

**“AN ACT TO ESTABLISH THE RURAL RENEWABLE ENERGY  
AGENCY”**

**APPROVED JULY 6, 2015**

**PUBLISHED BY AUTHORITY  
MINISTRY OF FOREIGN AFFAIRS  
MONROVIA, LIBERIA**

**PRINTED July 15, 2015**

# AN ACT TO ESTABLISH THE RURAL AND RENEWABLE ENERGY AGENCY

It is enacted by the Senate and House of Representatives of the Republic of Liberia in  
Legislature Assembled:

## CHAPTER I

### PRELIMINARY PROVISIONS

#### **Section 1.1 Short Title**

This Act may be cited as the Rural and Renewable Energy Agency Act, 2011.

#### **Section 1.2 Definitions**

In this Act, unless the context otherwise requires:

- (a) **"Agency"** means the Rural and Renewable Energy Agency established under this Act.
- (b) **"Annual Report"** means the report submitted annually on the operations of the Agency and Fund submitted by the Board to the National Legislature and the President of Liberia as required under this Act.
- (c) **"Board"** means the Rural and Renewable Energy Agency Board of Directors.
- (d) **"Competition"** means the condition of a market where goods and/or services are available from more than a single entity and where those entities do not collude to set prices and/or terms and conditions of service, and where such circumstances allow consumers free choice without being subjected to undue market power by any single supplier or set of suppliers.
- (e) **"Consumer/Customer"** are terms used, for purposes of this Act, as synonyms, and refer to a person who purchases or receives energy for consumption and not for delivery or resale to others, including a person who owns or occupies premises where energy is supplied.
- (f) **"Developer"** means an investor in, or an operator of a project, that shall be in the form of a private or public entity, a co-operative, or a local community organisation;

- 41 (f) **"Developer"** means an investor in, or an operator of a project, that shall be in the  
42 form of a private or public entity, a co-operative, or a local community organisation;  
43
- 44 (g) **"Distribution"** means the transportation of electrical energy and power by means of  
45 medium-to-low-voltage lines (as specified by the Regulatory Board).  
46
- 47 (h) **"Donor"** An entity either multilateral or country specific that donates funds for rural  
48 and renewable energy purposes.  
49
- 50 (i) **"Electrical Energy"** means the generation or use of electric power by a device over  
51 a period of time, expressed in kilowatt-hours (kWh), megawatt-hours (MWh), or  
52 gigawatt-hours (GWh).  
53
- 54 (j) **"Executive Director"** means the Executive Director appointed under the provisions  
55 of Section Section 3.7 of this Act to be the chief executive officer of the Agency.  
56
- 57 (k) **"Fund"** means the Rural Energy Fund established under Chapter V of this Act and  
58 includes financial resources set aside for rural energy development.  
59
- 60 (l) **"Generation"** means the production of electrical energy and power from any  
61 primary source of energy.  
62
- 63 (m) **"Government"** is the government of the Republic of Liberia.  
64
- 65 (n) **"Grant"** means an award of money by the Agency to a Project Proponent.  
66
- 67 (o) **"Grant Contract"** means a contract between the Agency and a Project Proponent  
68 for the provision of a Grant.  
69
- 70 (p) **"Grant Payments"** means the set of payments as shall be stipulated in a Grant  
71 Contract.  
72
- 73 (q) **"Grid"** is the interconnected electrical transmission and distribution infrastructure  
74 tying together generation and load.  
75
- 76 (r) **"Immediate family"** includes spouse, parents, children, and dependants, and/or  
77 any person or agent acting on behalf of any person employed by the Agency, or  
78 those relatives included herein.  
79
- 80 (s) **"Independent Producers"** means privately operated Generating Facilities (and  
81 their owners) which may or may not be dispatched by a System Operator and that  
82 are authorized or licensed to operate in the country and to supply electricity to  
83 themselves, affiliates, or third parties.

- 84  
85 (t) **"International Lender"** is an entity from outside Liberia, either multi-lateral or  
86 country-specific, which lends money to finance energy-related projects in Liberia,  
87 or which donates funds for such purpose.
- 88  
89 (u) **"Market Power"** is a condition where a single entity and/or set of entities possess  
90 the ability to control the price and/or terms and conditions of availability of any good  
91 or service, and effectively deny or limit consumers in their ability to choose how and  
92 where to buy.
- 93  
94 (v) **"Micro Finance Institution"** means any entity licensed to offer financial services to  
95 poor or low-income clients and/or solidarity groups, including making loans or  
96 distributing funds in small amounts, and offering savings and insurance products.
- 97  
98 (w) **"Ministry"** means unless otherwise defined herein, the Ministry of Lands, Mines  
99 and Energy, Or any successor Ministry with responsibility for energy.
- 100  
101 (x) **"Minister"** means the Minister of Lands, Mines and Energy or any successor  
102 Minister with responsibility for energy.
- 103  
104 (y) **"Modern energy"** is defined as energy that: (i) may be based on petroleum,  
105 electricity, or other energy carriers that have commercialized or semi-  
106 commercialized market channels; (ii) includes a conversion process; (iii) includes  
107 the efficient and sustainable production and use of biomass.
- 108  
109 (z) **"Non-discrimination"** means making no unreasonable distinction in price, and/or  
110 other terms and conditions of service, between similarly situated consumers.
- 111  
112 **"Off-grid"** means an electricity supply system that is not electrically connected,  
113 directly or indirectly, to any part of the Transmission infrastructure.
- 114  
115 **"Party"** means any entity, either natural person, governmental entity, or corporate  
116 entity.
- 117  
118 **"President"** refers to the President of the Republic of Liberia.
- 119  
120 **"Project"** means the activities and investments associated with development of  
121 rural and/or renewable energy and/or the provision of modern energy services in a  
122 locality in rural Liberia;
- 123  
124 **"Project Proponent"** means a developer of, or an investor in, or an operator of a  
125 Project, or Consultant/Contractor providing associated services to a Project, that

126 shall be in the form of an individual, a private or public entity, a co-operative, or a  
127 local community organization.

128  
129 **"Publish"** means, for the purpose of this Act, to make information known to all  
130 members of the public through notice given in appropriate mass media or  
131 governmental publications.

132  
133 **"Regulatory Board"** means the government entity established to regulate the  
134 energy sector of Liberia.

135  
136 **"Renewable Energy"** means energy produced from any of the following  
137 technologies from natural resources that have a relatively short regeneration time  
138 scale; hydro power; wind, biomass, etc.

139  
140 Hydro power;

141  
142 Wind energy;

143  
144 Biomass energy produced from sources including:

145  
146 Any agricultural livestock waste nutrients including wood shavings,  
147 straw, rice hulls or any other bedding material for the disposition of  
148 manure;

149  
150 Any solid, nonhazardous, cellulosic waste material or any lignin  
151 material which is derived from any of the following forest-related  
152 resources:

153  
154 Mill and harvesting residues, pre commercial thinning, slash and  
155 brush;

156  
157 Solid wood waste materials including waste pellets, crates, dunnage,  
158 manufacturing and construction wood wastes (other than pressure-  
159 treated, chemically-treated or painted wood wastes), and landscape  
160 or tree trimmings;

161  
162 Agricultural sources;

163  
164 Biomass grown specifically for the purpose of creating a feedstock for  
165 electricity or fuel production and using sustainable harvesting practices;

166  
167 Biomass used to produce biofuels;

168

169 Waste to energy including anaerobic digestion systems operating on animal  
170 or plant wastes, and methane gas captured from various anthropogenic  
171 sources such as landfills, water treatment plants, sewage treatment plants,  
172 waste from agricultural and industrial processing plants;

173  
174 Geothermal energy;

175  
176 Solar energy, to include solar electric and solar thermal; and

177  
178 Emerging technologies such as ocean thermal, wave power, and tidal power.

179  
180 **"Rural"** means any area of Liberia that is outside the legal boundaries of Monrovia  
181 and is deemed urban under a geographic demarcation by the Government.

182  
183 **"Standards"** means the technical product and service standards for energy  
184 generation, transmission, distribution and use to ensure safety, reliability and quality.

185  
186 **"Supply"** means the sale of electric and thermal energy or fuels to consumers or for  
187 resale, in accordance with this Act. It includes, but is not limited to the sale of  
188 capacity, energy, primary supply, backup supply, and ancillary services.

189  
190 **"System Operator"** means an entity licensed to undertake some or all of the  
191 following activities:

192  
193 Co-ordinate the power supply system to obtain instantaneous balance  
194 between generation and consumption of electricity;

195  
196 Dispatch all generation connected to the transmission infrastructure;

197  
198 Co-ordinate planned generation and planned transmission outages;

199  
200 Monitor the import and export of electricity;

201  
202 Prepare forecasts of generation requirements;

203  
204 Perform such other functions as may be prescribed in its License or in rules  
205 issued by the Regulatory Board.

206  
207 **"Tariff"** means the legal instrument, approved by the Government or the Regulatory  
208 Board, that sets forth the rate a regulated entity is entitled to charge its customers for  
209 the goods and services it provides. A tariff may also set forth binding terms and  
210 conditions for the provision of such goods and services at the prices specified.

211

212 "Transmission" means the transportation of electrical energy and power by means  
213 of high-voltage lines (as specified by the Regulatory Board  
214

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### **Section 1.3 Establishment of the Rural and Renewable Energy Agency**

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218 (a) There is hereby established an autonomous agency to be known as the Rural and  
219 Renewable Energy Agency, (hereinafter referred to as the "Agency") to be wholly  
220 owned by the Government of Liberia

221

222 (b) The Agency shall have perpetual existence.

223

224 (c) The Agency may sue and be sued and adopt a corporate seal.

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226

### **Section 1.4 Objectives of the Agency**

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229 The objective of the Agency, acting for and on behalf of the Government of the Republic  
230 of Liberia shall be as follows:

231

232 (a) To promote improved access to modern energy services in the rural areas of  
233 Liberia.

234

235 (b) To facilitate and accelerate the economic transformation of rural Liberia by  
236 promoting the development and supply of modern energy products and services to  
237 rural areas with an emphasis on locally available renewable resources.

238

239 (c) To introduce and promote the enactment of regulations and policies in the exercise  
240 of the functions of the Agency.

241

242 (d) To administer, secure, enforce, design and execute policies, strategies, plans and  
243 programs relating directly and indirectly to the functioning, growth and development  
244 of the rural energy sector.

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254 **Section 1.5 Principles of Rural and Renewable Energy Development and Modern**  
255 **Energy Service Provision**

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257 In supporting the provision rural and renewable energy development and modern energy  
258 service provision, the Government recognizes the following principles:

259

260 (a) **National Interest:** Activities will be undertaken to promote the general welfare,  
261 empowerment, and quality of life, and to support and sustain economic and social  
262 development.

263

264 (b) **Sustainability:** The Government will promote the development and use of  
265 economically, technically, socially, and environmentally viable and sustainable  
266 energy resources, including renewable energy, in the rural energy sector. A special  
267 emphasis will be placed on locally available resources for rural energy sector  
268 development.

269

270 (c) **Development:** Sustainable development is furthered when modern energy services  
271 are promoted, facilitated and supported through private and community initiative  
272 and involvement.

273

274 (d) **Productive Uses and Income Generation:** Provision of modern energy services  
275 to rural areas promotes growth in economic production and productivity as well as  
276 social welfare.

277

278 (e) **Equality:** The provision of energy services shall not be unduly discriminatory  
279 among consumers.

280

281 (f) **Quality of Service, Safety, Efficiency and Continuity:** The development of rural  
282 and renewable energy and provision of energy services shall comply with  
283 applicable service quality, safety, reliability and efficiency norms and rules in force.

284

285 (g) **Coordination of Public Policies:** The Government will coordinate the  
286 requirements of energy policy with other policies that may be applicable, so as to  
287 avoid inconsistent actions or directives.

288

289 (h) **Community Involvement:** As a way of strengthening community ownership,  
290 households, commercial enterprises, social service facilities, administrative  
291 centers, and other stakeholders as applicable will be encouraged to take active part  
292 in the decision making process.

293

294 (i) **Conservation and Efficient Use of Natural Resources:** The principle of  
295 conservation and preservation of the environment will consistently be a  
296 consideration in the formulation and execution of policy.



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## CHAPTER II

### FUNCTIONS AND IMMUNITIES OF THE AGENCY

#### *Section 2.1 Functions of the Agency*

- (a) The Agency shall develop in collaboration with the Ministry of Lands, Mines & Energy and other stakeholders a Rural Energy Strategy and Master Plan for Liberia. The Master Plan shall be formulated on the basis of well-defined project selection and prioritization criteria designed to ensure enhanced energy access with equity, sustainable development and optimal use of indigenous and renewable resources, and ensure that these are integrated into the national energy Master Plan.
- (b) The Agency shall negotiate and enter into contracts with experts and institutions in furtherance of its goal and objectives.
- (c) Without prejudice to the foregoing the Agency shall also:
  - (i.) establish liaison with the appropriate local and national government authorities to facilitate the co-ordination of the activities of the Rural and Renewable Energy Agency with other rural development activities;
  - (ii.) facilitate the timely collection and deposit of all the funds to be collected from sources specified under this Act in the account of the Rural Energy Fund;
  - (iii.) prepare proposals for additional means and sources of finance to be used for the benefit of rural and/or renewable energy service provision
  - (iv.) facilitate the timely collection and deposit of all funds from sources specified under this Act into the account of the Rural Energy Fund;
  - (v.) support the collection and public dissemination of high quality renewable energy resource data, information on rural energy needs, and their geographic distribution – information that is critical to design, development and sustainable operation of rural energy service facilities;
  - (vi.) facilitate the preparation of bid documents for projects to be competitively tendered to prospective developers;
  - (vii.) initiate and facilitate provision of capacity building activities as appropriate in the preparation, installation, operation and management of rural and/or renewable energy systems;

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- (viii.) facilitate provision of technical assistance by qualified entities related to technical design, management, financial analysis, project finance and sound business practices to Project Proponents;
- (ix.) promote the establishment of rural energy cooperatives and private electricity service companies with emphasis on rural and renewable energy service provision at the same time strengthening local capacities within existing cooperatives and organizations;
- (x.) facilitate the funding of rural energy projects, including managing the Rural Energy Fund that will provide grants and facilitate low interest loans and loan guarantees as targeted subsidies to ensure access by the poor;
- (xi.) promote, where feasible, market-based approaches to energy development with a focus, but not necessarily exclusive reliance, on public-private partnership delivery of rural energy services;
- (xii.) support the development of all economically viable, sustainable, socially acceptable, and environmentally beneficial rural energy projects and technologies through appropriate financing mechanisms, including through the targeted use of grants and subsidies to enhance affordability to economically viable energy services;
- (xiii.) ensure that households, commercial enterprises, social service facilities, and administrative centers in Liberia have the opportunity to participate in the decision making process regarding access to affordable, sustainable, and environmentally friendly modern energy services;
- (xiv.) be responsible for the regulatory monitoring of rural, off-grid energy and electrification projects below a certain generation capacity or demand threshold for which the Agency has been designated responsible by rule-making or delegation of the Ministry or Regulatory Board;
- (xv.) undertake cost-effective public information and educational campaigns to raise awareness of a broad range of commercially available technology solutions suited to the specific energy needs and conditions of Liberia's rural areas.
- (xvi.) mobilize institutional and public support for the activities of the Agency and Fund and have competence in rural development issues;

- 383 (d) The Agency shall abide by the following regulatory principles:  
384  
385 (i.) protection of consumers' interests through the promotion of competition and  
386 the prevention of anti-competitive practices and monopoly abuse;  
387  
388 (ii.) promotion of access to, and affordability of, modern energy services;  
389  
390 (iii.) promotion of least-cost investment and the security of supply for the benefit  
391 of consumers;  
392  
393 (iv.) promotion of improvements in the operational and economic efficiency of the  
394 modern energy supply industry and efficiency in the use of modern energy;  
395  
396 (v.) promotion of appropriate standards of reliability and quality of modern  
397 protection of the public from dangers arising from the activities of the energy  
398 supply.  
399
- 400 (e) The Agency shall utilize money from the Fund Account and any other designated  
401 funds as approved by the Board to fulfill its mandate as described Section 1.4 of  
402 this Act.  
403
- 404 (f) The Agency shall keep proper books of accounts and proper records in relation to  
405 those accounts. The Agency shall ensure that all monies received are properly  
406 brought to account and all payments out of its monies are correctly made and  
407 properly authorized and adequate control is maintained. The accounts, books, and  
408 records of the Agency shall be in the form prescribed by the Act in force at the time  
409 which governs the management of records.  
410
- 411 (g) The Agency shall publish annual financial reports audited annually by the Auditor  
412 General or an independently certified financial auditor appointed by the Board and  
413 authorized by the Auditor General. Such reports shall follow an accounting  
414 standard based on generally accepted accounting principles in Liberia to account  
415 for all funds received and disbursed by the Agency. Such reports shall be publicly  
416 available within 90 days from the end of the fiscal year.  
417
- 418 (h) Financial commitments of the Agency shall be made by signature of the Executive  
419 Director co-signed by the Finance Director of the Agency.  
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- 421 (i) The Agency shall undertake and perform such other duties as the Board shall, from  
422 time to time, direct.  
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**Section 2.2 Immunities**

- (a) An employee of the Agency shall not, in his/her personal capacity, be liable in civil or criminal proceedings in respect of any act or omission done in good faith in the performance of his/her functions under this Act.
- (b) The provisions of Section 2.2 (a) shall not relieve the Agency of liability to pay compensation or damages to any person for an injury to such person caused by the exercise of powers conferred on the Agency by this Act or by any other written law or by failure, whether wholly or partially, of any works.

**CHAPTER III**

**ORGANIZATION AND STRUCTURE**

**Section 3.1 The Board of Directors**

- (a) The Board of Directors ("the Board") shall be the governing body of the Agency.
- (b) The Board, shall, in its actions, support the achievement of the overall purpose and functions of the Agency as outlined in Sections 1.4 and 2.1 of this Act by:
  - (i.) supporting rural and renewable energy development and modern energy service provision through projects that are developed by private and public entities, co-operatives, and local community organizations;
  - (ii.) facilitating the provision of technical assistance to Project Proponents that contribute to rural and renewable energy development and modern energy service delivery;
  - (iii.) approving the allocation of grants in an efficient and competitive manner.

469 **Section 3.2 Appointment and Composition of the Board**

470

471 (a) The Board shall be appointed by the President and shall comprise eleven  
472 members, as follows:

473

474 (i.) a representative from the Ministry of Lands, Mines and Energy or the future  
475 ministry responsible for energy;

476

477 (ii.) a representative from the Liberia Electricity Corporation or its successor;

478

479 (iii.) a representative from the Ministry of Justice;

480

481 (iv.) The Executive Director of the Agency, who shall be a non-voting member  
482 and Secretary to the Board;

483

484 (v.) three persons selected in such a way so as to ensure equitable geographic,  
485 demographic, and gender representation of the country;

486

487 (vi.) three persons selected on the basis of their qualifications and experience in  
488 engineering, finance or accounting, environmental safeguards, and legal  
489 issues related to rural and/or renewable energy technology and  
490 development. One of these shall be designated as the Chairperson of the  
491 Fund Management Committee.

492

493 (vii.) one person selected to represent civil society, consumers, or the private  
494 sector.

495

496 (b) The Chairperson of the Board shall be appointed by the President.

497

498 **Section 3.3 Criteria for Appointment of Board Members**

499

500 Members of the Board shall:

501

502 (a) be able to mobilize institutional and public support for the activities of the Agency  
503 and Fund and have competence in rural development issues

504

505 (b) have autonomy from institutional or corporate influence; and

506

507 (c) not have financial interests in any Project supported by the Board.

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512 **Section 3.4 Tenure of Office of Board Members**  
513

- 514 (a) A member of the Board shall hold office for a term of three (3) years and may be  
515 reappointed for an additional term of three (3) years, provided no person shall  
516 serve for more than two (2) consecutive terms.  
517
- 518 (b) In the event the tenure of service of a member expires, such member shall continue  
519 to serve until a replacement is appointed and assumes office.  
520
- 521 (c) The President may terminate the service of a member, including the Chairperson  
522 because of:  
523
- 524 (i.) physical or mental inability to perform the functions of office;
  - 525
  - 526 (ii.) gross misbehavior or incompetence;
  - 527
  - 528 (iii.) Dishonesty or corruption; and
  - 529
  - 530 (iv.) Conviction of a felony.
  - 531
  - 532 (v.) failure to comply with the provisions of Section 3.3 (a) and b) of this Act.  
533

534 **Section 3.5 Meetings and Procedures of the Board**  
535

- 536 (a) The Board shall meet as often as necessary for the discharge of its functions but  
537 no less than once per quarter. Six members of the Board shall constitute a quorum  
538 at any meeting.  
539
- 540 (b) The Board may co-opt any person to participate in its deliberations, but a person so  
541 co-opted shall have no right to vote and no interest in the program under  
542 discussion unless invited specifically for that purpose.  
543
- 544 (c) The Executive Director of the Agency shall be responsible for arranging  
545 proceedings of the Board and such other duties as the Board may direct.  
546
- 547 (d) Members of the Board may be entitled to payment of reasonable honoraria and  
548 sitting fees, and other allowances approved by the Board. Payment shall be  
549 funded from the operational budget of the Agency.  
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555 **Section 3.6 Powers and Functions of the Board**

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- (a) The Board shall:
  - (i.) appoint the Executive Director and Deputy Executive Director(s) of the Agency.
  - (ii.) direct the Executive Director to furnish it with any information, reports or other documents which the Board considers necessary for the performance of its functions;
  - (iii.) review and approve reports and other documents prepared by the Agency as referred to in Section 2.1 of this Act;
  - (iv.) approve the execution of grant contracts with Project Proponents in accordance with approved procedures.;
  - (v.) source funds from within and outside the Republic of Liberia in support of rural and renewable energy development and modern energy service provision;
  - (vi.) oversee and monitor the administration, management and use of funds provided to the Agency.
- (b) have the power to regulate its own procedure and may make standing orders providing for all matters relating to the meetings of the Board and the proper conduct of its business.
- (c) The Board as the governing body for the Agency shall:
  - (i.) direct the Executive Director to furnish it with any information, reports, accounts or other documents as may be reasonably required by the Board;
  - (ii.) approve operational principles and guidelines of the Agency;
  - (iii.) approve the management, performance, policies and annual operational plans and budget of the Agency;
  - (iv.) approve general terms and conditions of employment for employees of the Agency;

- 596 (v.) ensure that the remuneration of the staff of the Agency is competitive with  
597 that offered for comparable responsibilities and shall not be bound by the  
598 terms established under the Liberian Civil Service structure;  
599
- 600 (vi.) oversee and monitor the management and performance of the Agency, its  
601 staff and its financial performance;  
602
- 603 (vii.) appoint the auditor of the Agency and approve the auditor's reports.  
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605
- 606 (d) The Board shall be the governing body for the Rural Energy Fund and in that  
607 respect shall:  
608
- 609 (i.) appoint a Fund Management Committee that shall be responsible for the  
610 administration of the Fund and whose Chairperson shall be one of the Board  
611 members;  
612
- 613 (ii.) approve criteria for the eligibility of Project Proponents to receive grants from  
614 the Fund submitted by the Fund Management Committee.  
615
- 616 (iii.) approve procedures for evaluation of projects for eligibility for grants from the  
617 Fund;  
618
- 619 (iv.) approve the terms and conditions for grants from the Fund to Project  
620 Proponents;  
621
- 622 (v.) approve or reject applications from Project Proponents seeking grants from  
623 the Fund, and determine the level of grants to be approved;  
624
- 625 (vi.) approve the annual and/or multiyear investment plan of the Fund, including  
626 provisions for the operating expenses of the Agency;  
627
- 628 (vii.) approve investments for the rural energy sector under this Act. as it  
629 considers necessary.;
- 630
- 631 (viii.) appoint the auditor of the Fund in accordance with Section 2.1 of this Act,  
632 and approve the auditor's reports.  
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639 **Section 3.7 Appointment of Executive Director and Staff**  
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641 (a) The Executive Director and Deputy Executive Director(s) shall be appointed by the  
642 Board of Directors;

643

644 (b) The recruitment of the Executive Director and Deputy Executive Director(s) shall be  
645 on the basis of a competitive selection process;

646

647 **Section 3.8 Functions of the Executive Director**  
648

649 (a) Without prejudice to the generality of the foregoing, the Executive Director shall:  
650

651 (i.) be the chief executive officer of the Agency and the Fund.  
652

653 (ii.) exercise the functions of the Agency provided for under Section 2.1 of this  
654 Act;

655

656 (iii.) Shall have the power to appoint or promote staff of the Agency; however the  
657 appointment of senior managers shall be approved by the Board;

658

659 (iv.) manage the budget, personnel and property of the Agency;  
660

661

662 (v.) represent the Agency and the Fund in its dealings with third parties.

663 (b) The Executive Director shall keep all records of the affairs and meetings of the  
664 Board and shall ensure the implementation of its decisions and directives.  
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CHAPTER IV

THE RURAL ENERGY FUND

671 **Section 4.1 Establishment of the Fund**  
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673 There is hereby established a Fund to be known as the Rural Energy Fund.  
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**Section 4.2 Objective of the Fund**

The Fund represents the funding mechanism by which the Board shall fulfill its mandate herein and shall provide for the coordinated and sustainable financing of projects and programs for the development of rural and/or renewable energy projects and delivery of modern energy services for rural development in a manner such that the Fund becomes a channel through which domestic and international financial resources intended for rural and renewable energy delivery in Liberia shall be managed.

**Section 4.3 Funding Sources**

- (a) The sources of income for the Fund shall consist of monies as may be provided:
  - (i.) by Government (monies appropriated for the Fund by the Legislature) in an annual budgetary allocation;
  - (ii.) through special levies or fees as determined by the Government of the Republic of Liberia;
  - (iii.) through revenues from any taxes as determined by the Government of the Republic of Liberia;
  - (iv.) through grants, or donations made to the Fund by any natural person, body corporate or other entities, multilateral institution, organization or agency, or government of any country;
  - (v.) any other monies that may accrue in the course of the Agency's operations.
- (b) The monies constituting the Fund shall be placed in an account with a bank to be invested for the purpose of this Act subject to approval by the Board, and any income from the investment shall be credited to the Fund.

725 **Section 4.4 Use of the Fund**

726  
727 (a) The resources of the Fund shall finance, subject to the operational guidelines of the  
728 Fund:

729  
730 (i.) grants toward the capital costs of projects implemented by private and public  
731 entities, co-operatives, and local community organizations;

732  
733 (ii.) the provision of technical assistance, training and other forms of capacity  
734 building to Project Proponents;

735  
736 (iii.) the provision of related services such as market studies, resource  
737 assessments, monitoring and evaluation, information dissemination, planning  
738 and training required for the Agency to meet its mandate;

739  
740 (iv.) grants to reduce financial barriers and risks to Project development and  
741 implementation;

742  
743 (v.) payment or discharge of the expenses or obligations incurred in connection  
744 with the performance of the functions of the Agency and the Board;

745  
746 (vi.) payment of any remuneration or allowances to employees of the Agency and  
747 the members of the Board.

748  
749 (b) Grants made to Project Proponents may be used to co-finance:

750  
751 (i.) training and other forms of capacity building;

752  
753 (ii.) the provision of technical assistance by qualified experts related to the  
754 planning and preparation of a Project including pre-investment studies for  
755 Projects;

756  
757 (iii.) the capital costs of a Project implemented by a Project Proponent;

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759 (iv.) investments in innovative pilot and demonstration projects.

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761 (c) The Fund may not provide grants toward the operating or debt service costs of any  
762 Project or Project Proponent.

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768 **Section 4.5 Management of the Fund**

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770 (a) Pursuant to Section 3.6 (c) of this Act, the Board shall be the governing body for  
771 the Fund and shall appoint a Fund Management Committee ("the Committee") that  
772 shall be responsible for oversight of the Fund.

773

774 (b) The Agency shall make available to the Fund such facilities and services of such  
775 officers as necessary for the proper and efficient exercise of the functions of the  
776 Fund.

777

778 (c) Where it considers it desirable to reduce risk or avert threatened loss to the Fund,  
779 the Board may take any steps it considers necessary on such terms and conditions  
780 as it may prescribe.

781

782 (d) The Board shall from time to time in consultation with the Executive Director, fix the  
783 size of the Fund sufficient to achieve the objectives of this Act.

784

785 (e) The Board shall be responsible for policy formulation in connection with the Fund  
786 and for governance of the Fund in accordance with the Public Financial  
787 Management Act of 2009 as may be amended from time to time.

788

789 (f) Funds to be paid out of the Fund shall be so paid only with the approval of the  
790 Board.

791

792 (g) The annual accounts of the Fund, including expenditures of the Agency, shall be  
793 audited by a competent and qualified auditor appointed by the Board in accordance  
794 with Section 3.6 of this Act.

795

796 (h) Donors of the fund may appoint an auditor of their own choice and at their own  
797 expense to audit the account of the Fund and Agency if they have a provision to  
798 that effect in their agreement to contribute to the Fund.

799

800 **Section 4.6 Members of the Fund Management Committee**

801

802 (a) The Chairperson of the Committee shall be appointed on a competitive basis for  
803 his/her skill in financial management.

804

805 (b) The Committee shall comprise five (5) members including the Chairperson.

806

807 (c) All members of the Committee shall have demonstrated experience and expertise  
808 in rural and/or renewable energy, finance, accounting, law, and/or project or  
809 business management.

810

- 811 (d) The members of the Committee shall be appointed for a period not exceeding three  
812 years. Maximum three (3) members may be re-appointed.  
813
- 814 (e) No member of the Committee or Board, or family member of the Committee or  
815 Board member shall have interest that shall conflict with the goals and interests of  
816 the Committee.  
817
- 818 (f) To the extent that any member finds him or herself in a position of benefiting or  
819 suffering materially from the decisions of the Committee, the affected member shall  
820 identify such potential material benefit/detriment and recuse him/herself from  
821 consideration of those decisions.  
822
- 823 (g) Members of the Committee or Board including members of their immediate  
824 families, shall be prohibited from owning any property or security interest, or any  
825 financial or pecuniary relationship with, any entity applying for support through the  
826 Rural Energy Fund.  
827
- 828 (h) Members of the Committee are barred from taking gratuities of any kind from any  
829 party with business pending at the Agency or with applications pending with the  
830 Fund.  
831

832 *Section 4.7 Functions of the Fund Management Committee*  
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834 The Fund Management Committee shall:  
835

- 836 (a) Ensure that processing applications for financial assistance is conducted by the  
837 Agency in accordance with the procedures and criteria approved by the Board;  
838
- 839 (b) Monitor financial transactions and oversee the balance sheet of the Fund;  
840
- 841 (c) Facilitate the periodic reporting and auditing of the activities of the Fund;  
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- 843 (d) Assure that all accounts are consistent with generally applicable accounting  
844 standards.  
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854 **Section 4.8 Authority for Use of the Fund**

- 855
- 856 (a) Financial commitments from the Fund shall be made under signature of the
- 857 Chairperson of the Fund Management Committee and the Executive Director and
- 858 shall be approved by the Board, and attested by the Chairman of the Board..
- 859
- 860 (b) The selection of Projects for funding and the calculation of the level of Grants for
- 861 Projects shall be done on the basis of published criteria development of the Fund
- 862 Management Committee and approved by the Board. At the beginning of each
- 863 financial year, the Agency shall publish:
- 864 (i.) schedules of Grants for different categories of investments;
- 865 (ii.) Project and Project Proponent eligibility criteria;
- 866 (iii.) the procedures for the submission and processing of applications for financial
- 867 support.
- 868
- 869 (c) For purposes of regional equity, the Board may differentiate Grants by region and
- 870 location.
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876 **Section 5 Effective Date**

877 This Act shall take effect immediately upon publication into handbills.

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ANY LAW TO THE CONTRARY NOT WITHSTANDING.

2015

FOURTH SESSION OF THE FIFTY-THIRD  
LEGISLATURE OF THE REPUBLIC OF LIBERIA

HOUSE'S ENDORSEMENT TO SENATE'S ENGROSSED  
BILL NO. 15 ENTITLED:

“AN ACT TO ESTABLISH THE RURAL RENEWABLE  
ENERGY AGENCY

On motion, Bill read. On motion, the Bill was adopted on its  
first reading and sent to Committee Room on Thursday, March  
20, 2014 @ 13:38 G.M.T.

On motion, Bill taken from the Committee Room for its second  
reading. On motion, under the suspension of the rule, the  
second reading of the Bill constituted its third and final reading  
and the Bill was adopted, passed into the full force of the law  
and ordered engrossed today, Thursday, June 18, 2015 @  
12:45 G.M.T.

  
CHIEF CLERK, HOUSE OF REPRESENTATIVES

2014

THIRD SESSION OF THE FIFTY-THIRD LEGISLATURE OF  
THE REPUBLIC OF LIBERIA

SENATE'S ENGROSSED BILL NO. 15 ENTITLED:

“AN ACT TO ESTABLISH THE RURAL RENEWABLE ENERGY  
AGENCY”

On motion, Bill read. On motion, the Bill was adopted on its first reading  
and sent to Committee Room on Thursday, January 16, 2014 @ 11:45  
G.M.T.


On motion, Bill taken from the Committee Room for its second reading.  
On motion, under the suspension of the rule, the second reading of the  
Bill constituted its third and final reading and the Bill was adopted,  
passed into the full force of the law and ordered engrossed today,  
Tuesday, March 18, 2014 @ 12:22 G.M.T.

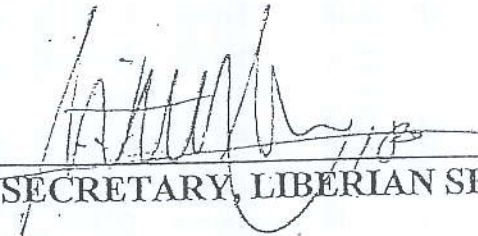
  
SECRETARY, LIBERIAN SENATE, R.L

**2015**

**ATTESTATION**

**“AN ACT TO ESTABLISH THE RURAL RENEWABLE ENERGY AGENCY”**

  
\_\_\_\_\_  
VICE PRESIDENT OF THE REPUBLIC OF LIBERIA/PRESIDENT OF  
THE SENATE

  
\_\_\_\_\_  
THE SECRETARY, LIBERIAN SENATE

  
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THE SPEAKER, HOUSE OF REPRESENTATIVES

  
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THE CHIEF CLERK, HOUSE OF REPRESENTATIVES, R. L.





THE SECRETARY OF THE SENATE



# The Liberian Senate

CAPITOL BUILDING, CAPITOL HILL, MONROVIA, LIBERIA  
WEST AFRICA

E-mail: [singbehlibsen@hotmail.com](mailto:singbehlibsen@hotmail.com)

## 2015

FOURTH SESSION OF THE FIFTY-THIRD LEGISLATURE OF THE  
REPUBLIC OF LIBERIA.

SCHEDULED OF SENATE'S ENROLLED BILL NO. 6 ENTITLED:

“AN ACT TO ESTABLISH THE RURAL RENEWABLE ENERGY AGENCY”

PRESENTED TO THE PRESIDENT OF THE REPUBLIC OF LIBERIA FOR  
EXECUTIVE APPROVAL.

APPROVED THIS 6<sup>th</sup> DAY OF July A.D. 2015  
AT THE HOUR OF 5:45 P.M.

THE PRESIDENT OF THE REPUBLIC OF LIBERIA