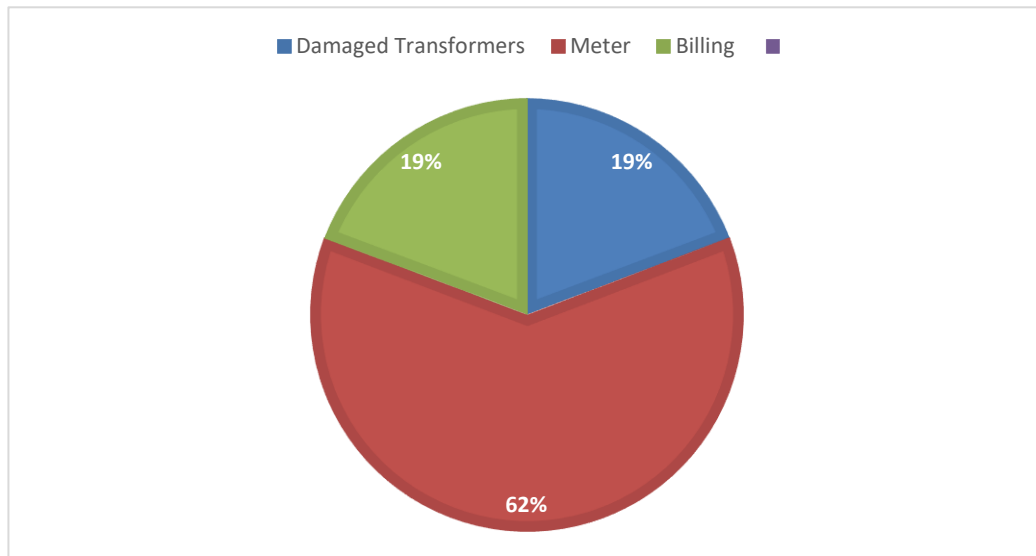


Figure 2: Resolved complaints.

### 4.1.3 Communication and outreach activities

The LLPA Unit is also responsible to disseminate factual, clear, and accurate information about the Commission to the public through media and other engagements as well as working with other units through outreach activities.

During the reporting period, the Unit facilitated at least 35 media and public engagement activities.

These include:

- Conducted three public hearings in Grand Gedeh and Maryland (Pleebo and Harper cities) counties.
- Conducted ten public outreach activities in Montserrado, Bong, Nimba, Grand Gedeh and Maryland counties.
- Organized and conducted one press conference.
- Issued ten press releases.



- Issued two Public Notices of License Application - JEP and LIBENERGY separate applications for the Bong, Maryland and Grand Gedeh counties respectively.
- Issued six vacancies and procurement notices.
- Facilitated and appeared on 12 talk shows in Montserrado, Bong, Nimba, Margibi, Grand Gedeh and Maryland counties.
- Managed and updated website and social media platforms with content on the work of the Commission.
- Designed and procured assorted corporate materials that included t-shirts, caps, pins, umbrellas, note pads, among others.
- Printed assorted Information, Education and Communication (IEC) materials that included flyers, stickers, banners, brochures, Frequently Asked Questions, among others.

#### **4.1.4 Collaboration with the Liberia Media for Democratic Initiative (LMDI)**

From January to March 2023, the Commission collaborated with the Liberia Media for Democratic Initiatives, a Liberian pro-democracy, peace building, public education and development advocacy nonprofit group in the fight against power theft which continues to sabotage the nation's desire to restore electric power to the country and enhance the general economy of Liberia.



*Outreach engagement held in collaboration with LMDI and LEC in Duport Road*

The LMDI organized five town hall meetings on the danger of power theft in Montserrado, Margibi, Bong, and Nimba counties where members of

the Technical Regulation and Legal, Licensing and Public Affairs Departments participated.

The team provided information to the various audiences on how to seek redress whenever they have challenges with operators instead of resulting to power theft.

## **4.2 Economic Regulation**

### **4.2.1 Field Visitation Exercise in Bomi, Cape Mount, Margibi and Montserrado Counties**

From August 2 - 5, 2023, the Department of Economic Regulations conducted field visits in Bomi, Cape Mount, Margibi, and Montserrado Counties. The purpose of the visits was to address the following:

The perception of material inconsistencies in monthly energy bill at constant purchase price and the lack of clear explanation from energy vendors for such variability:

- Reduction in the energy received compared to previous period at constant purchase price.
- The main areas of inquiry were the following:
- Display of the Tariff Schedule
- Display of opening & closing time
- Understanding the steps in energy calculation
- Understanding the reason for fixed charge deduction
- Whether extra fees are charged for providing service to customers
- Reason(s) for extra fees

### key finding

A key finding of the exercise was extreme lack of knowledge by vendors of the energy calculation steps—understanding energy calculation and fixed charge deduction. When customers at the sites were interviewed, they pointed to the lack of a clear-cut explanation for their monthly energy bill variability as the major confounding issue. Particularly critical to the common misunderstandings at these vending stations was the issue of the cumulating Fixed Energy Charge deducted after a customer had not recharged for several months. Because the fixed charge amount of \$2.48 is payable once every month, the total deduction becomes particularly large if a customer has not been actively vending for several months.

### Other Issues

Power theft: One major issue coming out of the Montserrado exercise was the view of prevalent power theft by residents. The station manager at a business in Logan Town, Montserrado County told the team that the groups mostly vending at her station are commercial customers and high-income earners. Many of the residents who are mostly low-income earners do not vend, hence, a plausible reason for why power theft is high in that community.

### 4.2.2 Provisional Electricity Tariff and Quality of Services survey in Bong and Nimba Counties

The Department for Economic Regulation implemented the provisional electricity tariff and quality of services survey in the Nimba and Bong Distribution Areas of Jungle Energy Power. The survey was a firsthand assessment of the views of the customers and the conduct of the utility's operation over the period of the provisional tariff in both counties. Drawing from insights derived from similar study conducted in Bomi, Cape Mount, Margibi, and Montserrado counties, the study focused on the public understanding of the steps involved in energy calculation, verification of vendors compliance with the customers' service portion of the terms and conditions of their contracts with the utility, and inquiry into challenges faced by vendors in the delivery of their service.



*ERU team engages a vendor during the field exercise*

The findings of the survey are as follows:

- Vendors were arrantly flouting regulatory best practices.

- Customers had no understanding of how their final electricity was computed.
- Vendors were charging extra fees for electricity purchases.

## **Public Awareness**

As part of the verification process, the team participated in three separate radio talk shows in Gbarnga, Bong County and Ganta and Saclepea in Nimba county. During the talk shows the team provided information on the functions of the Commission and the tariff verification exercise. Also, on October 26 and 27, the team held two public engagements in Nimba and Bong counties at the J. W. Pearson Junior and Senior High School and Bong Athletic and Social Intellectual Center (BASIC).

Key issues that were raised during the talk show and public engagement included:

- The high cost of meter and connection.
- Continuous outages resulting into damaging of home appliances and food stored in refrigerators.
- JEP collection of debt owed LEC in Nimba County.

## **Other Issues**

1. Lack of mobile money platform: most customers reported that the only alternative platform for electricity purchase available apart from the utility's own system is the TipMe app. These customers reported the lack of smartphones being a challenge to having access to the app.

2. Frequent power outage: customers of Bong and Nimba complained that unplanned power outages are very frequent, and the Utility does not provide information to customers about these outages.

The exercise brought to fore fissures within the regulatory system and specific issues customers are faced with. Vendors are not adhering to regulatory best practice. Not a single vendor in the Nimba and Bong counties operational areas have knowledge on how the final energy charged is arrived at, none had the tariff schedule and opening and closing time on display, and all only accept payment from \$10 and above.

## **4.3 Technical Regulation**

### **4.3.1 Customer Service Compliance Inspection**

The Technical Regulation Department developed inspection templates and an inspection strategy and to facilitate practical approach to regulatory inspections and provide information regarding operators compliance with relevant regulatory instruments and the terms and conditions of their respective license terms and conditions. The department also carried out Customer Service Compliance Field Inspection/Site Visitation of TEC, LEC and JEP respectively.

The objective of the customer service inspections was to help assist licensed operators to identify and solve problems with the help of the Commission's inspectors.



The inspection found that the overall performance of TEC customer service center was medium-compliant, apart from minor or immaterial action required to maintain compliance with the Customer Service KPI and Regulatory Compliance benchmarks.

The overall performance of LEC customer service center was found to be low-compliant with major or material actions required to improve the strength of internal controls to maintain compliance with the Customer Service KPI and Regulatory Compliance benchmarks.

The inspection also found JEP Sanniquellie customer service center to be low-compliant with major, or material actions required to improve the strength of internal controls to maintain compliance with the Customer Service KPI and Regulatory Compliance benchmarks.

The overall performance of JEP Ganta customer service center was also found to be low-compliant with major, or material actions required to improve the strength of internal controls to maintain compliance with Customer Service KPI and Regulatory Compliance benchmarks.

#### **4.3.2 Notices of Non-Compliances Issued**

A total of two notices of noncompliance were issued by the Technical Regulations unit as summarized in the table 13.

*Table 6: Notices of non-compliance issued*

<b>No.</b>	<b>Reference Regulation /Code</b>	<b>Description</b>	<b>Noncompliance action</b>	<b>Date Issued</b>	<b>Issued to</b>
1	Electricity Distribution Code of Liberia	Section 20.2.1(c) and Section 20.4.1	Absence of Main and Check meters for Energy accounting at the Gbeinta-Logoatuo Connection point for cross border electricity supply from Cote D'iviere	February 15, 2023	Liberia Electricity Corporation

2	Customer Service and Quality of Supply Regulations	Chapter 2, Part VII, regulation 34(3)	Non-adherence to time stipulations for notice of Planned outage before execution	November 8, 2023	Liberia Electricity Corporation
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#### 4.4 Information Technology Department

The Department manages and oversees the implementation of the Commission’s IT Infrastructure, computer network and related computing environment including



computer hardware, systems software, applications software, and system administration. With funding from the African Development Bank, the Department is currently managing establishment of a Regulatory Data Base Management System (RDBMS) at the Commission. The RDBMS will automate key performance indicators (KPIs) to monitor

utilities’ performance on benchmarks such as financial performance, technical and commercial quality of service performance, and quality of service delivery and operational efficiency, including customers’ complaints.

#### 4.5.1 Hiring of New staff Members

During the period under review, the Department of Human Resources and Administration oversaw the hiring of two staff members to boost the productivity at the Commission, the Technical Assistant to the Managing Director and the Procurement Officer. The Technical Assistant to the Managing Director assists the Office of the Managing Director in management of correspondences, workplans and reports as well as coordination of departments and events of the Commission. The procurement officer works in the Department of Human Resources and Administration handling all procurement related activities.

### 5.0 Training and Capacity Building

#### 5.1 Training in Financial Modeling for utility Tariff Setting

Two staff members from the Economic Regulation Department underwent training in Financial Modelling for Utility Tariff Setting at the University of Cape Town Graduate

School of Business from 22<sup>nd</sup> to 26<sup>th</sup> May 2023. The training was fully sponsored by the Commission.

### **5.2 Training in Utility Regulation and Strategy**

With support from the World Bank, a member of the Board of Commissioners participated in an intensive two-week training program in Utility Regulation and Strategy at the Public Utility Research Center (PURC) at Gainesville, University of Florida, United States, United States of America. The training program was specifically tailored to the professional requirements of utility regulators and designed to enhance the economic, technical, policy, and leadership skills required for implementing policies and managing sustainable regulatory systems for the infrastructure sector.

As a new regulator, LERC attaches great importance to training and capacity building of its staff. Therefore, the Commission was involved in several training and capacity building activities with the help of its partners and the parent regional organization, the ECOWAS Regional Electricity Regulatory Authority (ERERA).

### **5.3 LERC bids farewell to EU-LTTA Team**

The Board of Commissioners (BoC) and staff of the Liberia Electricity Regulatory Commission (LERC) in February 2023 bid farewell to the European Union (EU) Long Term Technical Assistance (LTTA) team assigned to support the Department of Energy (DoE) at the Ministry of Mines and Energy (MME) and the Commission.

The three-year assistance was funded by the EU and was intended for capacity building and institutional support to the two institutions, respectively. Members of the EU-LTTA team included Messrs. Michael Opam, Francis Gbeddy, and Emmanuel Sekor.

Dr. Lawrence D. Sekajipo, Chairman of the BoC speaking at honouring program thanked the EU and paid tribute to the EU-LTTA team and attributed the level of success at the “Commission to the coaching, guidance and teaching provided to LERC’s technical staff and BoC in the development of key regulatory instruments and tariff development”.

Dr. Sekajipo outlined several milestones, accomplishments and recognition under their tutelage that include: the development of key regulatory instruments for the electricity supply industry of Liberia, which led to the licensing of the Liberia Electricity Corporation (LEC), Jungle Energy Power (JEP) and the issuance of permit to the Totota Electric Cooperative (TEC) as well as facilitating the liberalization and efficient operation of the electricity sector.



*Members of the BoC, Managing Director and EU-LTTA team*

## 5.4 ERA Study Tour

A delegation of six staff members including the Chairman undertook a study tour to the Electricity Regulatory Authority (ERA) of Uganda from 12<sup>th</sup> to 19<sup>th</sup> August 2023. The delegation was led by the Chairman of the Board of Commissioners, Dr. Lawrence D. Sekajipo and included the Acting Managing Director and Director for Technical Regulation Engr. Abu Dekontee Sanso, Cllr. Minnie Paegar-Kallon, Head of Legal, Licensing and Public Affairs, Alieu Fuad Nyei Director for Economic Regulations, IT Manager Tarnue Sawo, Crispin Tulay Public Affairs and Communication Officer, and Allen Doe, Accountant.



Group photo of LERC BoC Chairman Dr. Lawrence D. Sekajipo, ERA CEO Eng. Ziria Tibalwa Waako, (middle) ERA and LERC staffs

The study tour was supported by the World Bank funded Liberia Electricity Sector Strengthening and Access Project. The objective of the tour was to expose staff of LERC to the successes and challenges in the legal and institutional framework of Uganda as well as their electricity regulatory processes and practices. Lessons focused on the growth of the industry, the market structure as well as regulatory practices in Uganda.

## 6.0 Donor Support

The European Union (EU) Technical Assistance Project ended on May 15, 2023, with some support to stakeholders' consultation and data gathering for the development of the five-year Strategic plan of the Commission.

The African Development Bank (AfDB) currently funds the establishment of Regulatory Database Management System at the Commission

## 7.0. Launch of Strategic Plan

In July of 2023, the Commission launched its first Strategic Plan (SP). The Strategic Plan, which is a collaborative effort of all departments of the commission, reaffirms the commitment to providing access to affordable, reliable, and stable electricity services through a well-defined strategy or roadmap.

1. The Strategic Plan encompasses three pillars intended to guide the actions and decisions of the Commission.
2. To establish and implement modernized regulatory systems, policies, and procedures. This involves harnessing the power of innovation and technology to stay at the frontline of regulation.
3. To ensure the regulatory system is efficient and



## STRATEGIC PLAN

2023 – 2027

4. effective by rationalizing implementation of regulation and enforcement of compliance. This means using international best practice to implement transparent compliance regimes.
5. To recreate a work environment that is conducive and build a workforce that will promote organizational success. This entails recruiting and maintain competent staff to ensure maximum productivity.

The Strategic Plan is the master plan that will guide the formulation of all departmental workplans of the Commission until 2027.

## 8.0 Summary of Income/Revenue and Expenditure

Below is a summary of income/revenue and expenditure for the year ended December 31, 2023.

*Table 7: Summary of revenue and expenditure*

<b>Revenue</b>	
<b>Source</b>	<b>Amount (US\$)</b>
Regulatory Levy	1,616,246.63
GOL Subsidy/Budgetary Support	419,160
<b>Total Revenue/Income</b>	<b>2,035,406.63</b>
<b>Expenditure</b>	
Personnel	1,047,964.57
Goods and Services	345,439.97
<b>Total Expenditure</b>	<b>1,393,404.54</b>
<b>Net Balance</b>	<b>642,002.09</b>

## 9.0 Activities Planned for 2024

Activities to be undertaken in 2024 include but are not limited to the following:

### 9.1 Activities

- a. Finalize and publish the Penalty Regulations
- b. Develop and implement a communication strategy.
- c. Complete and launch e-Portal for registration, certification, and licensing of electrical technicians/professionals, contractors, and energy auditors.
- d. Installation of an IT Disaster Recovery System.
- e. Establish Regulatory Data Base Management System.
- f. Issue tariff decisions for Liberia Electricity Corporation (LEC) and for Jungle Energy Power (JEP).
- g. Develop a dedicated financial model for licensed operators.
- h. Develop a web-based electricity tariff calculator.
- i. Upgrade accounting software for the Finance Department.
- j. Conduct service providers customers satisfaction Survey.
- k. Conduct quarterly customer service field inspection/site visitation of service providers.

- l. Work with the Electricity Regulatory Authority of Uganda (ERA) to conduct Gap Analysis at the LERC.
- m. Procure and use software for HR management.
- n. These activities are all aligned with the Strategic Plan and workplan of the Commission.

## **10.0 Challenges**

Key challenges are:

- Poor performance of the National Utility (LEC), which continues to negatively impact Commission's regulatory outcomes.
- Inadequate staffing of the Commission – lean staff as recruited by MCA-L.
- Limited investment in training and capacity building of staff.
- Inadequate visibility of the Commission among the public.
- Lack of digitally automated mechanism to interface with licensed operators for collection of accurate data.

## **11.0 Measures to Mitigate the Challenges**

- More engagement with the Ministry of Mines and Energy through the Energy Sector Working Group.
- Investment in digital technology
- Robust implementation of the Five-year Strategic Plan.



# APPENDIX



**LIBERIA ELECTRICITY REGULATORY COMMISSION**

**GOVERNMENT OF LIBERIA**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**31ST DECEMBER 2023**

**(Unaudited)**

Liberia Electricity Regulatory Commission  
Kaba Building, Behind MTN Lonestar Head Office  
Congo Town, Monrovia, Liberia.

The Report and Financial Statements  
for the year ended 31st December 2023  
are presented before the audit examination.



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## Statement of Responsibilities

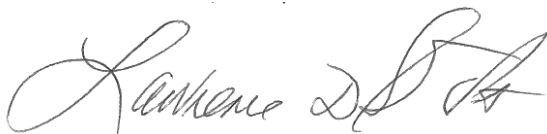
The Financial Statements as set out on pages 7 – 10 have been prepared in accordance with the provisions of the Amendment and Restatement of the Public Financial Management (PFM) Act of 2009 and its attendant Regulations and in compliance with Cash Basis International Public Accounting Standards (Cash-IPSAS of 2017) adopted by the Government of Liberia.

By the provisions of the Amendment and Restatement of the PFM Act of 2009, I am responsible for the control of and accounting for public funds received, held, and expended for and on behalf of the Liberia Electricity Regulatory Commission.

Under the provisions of the same Act, I am required to prepare an unaudited Final Account of the Liberia Electricity Regulatory Commission to be submitted to the Minister of Finance and Development Planning, two months after the end of the financial year to which it relates. However, I have delegated the preparation of the unaudited Final Account to the Comptroller for my transmittal to the Minister, as provided in the attendant Regulations of the Public Financial Management Act of 2009. Accordingly, I am pleased to submit the required Annual Public Account of the Liberia Electricity Regulatory Commission in compliance with the PFM Act and its attendant Regulations. I have provided, and will continue to provide, all the information and explanations that may be required in connection with the financial statements.

In preparing these Financial Statements, the most appropriate accounting policies have been consistently applied and supported by reasonable, prudent judgment and estimates. To the best of my knowledge and belief, these Financial Statements agree with the books of accounts, which have been properly kept.

I accept responsibility for the integrity of these financial statements, the financial information they contain, and their compliance with the provisions of the Amendment and Restatement of the Public Financial Management (PFM) Act of 2009.

.....  


Lawrence D. Sekajipo, CPA, CFE, DBA, JSM  
**Chairman, Board of Commissioners**  
**Liberia Electricity Regulatory Commission (LERC)**

# Report of the Comptroller

## 1 Introduction

This Report provides commentary and analysis of the cash receipts and payments (as well as financial performance) of the *Liberia Electricity Regulatory Commission (LERC)* for the financial year ended 31<sup>st</sup> December 2023 and of its financial position as at that date.

## 2 The FY2023 Approved Budget

At the onset of the fiscal period FY2023, the National Legislature appropriated a total of US\$ 502,990.00 (Five Hundred and Two Thousand Nine Hundred Ninety United States dollars) as Subsidy to the LERC. During the period under review, there was no supplemental budget.

## 3 Summary

Total (Revenue) Receipts FY2023 – Total Payments (Expenses) FY2023 = Total Revenue FY2023

$$2,035,406.63 - 1,393,404.54 = 642,002.09$$

## 4 Authorised Appropriation/Allocations:

During the period under review, US\$502,990.00 was allocated to the LERC as GOL Subsidy.

## 5 Other Receipts:

For the FY2023, the sum of other receipts (Regulatory Levy & Licensing Fees) is 1,616,246.63

## 6 Expenditure – Operational Fund

a. **Employee benefits** = US\$160,655.00

b. **Goods and Services** = US\$299,712.97

c. **Purchase of Capital Items** = US\$45,727.00

7 **Project Flows:** There were no projects for the period under review.

**8 Outstanding Commitments:** There were no outstanding commitments for FY2023.

**9 Cash Balances:** Cash balances for the period were US\$793,994.09.

**10 Contingent Liabilities and Commitments:**

There were no long-term commitments.

**11 Conclusion**

The Financial Statements for the financial year ended 31st December 2023 should be read in conjunction with the underlying notes and supplementary disclosures for better understanding and interpretation.

.....

*Name*

**Comptroller**

.....

Date

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31st December 2023**



**STATEMENT OF CASH RECEIPTS AND PAYMENTS**

(ALL PUBLIC FUNDS)

**FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023(FY2023)**

*RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE*

FUND/ACCOUNTS DESCRIPTION	NOTES	FY2023	FY2022
		RECEIPTS/ PAYMENTS	RECEIPTS/ PAYMENTS
		US \$'000	US \$'000
<b>RECEIPTS</b>			
Authorized Allocation/Appropriation- GOL	4	419,160.00	502,992.00
Other Receipts - Regulatory Levy	5	1,616,246.63	560,651.27
<b>Total Receipts - Operational Fund</b>		<b>2,035,406.63</b>	<b>1,063,643.27</b>
<b>PAYMENTS</b>			
<b>Operations:</b>			
Wages, Salaries and Employee Benefits	6	1,047,964.57	772,014.86
Supplies and Consumables	8	299,712.97	132,321.89
<b>TRANSFERS:</b>			
Grants		-	-
Other transfer payments		-	
<b>CAPITAL EXPENDITURES:</b>	<b>10</b>		
Purchase/Construction of Property, plant and Equipment		4,331.78	-
ICT Infrastructures, Hardware, Networks and Facilities		41,395.22	41,130.25
<b>Other Payments</b>			
<b>Total Payments - Operational Fund</b>		<b>1,393,404.54</b>	<b>945,467.00</b>
<b>Increase/Decrease in Cash</b>		<b>642,002.09</b>	<b>118,176.27</b>
Cash at the beginning of the year		151,992.00	33,815.73
Foreign currency translation difference			
<b>Cash at the End of the year</b>		<b>793,994.09</b>	<b>151,992.00</b>

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

*- RECEIPTS BY TYPE AND PAYMENTS CLASSIFICATION BY NATURE*

For the Financial Year Ended 31 December 2023 (FY2023)				
ACCOUNT TITLE/DESCRIPTION	Actual Amounts	Final Budget	Original Budget	Difference: Final Budget and Actual
	US \$'000	US \$'000	US \$'000	US \$'000
<b>CASH INFLOWS</b>				
Authorized Allocation/Appropriation-GOL	419,160.00	502,992.00	502,992.00	83,832.00
Other receipts - Regulatory Levy	1,616,246.63	1,800,000.00	1,600,000.00	183,753.37
<b>Total Cash Receipts</b>	<b>2,035,406.63</b>	<b>2,302,992.00</b>	<b>2,102,992.00</b>	267,585.37
<b>CASH OUTFLOWS</b>				
Wages, Salaries and Other Employee Benefits	1,047,964.57	1,495,656.00	1,212,431.00	447,691.43
Goods and Services Consumed(supp & con.	299,712.97	885,218.00	890,560.00	585,505.03
Capital Expenditure	45,727.00	139,692.00	145,034.00	93,965.00
Transfers to other Government Units				-
Other Payments	-	-	-	-
<b>Total Cash Payments</b>	<b>1,393,404.54</b>	<b>2,520,566.00</b>	<b>2,248,025.00</b>	1,127,161.46
				-
<b>NET CASH FLOW - OPERATIONAL FUND</b>	<b>642,002.09</b>	<b>(217,574.00)</b>	<b>(145,033.00)</b>	<b>(859,576.09)</b>

**STATEMENT OF CASH POSITION (ALL PUBLIC FUNDS)**

**AS AT 31 DECEMBER 2023**

		Notes	As at 31 DECEMBER 2023	As at 31 DECEMBER 2023	Change in Cash Balances
<b>Cash/Bank Account Details</b>	<b>Currency Held In</b>	15	<b>US \$'000</b>	<b>US \$'000</b>	<b>US \$'000</b>
<b><u>OPERATIONAL FUND</u></b>					
<b>Petty Cash or Imprest</b>					
Petty Cash A/c 1			20.63		
Petty Cash A/c 2					
<b>Total held in petty cash:</b>			20.63	-	-
<b>Bank Accounts</b>					
CBL-USD			7,922.07		
CBL-LD			39,044.09		
IB			484,189.70		
UBA			262,095.50		
UBA Transit			722.10		
<b>Total held in Bank Accounts:</b>			793,973.46	-	-
<b>Total Cash and Bank Balances at the end of the period (Operational Fund):</b>			<b>793,994.09</b>	-	-



The Accounting Policies and Notes set out on pages x to xx form an integral part of the financial statements.

*Name*

*Name:*

**Head of Agency**

**Comptroller**

**Date: -----**

**Date: -----**

# Notes of Explanations and Elaboration Relating to the Financial Statements

The numbered notes that follow relate directly to the content of the Financial Statements above and are numbered accordingly.

## 1 General Information – Reporting Entity

The financial statements are for the *Liberia Electricity Regulatory Commission*, a public sector entity of the Government of Liberia. The financial statements encompass the reporting entity as specified in the relevant legislation (Amendment and Restatement of the Public Financial Management (PFM) Act of 2009). *Liberia Electricity Regulatory Commission's* principal activity is to *regulate the electricity sector of Liberia*.

The Financial Statements presented above reflect the Cash Receipts and Payments of the Liberia Electricity Regulatory Commission for the financial year ended 31st December 2023 based on money received by, held in, or paid out by the *Liberia Electricity Regulatory Commission* during the year under review. The Entity controls its bank accounts. Appropriations and other cash receipts are deposited into its bank accounts, from which cash expenditures are administered upon presentation of appropriate documentation and authorization.

There were no Donor Funded Projects for the Year Ended December 31, 2023.

The principal address of the reporting entity is Congo Town, Behind the MTN Building, Monrovia, Liberia.

## Accounting Policies

These are the specific principles, bases, conventions, rules, and practices adopted by the Government of the Republic of Liberia in preparing and presenting the financial statements. The principal accounting policies adopted in the preparation of the financial statements therein are set out below.

### (a) Basis of preparation

These financial statements have been prepared according to the requirements of the Public Financial Management Act, 2009, and comply with the Cash Basis International Public Sector Accounting Standard (Cash Basis IPSAS): Financial Reporting under the Cash Basis of Accounting. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies adopted have been consistently used throughout.

### (b) Reporting currency and translation of foreign currencies.

#### (i) Functional and presentation (or reporting) currency

The Republic of Liberia operates a dual currency regime comprising the Liberian Dollar (LD) and the United States American dollar (US \$) both of which are legal tenders. The attendant Financial Regulations to the PFM Act of 2009 states that:

“The monetary unit of Liberia for all government agency accounting and financial reporting shall be the Liberian Dollar. The United States Dollars **may** also be used for financial reporting purposes, but the Liberian Dollar is the base currency.”

Hence, for the Financial Statements being submitted, the United States Dollar is used as the reporting currency, which is permitted under the attendant Financial Regulations to the PFM Act of 2009 and adopted by the Government of Liberia as its reporting currency. The LERC uses the United States Dollars for reporting purposes.

#### **(ii) Translation of transactions in foreign currency**

Foreign currency transactions and transactions in Liberian Dollars and other foreign currencies are translated into United States Dollars using the exchange rates prevailing at the dates of the transactions. Closing monetary balances are translated into the reporting currency using the closing rates. Foreign exchange gains and losses resulting from the settlement of such transactions and the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

The year-end (31st December 2023) exchange rate for the Liberian Dollar was 187.62 LD per US \$1.

#### **(c) Reporting Period**

The reporting period for these financial statements is the financial year of the Government, which runs from January 1, 2023, to the 31st of December 2023.

#### **(d) Payments by Third Parties**

*Liberia Electricity Regulatory Commission (LERC) did not make third-party payments during the period.*

#### **(e) Receipts**

Receipts represent cash received by the Liberia Electricity Regulatory Commission (LERC) during the financial year, comprising Authorised allocations/appropriations, Grants, and other receipts. Receipts are recognized as follows:

##### **(i) Authorized Allocations/Appropriations**

Authorized Allocations are recognized when they are received and under the control of the *Liberia Electricity Regulatory Commission (LERC)*

**(ii) Grants**

Grants are recognized when received. Similarly, grants/transfers to other entities of Government are recognized when disbursement is made.

**(iii) Other Receipts**

Other Receipts are fees/charges collected and proceeds from sales of designated services by the LERC. In this case, the Regulatory levy and license fees.

**(f) Expenses**

In general, all expenses are recognized in the statement of Cash Receipts and Payments when paid for.

**(g) Property, Plant, and Equipment (physical assets or fixed assets)**

Property, plant, and equipment principally comprise land, buildings, plant, vehicles, equipment, and any other capital assets controlled by the LERC.

Under the Government's cash basis of accounting, purchases of property, plant, and equipment are expensed fully in the year of purchase. However, a memorandum record is maintained in the Fixed Assets Register at historical cost for all non-current assets of the *LERC*. Unrealized gains or losses arising from changes in the values of property, plant, and equipment are not recognized in the financial statements. Proceeds from the disposal of property, plant, and equipment are recognized as other receipts in the period in which it is received.

**(h) Inventories**

Consumable supplies are expensed in the period in which they are paid for.

**(i) Employee benefits**

Employee benefits include salaries, wages, allowances, pensions, and other related employment costs. Employee benefits are recognized when they are paid. No provision is made for accrued leave or reimbursable duty allowances.

**(j) Contingencies**

Contingent liabilities are recorded in the Statement of Contingent Liabilities (on a memorandum basis) when the contingency becomes evident and under the cash accounting method they are recognized only when the contingent event occurs, and payment is made. Contingent assets are neither recognized nor disclosed where probable. There were no contingent liabilities for the period ended December 31, 2023.

#### **(k) Commitments and Guarantees**

Long-term Commitments, including operating and capital commitments arising from non-cancellable contractual or statutory obligations as well as Guarantees made, will be reported as Notes to the Financial Statements. There were no long-term commitments and guarantees for the year ended December 31, 2023.

#### **2 Cash and Cash Equivalents**

Cash and Cash Equivalents comprise Cash on hand, demand deposits, and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments.

#### **3 Authorization Date**

The financial statements were authorized for issue on December 31, 2023, by Mr. Lawrence D Sekajipo, Chairman, BOC of the Liberia Electricity Regulatory Commission.

#### **4 Authorised Allocations/Appropriation**

The total amount of Authorised Allocations received for FY2023 US\$419,160.00 (US \$x million - FY2022) represents US\$83,832.

The material variances between the final budgets and actual amounts are US\$83,832.

The comparative analysis of Estimated and Actual Receipts for the financial year FY2023 is presented below:

**NOTE 4 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL AUTHORISED ALLOCATIONS RECEIVED FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023**

	Actual	Final Budget	Original Budget	Difference: Final Budget and Actual	Percentage Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$'000	US \$'000	US \$'000	US \$'000	
Employee Compensation	419,160.00	502,992.00	502,992.00	(83,832.00)	(0.17)
Goods and Services	-	-	-	-	-
Capital Expenditure	-	-	-	-	-
Transfers to other Government Units			-		
<b>TOTAL RECEIPTS</b>	<b>419,160.00</b>	<b>502,992.00</b>	<b>502,992.00</b>	<b>(83,832.00)</b>	<b>(0.17)</b>

## 5 Other Receipts

The total amount of Other Receipts for FY2023 of US\$ 1,616,246.63 represents receipts from Dividends, Rent, Other Property Income, Administrative Fees & Licences, and Fines, Penalties & Forfeits. Material variances between the final budgets and actual Amount amounted to US\$208,753.3, as presented in the table below:

**NOTE 5 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL OTHER RECEIPTS FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023**

	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$'000	US \$'000	US \$'000	US \$'000	
Dividends				-	-
Rent				-	-
Other Property Income				-	-
Licenses-Registration Fees	25,000.00	25,000.00	25,000.00	-	-
Levy	1,591,246.63	1,800,000.00	1,600,000.00	208,753.37	0.12
Fines, Penalties and Forfeits				-	
Miscellaneous receipts	-			-	
<b>TOTAL OTHER RECEIPTS</b>	<b>1,616,246.63</b>	<b>1,825,000.00</b>	<b>1,625,000.00</b>	<b>(208,753.37)</b>	<b>(0.11)</b>

## 6. Donations, Grants, and Other Aid

There were no Donations, Grants, or Other Aid for FY2023.

## 7. Payments – Operations (Wages, Salaries, and other Employee Benefits)

The total amount of Cash Payments made against Compensations of Employees during FY2023 of US\$887,309.57 is classified in the same form as the National Budget. The material variance between the final budgets and the actual amounted to US\$447,691.43, as indicated in Note 7 below. The Comparative Analysis of Estimated and Actual payments made for the financial year FY2023 is presented below by *Economic Classifications*:

NOTE 7 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE ON COMPENSATIONS OF EMPLOYEE DURING THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023					
Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$'000	US \$'000	US \$'000	US \$'000	
<i>Comparative Analysis by Economic Classification</i>					
<b>Wages, Salaries and other Employee Benefits</b>					
Wages and Salaries	887,309.57	1,175,543.00	1,143,803.00	288,233.43	0.25
Social Contributions				-	-
LRA					
Other Employee Costs	160,655.00	320,113.00	68,628.00	159,458.00	0.50
<b>GRAND TOTAL</b>	<b>1,047,964.57</b>	<b>1,495,656.00</b>	<b>1,212,431.00</b>	<b>(447,691.43)</b>	<b>(0.30)</b>

## 8. Payments – Operations (Supplies and Consumables)

The total amount of Cash Payments made against Goods and Services during FY2023 of US\$299,712.97 is classified in the same form as the National Budget.

The material variances between the final budgets and actual Amounts are US (\$79,166.26), as indicated in Note 8 below.

The Comparative Analysis of Estimated and Actual payments made for the financial year FY2023 is presented below by *Economic Classifications*:

NOTE 8 - COMPARATIVE ANALYSIS OF ESTIMATED AND ACTUAL PAYMENTS MADE ON SUPPLIES AND COMSUMABLES DURING THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023					
Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$'000	US \$'000	US \$'000	US \$'000	
<i>Comparative Analysis by Economic Classification</i>					
<b>Supplies and Consumables</b>		<b>378,879.23</b>	<b>745,526.00</b>		
Travel Expenses	68,379.58				
Utilities	10,195.69				
Rent	48,000.00				
Fuel and Lubricants	20,298.00				
Repairs and Maintenance	16,244.80				
stationery	4,293.00				
Office Materials, Consumables & Services	21,483.50				
Consultancy or Expert services/Audit/Studies/Professional Dues	14,110.00				
Education and Training Related	25,382.00				
Other General Expenses & Arrears	41,315.63				-
OPERATIONAL EXPENSES	18,130.77				
Guard and Security Services	11,880.00				
<b>GRAND TOTAL</b>	<b>299,712.97</b>	<b>378,879.23</b>	<b>745,526.00</b>	<b>(79,166.26)</b>	<b>(0.21)</b>

## 9. Grant/Transfer payments

There was no total amount of Grant transfers made during FY2023.

## 10. Purchase of Capital Items

Capital Expenditure of US x million was expended during FY2023 on a new vehicle and IT hardware against a target of US\$45,727 million.

The material variances between the final budgets and actual Amounts, as shown in Note 9 amounted to US\$93,965.



NOTE 9 - COMPARATIVE ANALYSIS OF CAPITAL EXPENDITURE PAYMENTS MADE DURING THE FINANCIAL YEAR ENDED 31ST DECEMBER 2023					
Account Title	Actual	Final Budget	Original Budget	Variance (Actual vs. Revised Estimates)	% Variance
	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
	US \$'000	US \$'000	US \$'000	US \$'000	
<b>Comparative Analysis by Economic Classification</b>					
<b>CAPITAL EXPENDITURES:</b>	<b>45,727.00</b>	<b>139,692.00</b>	<b>145,034.00</b>		
Non-residential buildings		139,692.00	145,034.00	139,692.00	1.00
Residential Buildings				-	-
Roads and Bridges				-	-
Other Structures				-	-
Machinery, Furniture and Equipment	4,331.78			(4,331.78)	-
Transport Equipment				-	-
Machinery and other Equipment				-	-
Security Equipment				-	-
Furniture and Fixtures				-	-
ICT Infrastructures, Hardware, Networks and Facilities	41,395.22			(41,395.22)	-
Strategic Stocks & Other fixed assets	-	-		-	-
<b>GRAND TOTAL</b>	<b>45,727.00</b>	<b>139,692.00</b>	<b>145,034.00</b>	<b>93,965.00</b>	<b>1.00</b>

## 11. Original and Final Approved Budget and Comparison of Actual and Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from January 1, 2023, to 31 December 2023) as for the financial statements – as explained in Note X above. There was no supplemental appropriation for the financial year that ended on 31st December 2023. The original budget objectives and policies, and subsequent revisions are explained more fully in the Report of the Comptroller issued in conjunction with the financial statements.

## 12 External Assistance and Other Assistance

### 12a. Payment by Other Government Units and Third Parties

Government Ministries & Agencies benefit from payments made by third parties to purchase goods and services on their behalf during the period. These payments do not constitute cash receipts and payments by the government. They include payments for goods made by multilateral and bilateral aid agencies and non-governmental organizations. They form part of the support for government programs provided by way of external assistance and other assistance. Payments amounting to US\$ 0.00 in FY 2022 when compared to FY2023 of

US\$0.00. Other Government Units and Third Parties are included below as memorandum items to the Financial Statements for the financial year ending 31st December 2023.

**12b.** Assistance received in the form of cash transfers and deposits to current and term deposit accounts and trust fund accounts controlled by the government. It also encompasses the amount drawn by the government from accounts of donors consistent with external assistance other assistance agreements and other authorizations. Assistance was also received in the form of third-party payments. External assistance comprises loans and grants from multilateral and bilateral; donor agencies under agreements specifying the purposes for which the assistance will be utilized other assistance was provided for specified purposes by NGOs, Private corporations, and other donors. The amount, class of provider, and purposes for which external assistance was provided during the period are outlined below.

## **SUPPLEMENTARY DISCLOSURES**

**There are no supplementary disclosures for the Fiscal Year Ended December 31, 2023.**