

Conclusions on the review of the 1st Compliance Report

Compliance and Ethics Sub-Committee

Based on the review of the 1st Compliance Report that incorporated the preliminary findings of the Office of Auditor General for the fiscal years 2016/17, 2015/16 and 2014/15, internal audit findings and the findings of the compliance unit. The sub-committee based on its review on the 5th and 6th meeting dated 16th November, 2018 and 26th November, 2018 respectively has drawn upon the following conclusions:

1. The sub-committee recommends AEPC management to settle the arrears amount as per the preliminary report of OAG with utmost priority. The status of the arrears amount shall be reviewed post completion of the first trimester compliance review report scheduled for December 2018.
2. It is noted substantial progress has been achieved on OAG's findings on the 55th OAG Annual report, 2074 specifically in the area of
 - a. The legal status of AEPC where the Ministry has formulated a drafting committee for the preparation of renewable energy promotion bill, the bill has been prepared by the drafting committee. Recent amendment of the AEPC formation order has also significantly addressed the sustainability of the organization.
 - b. In terms of diversifying risk on the fund present at CREF, the process of fund management via a call on liquidity management and now the fund is being management among 13 Class A commercial banks.
3. In the case of the recommendation of the IT audit, a follow-up audit is required to ensure the implementation of the said recommendation
4. The sub-committee also recommends management to settle the arrears which are related to policies and principles as appropriate. The status of principle arrears shall be reviewed post completion of the first trimester compliance review report scheduled for December 2018.