



NASSCORP

2012

ANNUAL REPORT

Executive Summary

I. Introduction

In adherence to the institution's statute, the Management of the National Social Security and Welfare Corporation, under the supervision of the Board of Directors, is required to submit an annual report to the President of Liberia. This report covers the period January 1 to December 31, 2012. The report catalogues the operational and financial performance, key activities and milestones for the period. The report also highlights major challenges and presents Management's perspective and outlook for the coming year.

The performance of the corporation is evaluated and measured in the context of broader national objectives and priorities addressing issues on economic development and poverty alleviation, etc. The year 2012 marks the fourth year of the corporation's Five-year Strategic Plan which established an aggressive agenda for rebuilding the National Pension Scheme following a protracted period of civil crisis. This year's report clearly reaffirms the growing confidence that employees and employers have in the revived social security program of Liberia.

II. Background

Established by an act of the National Legislature on July 10, 1975, the National Social Security and Welfare Corporation (NASSCORP) is mandated to administer three schemes: the Employment Injury Scheme (EIS), the National Pension Scheme (NPS) and the Welfare Scheme (WS). The Employment Injury Scheme and the National Pension Scheme are both contributory and fully operational. The Welfare Scheme on the other hand, which is a non-contributory scheme, is still not operational requiring funding by the Government.

The social security program of Liberia as established by the Act creating NASSCORP is a tripartite arrangement amongst the Government, Employers and Employees. The accounts and financial statements of the EIS and NPS, in accordance with the Act, are kept and prepared separately before consolidation. This report presents the consolidated results of both schemes for the specified reporting period.

III. Corporate Mission

Our mission is to develop NASSCORP into a functional first rate pension institution to provide social protection and economic security for the Liberian worker and attendant vulnerable groups in the society.

IV. Corporate Vision

Our vision is to effectively formulate and implement sustainable income replacement schemes to enhance the scope of social protection mandated by the social security law to cover critical social risks in the Liberian workforce.

2012 HIGHLIGHTS

Board of Directors

- A new Board of Directors was reconstituted by the President of Liberia with the appointment of Mr. Francis A. Dennis as Chairman.
- Mr. Francis M. Carbah resigned as Director General of the corporation.

Membership and Contribution

- A total of 1,694 new employees from 189 new entities were registered into the scheme during the period. This represents an increase of 65.4% over those registered during the previous year.
- Overall membership in the Schemes as at 31 December 2012 stood at 100,131.
- Total contribution receipts in 2012 amounted to US\$ 19,440,913.02, representing a 25.4% increase over 2011.
- Total arrears in 2012 amounted to US\$5,808,353 million compared to US\$11,094,168 million in 2011.
- Total contribution arrears owed by GOL in 2012 amounted to US\$3,742,719.24.
- Total number of beneficiaries increased by 4.4% from 5,196 in 2011 to 5,425 in 2012.

Benefits and Pensioners

- Total amount paid out in benefits in 2012 amounted to US\$ 3,245,850.66, indicating an increase of 18.8% over that paid out in 2011.
- Total benefits paid out comprised US\$2,981,347.04 or 91.9%, under the Pension Scheme and US\$264,503.62 or 8.1%, under the Employment Injury Scheme.
- As at 31 December 2012, a total of 2,238 business establishments were covered under the program.

Funds & Investment

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- The total investment portfolio of NASSCORP decreased by 26.11% from US\$5.3 million in 2011 to US\$3.9 million in 2012.
- Return on investment was 77.8% in 2012 compared to 24.0% in 2011.

Institutional Reform

- Completed the actuarial review of the NPS and EIS schemes setting out the parameters for a sustained program.
- Planning comprehensive program for reform is being finalized to be presented to the President and Cabinet;
- Subject to the approval of the President, commencement of consultations with various stakeholders on proposed reforms to the social security program will ensue.

External Relations

- NASSCORP successfully hosted the ISSA (International Social Security Association) regional Technical Conference on the Adequacy of Social Security Benefits attended by over 35 participants from countries around Africa.
- The ISSA Conference was the first to be held in Liberia since its membership in the organization in 1986 and paves the road for Liberia's leadership role in the organization regionally. The total membership of the Geneva based ISSA is comprised of about 340 organizations from more than 170 countries worldwide including nearly all African countries.

Organizational & Human Resource Development

- Implemented targeted training and study tours for middle level and senior management at major social protection academic institutions and universities on the continent involving 117 staff. Training programs covered included Information Technology, Records Administration, Monitoring and Evaluation and Social Protection Financing.

Insurance Division

The Insurance Division performs the core functions of the National Social Security Program in Liberia. These include the enrollment of contributors into the schemes, the recording and maintenance of accurate and adequate contribution payments, and the processing of claims for settlement of benefits to insured persons. The Division is comprised of three departments: (a) Registration, (b) Contribution Records, and (c) Claims and Benefits.

Management’s commitment to ensuring that all employees of the public sector and qualified business entities registered in the Country are covered under the Social Security Program is manifested through its vigorous re-documentation and enrollment program in close collaboration with the newly created Liberia Business Registry.

Over the current year, 189 new entities with 1,694 employees were registered and insured, respectively from both the public and private sectors. This year’s new entrants indicate an increase of 65% over total enrollment of 2011.

Also, the department re-documented the total of 12,438 insured employees from the public and private sectors during the reporting period. This brings to 100,131 the cumulative coverage under the Schemes of registered and re-documented contributors.

Table 1 provides the statistics of the number of employees successfully re-documented as well as new enrollments for the period 2008—2012.

Table 1: Statistics of Redocumented /Annual Enrollment of Contributors

Year	Re-documented/ Annual Enrollment	Cumulative Enrollment
2008	4,262	4,262
2009	32,622	36,884
2010	32,444	69,328
2011	16,671	85,999
2012	14,132	100,131

Reviewing its records of services to beneficiaries and members of the Schemes during the period under review, the Corporation processed 2,268 or 47% of 4,847 new claims received. 29% or 1,064 of the processed claims involved old age pensions while the rest were employment injury related.

Financial Performance

➤ *Receipts*

Revenues of the Corporation comprise contribution payments and income from investments and other sources. Total gross revenue for the current year amounted to US\$20,437,133.06 or its Liberian Dollar equivalent of L\$1,497,757,612.40. Contribution receipts totaled US\$19,440,913.02 or L\$1,406,405,464.08, while income from investments and other sources amounted to US\$996,220.05 or L\$71,728,164.16. Accordingly, gross revenue in 2012 reflects an increase of 27% over that realized in 2011. The trend of total receipts for the period 2010—2012 is presented in Figure 1 below:

Figure 1: Trend of Total Receipts

During the period in review, contributions collected from registered employers on behalf of their insured employees comprised 95% of the Corporation's total receipts. This year's contributions represent an increase of 21% over contributions collected in 2011. The improvement is attributable to an upsurge in the number of business entities coupled with adjustment in the wages of civil servants' salaries during the period. The robust contribution collection mechanism now in place also informed said improvement.

➤ *Expenditure*

Expenditure under the Program comprises of disbursements for pension related benefits, work injury benefits, and administrative costs. Consequently, disbursements to beneficiaries in respect of benefit payments, in 2012 totaled US\$3,245,850.66 or its Liberian dollar equivalent of L\$237,811,266.32.

Compared to 2011, disbursements relating to payments of benefits and settlements of medical claims in 2012 increased by 18.8%.

Benefits and medical claims paid by the Corporation over the last three years are captured in Figure 2 below.

Figure 2: Benefits Payments for the Period 2010--2012

In a bid to ensure that the day-to-day operation of the Program is enhanced unabated, management continues to put in place administrative procedures and policies aimed at controlling the year-on-year level of administrative expenditure. To this end, the Corporation incurred the total amount of US\$6,792,047.16 or its Liberian Dollar equivalent of L\$495,819,442.86 or 33.1% against total receipts, as administrative expenditure during the

reporting period. This amount reflects a slight increase by 1.9 percentage points compare to that incurred in 2011.

Investing in the Economy

Like most social security institutions the world over, NASSCORP regards investment returns as a cushion reserve for claims settlement in the event of unforeseeable high benefit demands by pensioners. Over the last six years the Corporation has had undulating investment portfolios. Accordingly, the review period witnessed the approval of total investment portfolio in the amount of US\$3.94 million. This is in contrast to US\$5.33 million portfolio approved in 2011. Although this year's portfolio reflects a decline by 26%, yet it is chiefly driven by acquisition of landed properties and their development as well as investment in equity.

The trend of the Corporation's portfolio is graphically depicted in Figure 3 below.

Figure 3: Corporate Investment Portfolios

In addition to new investments, Management continued the divestiture and liquidation of non-performing assets whose poor performance has been a drain on corporate resources. Proceeds from liquidated assets are being channeled to more productive ventures with better returns. Risks management and diversification remain two of the principal criteria in our investment decision.

Introduction

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The performance of the corporation is evaluated and measured in the context of broader national objectives and priorities addressing issues on economic development and poverty alleviation, etc. The year 2012 marks the 4th year of the corporation's Five-year strategic plan which established an aggressive agenda for rebuilding the National Pension Scheme following a protracted period of civil crisis. This year's report clearly reaffirms the growing confidence that employees and employers have in the revived social security program of Liberia.

II. Background

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The social security program of Liberia as established by the Act creating NASSCORP is a tripartite arrangement amongst the Government, Employers and Employees. The accounts and financial statements of the EIS and NPS, in accordance with the Act, are kept and prepared separately before consolidation. This report presents the consolidated results of both schemes for the specified reporting period.

III. Corporate Mission

Our mission is to develop NASSCORP into a functional first rate pension institution to provide social protection and economic security for workers in Liberia and attendant vulnerable groups in the society.

IV. Corporate Vision

Our vision is to effectively formulate and implement sustainable income replacement schemes to enhance the scope of social protection mandated by the social security law to cover critical social risks in the Liberian workforce.

Activities

INSURANCE DIVISION

The Insurance Division performs the core functions of the National Social Security Program in Liberia. These include the enrollment of contributors into the schemes, the recording and maintenance of accurate and adequate contribution payments, and the processing of claims and settlement of benefits to insured persons. The Division is comprised of three departments as indicated herein: (a) Registration, (b) Contribution Records, and (c) Claims and Benefits.

i. Enrollment

Coverage under the National Social Security Program begins with the process of registration and issuance of identity card, bearing a unique identity number, to each insured person. The Registration Department is responsible to ensure that all employees in both the public and private sectors are registered. Management's commitment to ensuring that all employees of the public sector and qualified business entities registered in the country are covered under the Social Security Program is manifested through its mandate to the Registration Department to continue to implement its re-documentation and enrollment program in close collaboration with the newly created Business Registry.

Over the current year, the Registration Department registered and issued Social Security codes to 184 new entities in the private sector, and issued identity cards to 1,503 employees within their employ. Social Security codes were also issued to 5 new public sector employers, and issued identity cards to 191 employees in their employ. The department also re-documented 12,438 employees in 568 entities in both the public and private sectors. This brings the total coverage of members under the Schemes (including re-documented employees) to 100,131, representing an increase of 16.4% over 2011's figure of 85,999.

Of the 189 newly registered entities, 5 comprised public sector entities with 191 employees (135 males and 56 females), while 184 are private sector entities with 1,503 employees (1,223 males and 280 females).

Table 1 provides the statistics on the number of employees successfully re-documented as well as new enrollment from 2008 to 2012.

Table 1 Statistics on Re-documented, Annual and Cumulative Enrollments of Contributors

Year	Re-documented/ Annual Enrollment	Cumulative
2008	4,262	4,262
2009	32,622	36,884
2010	32,444	69,328
2011	16,671	85,999
2012	14,132	100,131

ii. **Claims & Benefits**

The processing of claims and payment of benefits are contingent on the quality and adequacy of records. Given the deplorable state of records up to 2006, Management in 2008 launched a vigorous campaign to re-document all employers and employees as well as register newly established entities and first-time employees.

In reviewing its records of services to beneficiaries and members of the Schemes during the period in review, the Corporation processed 2,268 of the 4,847 new claims received, through the Claims and Benefits Department. Of the number of processed claims, 1,064 involved pensions while 49 were employment injury related. This brings the total number of recurrent claims to 7,402 compared to 5,134 in 2011, reflecting a 44.2% increase.

Distribution of benefits paid according to benefit type is illustrated below in Figure 4.

Figure 4: Distribution of Benefits Paid by Benefit Type in 2012

The Medical Section verifies and authenticates medical bills submitted by employers that facilitate medical services to their employees who sustain job-related injuries, and arranges Medical Board sittings to determine the level of disabilities of insured injured employees. Accordingly, during the period under review, medical bills were paid for 1,155 insured employees from the public and private sectors. Total medical bills settled amounted to US\$82,764.04 (L\$408,931.22 and US\$77,219.96).

Figure 5: Benefits Disbursements: 2010—2012

iii. **Contribution Records**

Contribution Records Department reconciles contribution payment vouchers and maintains adequate and accurate records. Contributions are received from employers via either direct deposits at designated commercial banks or collection thereof by Regional Directors and authorized personnel. The department reported that it recorded, through vouchers received, a total of US\$17,702,471 (L\$228,277,185.85 and US\$14,575,386.89)¹. Of this amount, the private sector contributed L\$32,906,647.58 and US\$12,826,936.10, while the public sector contributed L\$195,370,538.27 and US\$1,748,450.79. These contributions were made by 1,036 registered contributing entities on behalf of 80,896 insured employees within the public and private sectors. Of the 1,036 contributing entities, 909 or 87% accompanied their contributions with payrolls (51 of them via internet and 858 sent hard copies) while 127 entities failed to send payrolls.

REGIONAL OPERATIONS

The primary functions of the Division are to: (a) supervise and coordinate the activities of regional directors in the performance of their duties, and in so doing it shall instruct regional directors to perform preliminary registration of unregistered entities and their employees; (b) supervise contribution collections from employers on behalf of their employees; and (c) perform initial verification and processing of claims.

During the period in review, the Division of Regional Operations coordinated and supervised the preliminary processing of registration of 66 employers with 1,665 employees, and 1,780 claims. Moreover, the Division coordinated and supervised the collection of US\$14,855,189.39 million and L\$222,446,314.68 million in contribution from both public and private sector employers on behalf of their employees.

Regional Offices

The regional offices are the sub-offices of the Corporation in the counties. There are nine regional offices, eight of which are currently operating as presented in table 2 below.

Table 2 Regional Offices and Their Locations

No.	Regional Office	Location
1	Region I-A (Private Sector)	Montserrat County
	Region I-B (Public Sector & NGOs)	

¹ L\$73 = US\$1

2	Region II	Grand Bassa & Rivercess Counties
3	Region III	Bomi, Cape Mount & Gbarpolu Counties
4	Region IV	Margibi County
5	Region V	Bong & Lofa Counties
6	Region VI	Nimba County
7	Region VIII	Grand Kru & Maryland Counties
8	Region IX	Sinoe County & Grand Gedeh Counties

The regional offices perform initial inspection and registration of entities, and carry out preliminary processing of claims that are submitted by or on behalf of insured employees. They transmit all documentations on registration and claims to the Division of Regional Operations for further review, which then submits same to the Insurance Division for final processing and settlement. The head of each regional office is authorized to collect monthly contributions from employers of registered entities on behalf of their insured employees. Table 3 below shows total contributions collected per region during the period under review.

Table 3 Comparative Analysis of Contributions Collected by Region: 2012 & 2011

Region	Contributions Collected per Region, January 1 – December 31				% Change of Contributions Collected	
	2011		2012			
	L\$	US\$	L\$	US\$	L\$	US\$
I-A	21,281,443.11	4,872,077.21	25,707,892.29	4,805,782.98	20.80	(1.40)
I-B	115,084,223.52	3,878,764.64	189,190,152.95	3,630,867.84	64.40	(6.39)
II	191,832.07	1,102,695.31	684,187.70	1,650,913.29	256.70	49.70
III	371,506.13	494,595.57	511,260.96	663,852.37	37.60	34.20
IV	2,840,910.14	2,278,236.00	3,894,147.52	2,488,938.74	37.10	9.20
V	2,755,433.20	137,537.02	1,467,191.90	267,347.80	(46.80)	94.40
VI	1,123,221.87	132,345.04	756,153.81	157,336.07	(32.70)	18.90
VIII	2,527,153.33	347,618.00	82,755.00	769,355.17	(96.70)	121.30
IX	112,858.73	181,742.42	152,572.55	420,795.13	35.20	131.50
TOTAL	146,288,582.10	13,425,611.21	222,446,314.68	14,855,189.39	52.06	10.65

INSPECTORATE

The Inspection Division has the responsibility to ensure that employers comply with the Social Security Law and Regulations. Inspection officers are empowered by law to enter the premises of any employer or place of business, during working hours, to request for documents and other records that may assist in the determination of contribution liabilities. Additionally, the Division has the responsibility to look out for unregistered entities to ensure that they are registered, and contribution obligations determined and established.

During the year in review, officers of the Inspection Division carried out inspections on 992 entities in both the public and private sectors, and established a total contribution receivable in the amount of L\$1,213,363,542.57 or US\$16,826,689.55 (L\$134,458,337.13 and US\$14,984,794.52).

Financial Performance

Revenues of the Corporation comprise contribution payments and income from investments and other sources. Total gross revenue for the current year amounted to US\$20,437,133.06. Contributions receipts totaled US\$19,440,113.02 (US\$16,192,188.34 and L\$240,567,903.60), while income from investments and other sources amounted to US\$996,220.05 (US\$996,063.81 and L\$11,569.84). Gross revenue receipts in 2012 reflect an increase of 27% over that recorded in 2011. Growth pattern in total receipts is illustrated in Figure 6 below.

Figure 6: Trend of Total Receipts

Contribution Receipts

Contributions make up 95% of the Corporation's revenues with the balance being income from investment and other sources. This year's contributions represent an increase of 21% over contributions collected in 2011. The improvement is attributable to an upsurge in the number of business entities coupled with adjustment in the wages of civil servants' salaries during the period. The robust contribution collection mechanism now in place also informed said improvement. Continued growth in contributions is anticipated in the foreseeable years due to the imminent steady expansion of the economy in the mining and agricultural sectors by some multinational corporations. See contribution's composition of total receipts below.

Figure 7: Contributions as a Major Factor of Total Receipts

Benefit expenditures comprise disbursements for pension benefits, settlement of non pension claims, as well as insured employees' medical expenses. Consequently, disbursements to beneficiaries in respect of benefit payments and medical expenses paid on behalf of insured employees, in 2012 totaled US\$3,245,850.66 (L\$60,368,084.59 and US\$2,429,801.60).

Benefits disbursements in 2012 increased by 18.9% vis-à-vis the previous year (2011). This is attributed to the increase in the number of claims received and processed during the period under review.

Benefits and medical claims paid by the Corporation over the last three years are captured in Figure 8 below:

Figure 8: Three-year Trend of Benefits Outgo

Administrative expenditure, which entails the day-to-day operation of the Program as well as that of the Corporation, constitutes a core segment of total expenditure incurred over the period in review. To this end, the Corporation expended US\$6,792,047.16 on administrative expenditure during the reporting period. This amount is 33.2% of total receipts, and reflects an increase of 1.9 percentage points over 2011. The slight increase is a consequence of continued automation of the claims and benefits processing being carried out in a bid to significantly streamline the processing time of claims, as well as other meaningful administration of the Program.

The audited financial statement of the Corporation covering the financial year 2011/2012 is reflected below.

Investing in the Economy

Like most social security institutions the world over, the management of NASSCORP is cognizant of the fact that investing a portion of the excess reserves of contribution receipts is pivotal to the effective administration of any security program. Returns on investment provide a cushion for settlements of claims in event of unforeseeable high benefit demands by pensioners. Consequently, over the last six years, the corporation has had undulating investment portfolios. Accordingly, the review period witnessed the approval of total investment portfolio in the amount of US\$3.94 million. This is in contrast to US\$5.33 million portfolio approved in 2011. Although this year's portfolio reflects a decline by 26%, yet it is chiefly driven by acquisition of landed properties and their development, as well as investment in equity.

Risk management and diversification remain two of the principal criteria in our investment decision. Accordingly, in addition to new investments, management continued the divestiture and liquidation of non-performing assets whose poor performance has been a drain on corporate resources. Proceeds from liquidated assets are being channeled to more productive ventures with better returns.

The trend of the corporation's portfolio is graphically depicted in figure 6 below.

Figure 6: Trend of Investment Portfolios from 2007 to 2012

Internal Audit Department

The Internal Audit Department serves as the corporate monitor for established internal controls. The Department is headed by a Chief Internal Auditor who reports to the Board of Directors.

During the period in review, the Department carried out its routine functions of verifying contributions collection reports and the corresponding cash deposits with the various banks. The Department also took inventory of assets and verified the delivery of goods that were purchased with the view of ensuring accuracy and transparency. Additionally, the Department monitored daily expenditures including payments to beneficiaries to ensure that expenditures were in line with budgetary allocations. Consequently, the Department verified and certified 542 purchase orders, 956 beneficiary monthly and annual payrolls, as well as 183 medical bills from the Medical Section within the Claim and Benefit Department.

Legal Services and Defaulters Department

The Legal Services and Defaulters Department provides in-house legal advice on operational and administrative matters, as well as other issues that may have legal ramifications. During the period in review, the Department in collaboration with the external legal counsel handled 10 (ten) legal cases on behalf of the Corporation.

ADMINISTRATION DIVISION

The Administration Division is responsible to deal with the personnel aspect of the Corporation and manage the logistical requirements of its operational activities. The Division is headed by an Assistant Director General who supervises the activities of two departments: Human Resources and General Services, with thirty support staff.

i. Human Resources Department

The Human Resources Department is responsible for the recruitment and placement of qualified staff to ensure that the Corporation’s functions are carried out effectively and efficiently.

During the year in review, the Human Resources Department recruited 21 new employees, thereby increasing the total number of employees from 266 at the beginning of the year to 287. However, before the close of the year, eleven (11) employees resigned their positions, seven (7) employees were retired and four (4) employees died; thus bringing the total number of employees at the close of the year to 265. Table 4-A below presents the changes in the number of employees from January 1 – December 31, 2012; and Table 4-B presents the male to female ratio during the period.

Table 4-A Change in number of employees from January 1 - December

Employees at the start of year	New recruitment	Total	Resignation	Retired	Death	Employees at the end of the year
266	21	287	11	7	4	265

Table 4-B Male to Female ratio from January 1 – December 31, 2012

Start of the year		End of the Year	
Male	Femal e	Male	Female
198	68	210	77

Obituary

The management of NASSCORP regrets to announce the demise of four (4) of its employees during the year in review. The four (4) employees were Mr. James Kollie Akoi of the General Services Department, Mr. Kollie T. Zoeboi of the Administration Division, Mr. Joseph B. Kposowa of the Public Affairs Department and Mr. Alfred Paye of Region VI.

ii. General Services Department

The General Services Department is responsible for providing technical support to the operations of NASSCORP. Additionally, it performed the functions of procurement, maintenance and logistical activities that enable the Corporation to perform its statutory mandate.

During the period under review, the General Services Department processed Purchased Order (PO) to the tune of US\$2,232,186.56 (two million two hundred thirty two thousand one hundred eighty six United States Dollars and fifty six cents). This amount was expended largely on the purchase of vehicles, generators and fuel; and it accounted for 31% of total purchases during the period.

PUBLIC INFORMATION, EDUCATION AND TRAINING

The Public Information, Education and Training (PIET) Division is responsible to create awareness and educate the public about the Schemes, and in collaboration with the Human Resources Department, strengthen the human resource capacity of the Corporation. The Division comprises three departments: Public Affairs, Public Education, and Training.

i. Public Affairs Department

The Public Affairs Department is responsible to sensitize and promote public awareness and understanding of the role and functions of the social security program in Liberia. It also has the responsibility to present a favorable image of NASSCORP. During the reporting period, the Department planned and executed twenty-one public awareness activities through the print and electronic media.

ii. Public Education Department

The Education Department has the responsibility to educate employers and insured employees about the Schemes. During the period in review, the Department conducted educational workshops at three different localities for employers in both the public and private sectors. In an effort to increase the level of public awareness, 500 Employers' Guide were produced and distributed to 500 employers in the public and private sectors.

iii. Training Department

The Training Department is responsible to coordinate staff development activities with the Human Resources Department and the Monitoring and Evaluation Division. The Department organized and coordinated nine local training for 134 employees, three foreign training for fifteen employees, and one foreign orientation workshop on NASSCORP's operations and general procedure for six employees during the reporting period.

MONITORING AND EVALUATION DIVISION

The Monitoring and Evaluation Division is responsible to develop key indicators for corporate performance. The Division measures performance of units of the Corporation and undertakes impact evaluation of the Schemes; provides Management with information to determine the level of productivity and shortfall so as to take remedial measures. The Division comprises two departments: Safety and Risk Management, and Information Technology.

i. Safety and Risk Management Department

The Safety and Risk Management Department is responsible to provide advice to employers and employees about safety standards at work places. However, due to the difficulty

experienced by first timer beneficiaries, many of whom cannot read and write, in following the established procedure for receiving their first payments, the Department continued to remain seconded to the Finance Division to assist in the disbursement of checks to legitimate beneficiaries in order to prevent and discourage fraud. In this regard, the Department assisted with the disbursement of checks to 1,400 beneficiaries, amounting to US\$606,588.40 and L\$12,421,773.55, during the period under review.

ii. **Information Technology Department**

The Information Technology (IT) Department is responsible to design and manage the system administration. In this vein, the Department has the responsibility to analyze and produce appropriate specification documents to expedite the work of the various operating units within the corporation. In line with its duties and responsibilities, the IT Department successfully handled 819 technical problems relating system or computers' malfunctioning, out of 832 requests received during the reporting period. The IT Department also supervises the Bi-coding Section that was established in August 2012 to bi-code all employers and employees. During the period in review, the Section bi-coded 33,913 insured employees from 270 entities.

Research and Actuarial Department

The Research and Actuarial Department is responsible to gather, compile, analyze and interpret relevant data relative to the operation of the Schemes. The Department also serves as a liaison between the Corporation and international bodies such as the International Social Security Association (ISSA) and the International Labour Organization (ILO) with which the Corporation holds membership.

During the reporting period, the Research and Actuarial Department updated Liberia's social security data and provided the necessary information to ISSA and ILO for publication in ISSA's yearly publication "Social Security Programs throughout the World (SSPTW)", which is published and distributed to member institutions.

The Research and Actuarial Department also updated beneficiary data collection template that is designed to capture beneficiary data for actuarial review of the schemes. In furtherance of the exercise to update beneficiary data, the Department effectively supervised ten (10) contractors and captured information from 5,134 pensioner beneficiary files.

Further, the Department undertook a research exercise from October 16 – 24 2012, to determine the veracity of claims by certain agencies of government that are said to be paramilitary institutions by the very nature of the task they perform. The findings of the research established that indeed the Acts establishing those agencies squarely placed them in the category of paramilitary organizations. The agencies on which information was gathered are: Ministry of National Security, Liberia National Police, National Security Agency, Bureau of Immigration and Naturalization, National Bureau of Investigation, Liberia National Fire Service and Drug Enforcement Agency.

Corporate Achievements

The following milestones were achieved during the year in review:

Operations

- Current on the payment of benefits to all categories of beneficiaries;

Funds and Investment

- Return on investment was 77.8% in 2012 compared to 24.0% in 2011, even though the total investment portfolio decreased by 26.11%.

V. Challenges

In the execution of its statutory responsibilities, the Corporation has encountered a number of challenges, prominent among which are:

- Delay in receiving payment of Government's 4.75% contribution on behalf of its employees;
- Increasing need and urgency to extend social protection coverage to a rapidly growing informal sector; and,
- Implementing adjustments in the pension scheme to ensure that current benefits provide minimum level of sustenance to retirees;

VI. Recommendations

We advance the following recommendations:

- That the Government of Liberia prioritizes the settlement of its outstanding commitments to NASSCORP; and,
- Government, strongly support as a matter of priority, NASSCORP's participation in major infrastructure investments in the country as a means of broadening the participation and ownership by Liberian workers and citizens.

VII. Future Plans

In the year 2013, the Management of the National Social Security & Welfare Corporation intends to undertake the following activities:

- Finalize comprehensive proposal to the Government for the reform of the Social Security Program in Liberia;
- Initiate new investment for continued growth and strengthening of the Program's financial capacity with emphasis on long term medium-large scale projects;

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- Diversify and expand the Corporation's sources of funding applying structured financing and leverage fully utilizing the Corporation's existing asset base and capital structure; and,
- Break grounds for the construction of NASSCORP's Headquarters on the 24th Street property.