



# REPUBLIC OF LIBERIA MILLENNIUM CHALLENGE ACCOUNT

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## BOARD OF DIRECTORS

### Meeting Minutes 012

February 4, 2020

#### I. CALL TO ORDER

This twelfth meeting of the MCA-Liberia Board of Directors, the notice of which was delivered on January 29, 2020, was called to order at 10:40 a.m. on February 4, 2020 at the MCA-Liberia Office in Mamba Point, Monrovia, Liberia by the Board Chairman, Hon. Samuel D. Tweah.

The following persons were present:

#### Board Members

1. Hon. Samuel D. Tweah, Minister of Finance and Development Planning (Chairman)
2. Mr. Monie R. Captan, MCA Liberia Chief Executive Officer (Board Secretary)
3. Hon. Trokon Kpui, Min. of State Without Portfolio/Head, PDU
4. Atty. Vivian Neal, President, Association of Female Lawyers of Liberia (AFELL)
5. Mr. Charles E. Collins, Sr., Acting President, Liberia Chamber of Commerce (Proxy for the Private Sector Rep.)
6. Mr. Emmanuel O. Sherman, Deputy Minister/Operations, (Proxy for the Minister of Mines & Energy)
7. Atty. Kou Dorliae, Deputy Minister Economic Affairs (Proxy for the Minister of Justice)
8. Mrs. Kateri Clement, MCC Resident Country Director (MCC Observer)

#### Other Attendees

9. Cllr. Charles H. Gibson, LEC Board Chair (Nominee)
10. Mr. Emmanuel Gbedee, Chief of Staff, Minister of Public Works
11. Mr. Augustus Flomó, Deputy Minister, MFDP
12. Atty. Michael P. Korkpor, Coordinator, Min. of State/PDU
13. Ms. Koisay Bolay, Program Officer/PDU
14. Cllr. James A. A. Pierre, II, General Counsel/MCA-Liberia
15. Cllr. Isabel B. Diggs, MCA-Liberia Legal Specialist
16. Mr. John Morris, Development Specialist, MCC

## **II. ADOPTION OF AGENDA**

The Chairman of the Board, Hon. Samuel D. Tweah, directed the General Counsel, Cllr. James A. A. Pierre, II, to read the agenda. After the agenda was read, the Board Members present then unanimously approved the agenda.

## **III. WELCOME STATEMENT – BOARD CHAIRMAN**

Following the adoption of the Agenda, the Chairman welcomed everyone, expressed thanks and appreciation to MCC for being the government's strongest development partner. He emphasized the government's commitment to continue working on the challenges faced. He stated that the LEC issues are up for discussion and expressed hope that some of those issues would be resolved today. He explained that the Cabinet had not yet looked at the issue of the Donors conference and promised to go into further details as the meeting progressed.

## **IV. REVIEW AND ADOPTION OF THE MINUTES OF THE DECEMBER 16, 2019 MEETING**

The Chairman instructed the General Counsel to provide the Board with a high-level summary of the previously circulated minutes of the December 16, 2019 Board Meeting. After the delivery of the high-level summary, the Board Members present then unanimously approved the minutes.

## **V. UPDATE ON MCA-LIBERIA'S ACTIVITIES – MCA-LIBERIA CEO**

The CEO of MCA-Liberia updated the Board with the current Compact implementation status that highlighted the following:

- a. Financials. The CEO noted that, as of January 31, 2020, 86% of the total Compact funds have been committed and 75% disbursed. He explained that the highest disbursement has been for the Energy Project. The CEO expressed hope to have the uncommitted 14% reduced to at least 7% by end of the year. He explained that the remaining uncommitted funds would basically be the Roads Project.
- b. Energy Project.
  - i. LEC Management Services Contract (MSC). The CEO reminded the Board that the certain period of the contract with ESBI expires in January of 2021 with a subsequent two-year optional period that the GOL has the power to exercise. He stressed the need for the GOL to promptly decide whether it will exercise the two-year optional period.
    - I. The CEO explained that ESBI has developed a 5-Year Business Plan to turn LEC around on a viable commercial path. LEC Board has approved

the plan. GoL and donors held consultative talks at the World Bank on December 6, 2019 on the business plan and a donor conference. The consultations agreed upon some immediate government actions, while ESBI was requested to submit revised targets for 2020 based on additional level of effort to be funded by MCC and investment from KfW. The World Bank has expressed conditional interest to fund the optional period based on ESBI's performance and GoL's actions.

- ii. Liberia Electricity Regulatory Commission (LERC). The CEO stated that in the most recent disbursement request to MCC, MCC did not approve the disbursement of funding for this activity because they did not believe that the Condition Precedent (CP), which requires that each nominated commissioner post be filled with a qualified person acceptable to MCC had been fulfilled. He expressed the hope that a nomination can be made soon that fulfills the CP so that spending authority for this activity can be granted.
  - iii. Raw Water Pipeline. The CEO explained that the installation of the pipes commenced on December 17, 2019 and the project construction is expected to be completed by September 2020.
  - iv. Prawn Passage Construction. The CEO stated that the project has a high procurement and completion risk due to the shortness of time and the fact that the construction works would most likely be carried out during the rainy season. The consultant has submitted the final design and procurement for the works contractor is supposed to commence around the middle of February.
- c. Program Closure Plan Approval: The General Counsel presented an overview of the Program Closure Plan (PCP). He explained that the Plan had received 'No Objection' from MCC. Following the presentation of the contents of the Plan by the General Counsel, the CEO requested the Board's approval of the Plan. The Board then unanimously approved the PCP.
  - d. Key Compact Risks: The CEO proceeded to list the following risks that are currently hampering the chances of achieving the Compact's objectives for the Energy Project:
    - i. Lack of operational capital will undermine LEC's capacity to produce electricity. 1) It will undermine the company's capacity to purchase fuel to generate thermal power this dry season. 2) Lack of funding will also prohibit LEC's ability to meet security payments required by Cote d'Ivoire Electricity in order to access electricity supplied through the CLSG transmission line, which is scheduled to be available by April this year.

- ii. Mt. Coffee Hydropower Plant may face serious sustainability issues related to continued financial support for the Mt. Coffee Operation, Maintenance and Training contract.
- iii. LERC may face sustainability challenges at the end of MCC's budgetary support.

**VI. NEW BUSINESS**

There was no new business to discuss.

**VII. AOB**

There was no other business brought up for discussion.

**VIII. ADJOURNMENT**

The Board Chairman adjourned the meeting at 11:56 a.m.

Minutes submitted by: *Monie Captan*  
Monie Captan, Secretary

Minutes approved by: *Samuel D. Tweah*  
Hon. Samuel D. Tweah, Chairman

