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د اداری فساد پروړاندې د مبارزې د څارنې او ارزونې خپلواکه گډه کمیته
Independent Joint Anti-corruption Monitoring and Evaluation Committee

Press Release

Follow-Up Report of the Vulnerability to Corruption Assessment in Da Afghanistan Breshna Sherkat

Kabul, Afghanistan, 8 July 2019:

Today, the Independent Joint Anti-Corruption Monitoring & Evaluation Committee (MEC) publishes its Follow-Up Report of the VCA in Da Afghanistan Breshna Sherkat. In 2017, MEC conducted a comprehensive assessment in DABS and identified several weaknesses and vulnerabilities to corruption.

The identified vulnerabilities included the existence of **regulatory and legal ambiguities** due to inconsistent and partly contradicting legislative documents. Additionally, DABS employees had the discretion to **charge commercial customers the substantially lower residential prices** per kW in exchange for a bribe. Moreover, DABS was assigning one meter-reader to read several hundred meters per day. As this is not accomplishable, the meter-readers were roughly estimating the consumption and billing the customers accordingly. Furthermore, customers had to pay a penalty for late payments despite not being responsible for the delay. **Powerful people and Government institutions** had liabilities from **unpaid electricity bills** for several years.

As a result of this VCA, MEC issued 65 recommendations to DABS and 3 Government institutions, including Ministry of Justice (MoJ) and Ministry of Finance (MoF). After the release of MEC's VCA Report, DABS has established an implementation team to review and assess MEC's recommendations and start their implementation. In the past 18 months, DABS has been a responsive and cooperative partner for MEC and provided regular update on the implementation of MEC's recommendations.

The new State Owned Cooperation Law (SOC Law) was endorsed on 5th September 2018. All current State Owned Enterprise (SOEs) and SOCs should develop a new Charter and convert to a SOC under the new SOC Law. This will help clarify the legal status of DABS as a new SOC and remove the existing ambiguity about the applicable laws and regulations.

In order to collect its receivables of unpaid electricity bills, DABS has started several initiatives, including meetings with political figures and **collecting electricity payments**, disconnecting the power supply [of violators] across the country and monitoring them, conducting *Hashar* [collective campaigns] in the Provinces, establishing local monitoring groups and creating a committee for accelerating collection of receivables that reports to the President. Fifty-four new meter-readers have been hired during 1397 (2018) in Kabul and 7 other Provinces. DABS also put in place additional measures to reduce the discretion of meter-readers and identify violating customers. During 2018 (1397), 131,628 analogue meters have been replaced by digital meters. These control mechanisms have resulted in reducing wastage of electricity from 38% to 33%.

DABS has also taken several initiatives to reform HR and Procurement Departments and broaden its IT systems (M-Power IMS) to cover more Provinces.

While acknowledging the mentioned progress and achievements of DABS, MEC would like to urge the necessity of more efforts for reform, particularly the acceleration of mobile payments of electricity bills and a solution for Government institutions' unpaid electricity bills, which are pending for several years.

MEC will continue monitoring the implementation process of its recommendations with DABS and other involved institutions and provide the necessary support.

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