



Islamic Republic of Afghanistan
Ministry of Finance
Macroeconomics and Fiscal Policy Directorate General

Second Cash Management Committee
Meeting Minutes
April 03, 2019

The meeting was held to discuss revenue collection performance, budget execution, and foreseeable pressures on budget, expenditure control, and overall cash management issues.

The following decisions were made

Revenue collection

1. The ARD and the ACD to work on what is needed in LTO, MTO, STO, Customs and Mustofiats to improve their revenue collections, identify constraints, and propose solutions to the next CMC meeting;
2. Integrate ASYCUDA and SIGTAS to AFMIS to remove discrepancies in the data recording. As an immediate step, departments shall coordinate on data reconciliation issues;
3. Issue an official letter to data recording officers to immediately record data into the system. The letter shall be signed by H.E. the Minister and shall include clear instructions and penalization of acts of delays if any in the recording process;
4. DM Raqeebi and DG Popal shall visit individual custom houses in order to consult them on what issues they face and how best to resolve them. A plan shall be developed in this regard.

Budget Performance

Operating Budget

1. Hold a meeting with line ministries and agencies to identify which ones did not pay their salaries on time;
2. To manage the foreseeable budgetary pressures, currently estimated at Afs 40 billion, due to development budget contracts, pension, and budget allocations to ATRA; a plan shall be developed by the budget department to see where savings could be



made. The saving potentials are in electricity consumption, purchase of goods and services, and mergers of different agencies;

Development Budget

1. The budget department shall inform all line ministries and agencies to execute their budget by the end of Month 6 by 50 percent. In the absence of which, their budget allocations will be reduced during the midyear budget 2019.
2. Since MUDL's is now responsible for construction work, ministries and agencies relevant development budget shall either be retained as savings that could be allocated to (i) manage the upcoming budgetary pressures or (ii) allocated to MUDL if needed and justified.



Fiscal Performance in 2019

Macroeconomics and Fiscal Policy Directorate General

April 3, 2019

Revenue Collection

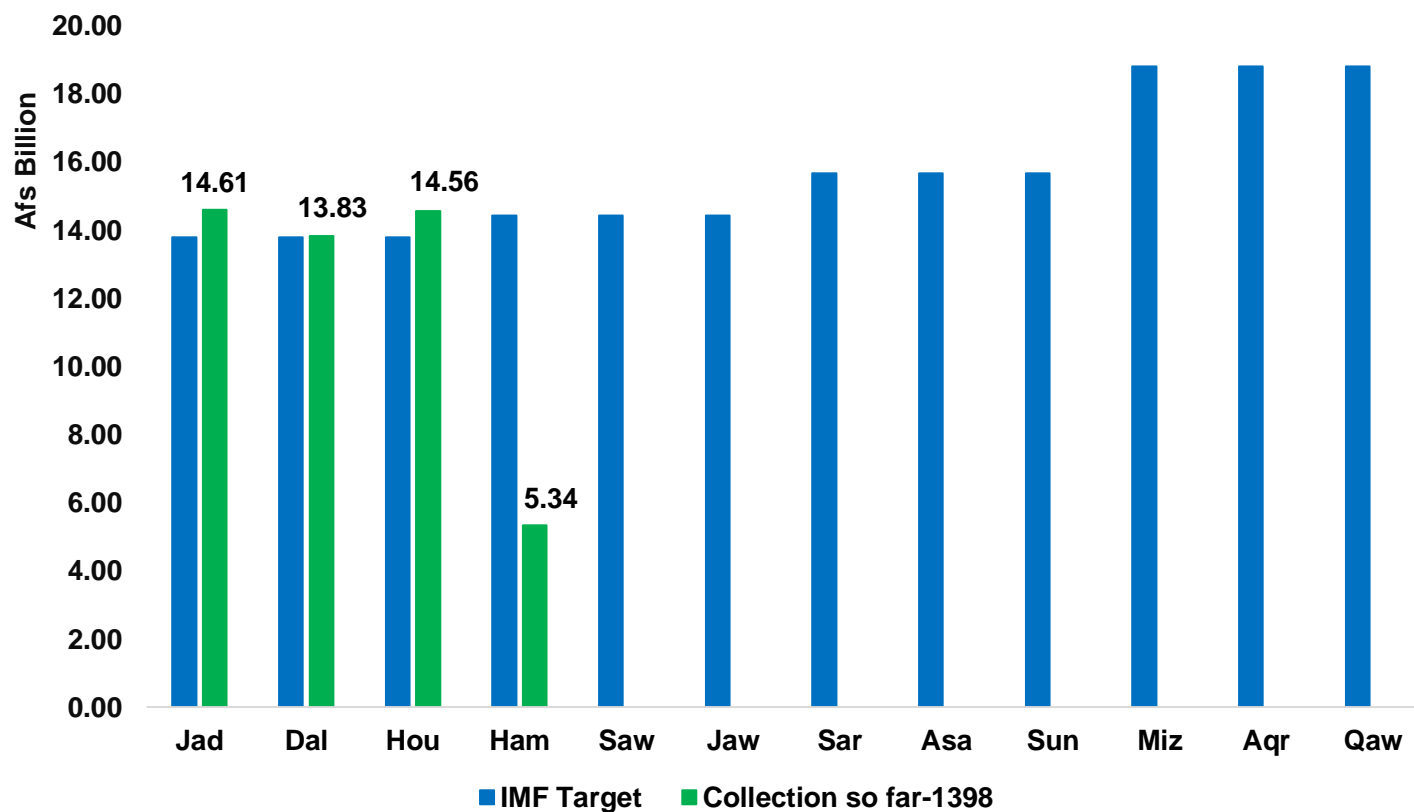
Based on RMIS database

Agencies	IMF Target	Actual Collection (bn)	Actual Vs IMF target
Custom	79.8	20.34	27.9%
Ministries	39.8	6.71	18.5%
Mustofiat	18.5	4.49	26.5%
LTO	30.5	6.97	25.0%
MTO	15.9	3.79	26.1%
STO	3.5	0.94	29.7%
Unclassified	0	4.60	0%
Total	188.06	47.84	25.4%

Based on AFMIS database

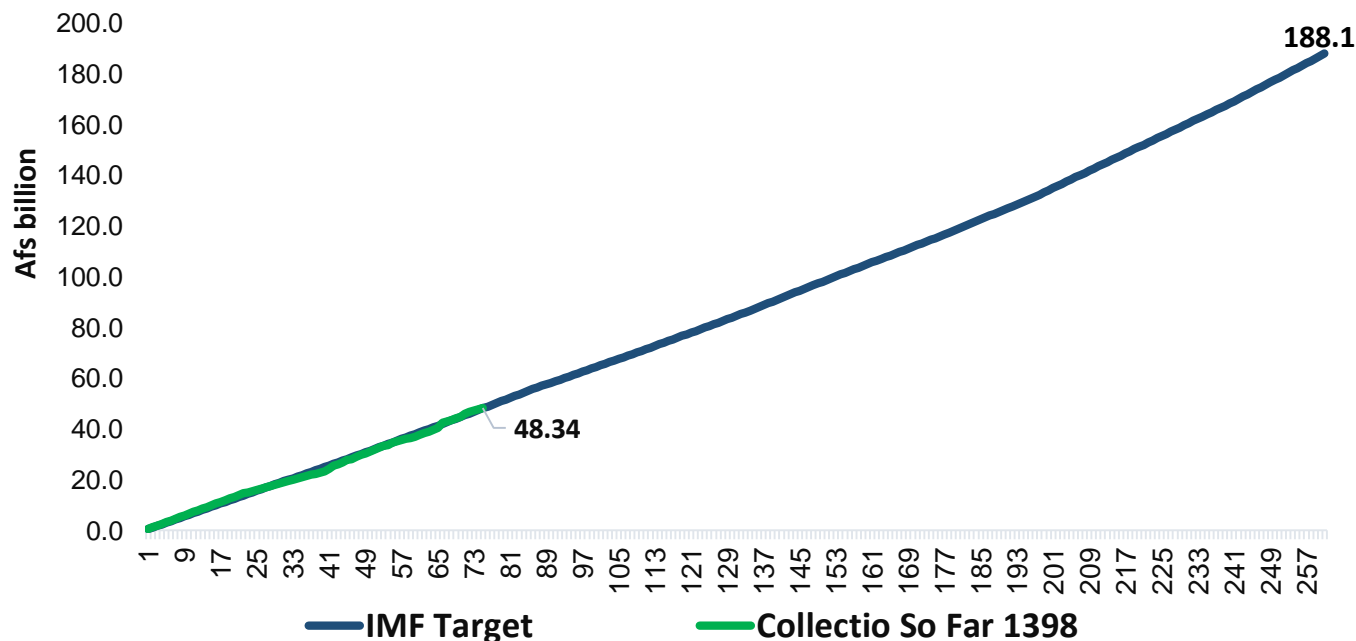
Agencies	IMF Target	Actual Collection (bn)	Actual Vs IMF target
Custom	79.8	13.113	20.6%
Ministries	39.8	8.742	27.5%
Mustofiat	18.5	2.971	20.1%
LTO	30.5	6.965	28.6%
MTO	15.9	3.952	31.2%
STO	3.5	0.354	13%
Unclassified	0	12.241	0%
Total	188.06	48.34	25.7%

Monthly collection Vs targets *(based on AFMIS data)*



Collection in the first three months were Afs 1.62 billion more than the IMF/Budget target

Daily Revenue Collection vs Target 1398



Collection so far is Afs 48.34 billion; However, Afs 48.2 billion should have been collected as per the IMF Target of 1398.

Revenue collection to date and comparison with last year

Based on RMIS database

Revenue collection to date-compared to same period of last year (Afs billion)			
1397	1398	Change in value	Change in %
43.72	47.84	4.1	9.42%

Revenue Forecast: Based on the three months' collection FY-1398

- Linear Trend : Afs 172.93 billion.
- Reflecting current collection trend: Afs 195.39 billion.
- Pattern: Afs 186.21 billion

	Actual			Forecast									
Billion Afs	Jad	Dal	Hou	Ham	Saw	Jaw	Sar	Asa	Sun	Miz	Aqr	Qaw	TOTAL
Linear Trend	14.61	13.83	14.56	14.29	14.27	14.50	14.35	14.45	14.49	14.47	14.55	14.55	172.93
Growth Trend	14.61	13.83	14.56	15.00	15.45	15.91	16.39	16.88	17.39	17.91	18.45	19.00	195.39
Pattern	14.61	13.83	14.56	15.04	14.26	17.75	14.69	13.97	14.13	15.09	15.73	22.55	186.21
Actual FY-1396	13.34	10.99	13.58	14.65	12.36	14.74	15.51	13.04	17.84	16.62	23.48	23.76	189.91

Revenue collection by Agencies – based on RMIS

The following tables show top largest agencies based on Revenue collection

Top 10 Ministries based on Revenue collection - (Million Afs)					
#	Name	IMF Target	Actual	% Rev Collection	% Share
1	Ministry of Communication Information Technology	5,870.3	1,857.6	31.6%	27.7%
2	Ministry of Interior Affairs	5,118.8	1,291.0	25.2%	19.2%
3	Ministry of Foreign Affairs	4,079.6	825.4	20.2%	12.3%
4	Civil Aviation Authority	8,390.2	820.8	9.8%	12.2%
5	Afghanistan Railway Authority	2,714.7	609.4	22.4%	9.1%
6	Ministry of Labor Social Affairs Martyrs and Disabled	2,271.5	582.5	25.6%	8.7%
7	Ministry of Finanace	391.8	163.5	41.7%	2.4%
8	Supreme Court	565.8	132.8	23.5%	2.0%
9	Ministry. of Trasport	677.8	118.4	17.5%	1.8%
10	Ministry of Public Health	143.0	58.6	41.0%	0.9%

Top 10 Mustofiats based on Revenue collection (Million Afs)					
#	Name	IMF Target	Actual	% Rev Collection	% Share
1	HERAT	3,176.6	880.6	27.7%	19.7%
2	BALKH	2,431.1	548.8	22.6%	12.2%
3	NANGARHAR	2,341.6	493.5	21.1%	11.0%
4	KANDAHAR	1,390.4	357.6	25.7%	8.0%
5	HELMAND	762.3	178.9	23.5%	4.0%
6	KHOST	489.0	147.8	30.2%	3.3%
7	KUNDUZ	535.5	147.0	27.4%	3.3%
8	PAKTYA	688.1	136.1	19.8%	3.0%
9	NIMROZ	355.6	119.7	33.7%	2.7%
10	GHAZNI	476.0	117.6	24.7%	2.6%

Top 6 Customs based on Revenue collection (Million Afs)					
#	Name	IMF Target	Actual	% Rev Collection	% Share
1	HERAT	22,415.9	4,946.1	22.1%	24.3%
2	NANGARHAR	17,816.9	4,127.4	23.2%	20.3%
3	KANDAHAR	7,638.9	3,320.6	43.5%	16.3%
4	BALKH	12,933.9	2,760.9	21.3%	13.6%
5	NIMROZ	6,729.3	2,134.1	31.7%	10.5%
6	FARYAB	3,939.7	1,289.5	32.7%	6.3%

Budget Execution

Operating budget execution:

Top Executing Ministries - (Million Afs)				
#	Name	Budget	Actual	Rate
1	Afghanistan National Disaster Management Authority	319.3	206.0	64.5%
2	Ministry of Finance	10,209.9	5,193.9	50.9%
3	General Directorate of National Security	18,212.7	9,213.8	50.6%
4	Executive Directorate and Secretariat of Ministers Council	615.5	213.4	34.7%
5	Ministry of Mines and petroleum	623.5	184.4	29.6%
6	Afghanistan Atomic Energy Commission	49.1	13.7	28.0%
7	Ministry of Urban development and Housing	403.6	107.0	26.5%
8	Supreme Court	3,732.2	965.0	25.9%
9	National Security Council	894.9	225.4	25.2%
10	Ministry of Rural Rehabilitation and Development	516.8	119.4	23.1%

Big Spending Ministries - (Million Afs)				
#	Name	Budget	Actual	Rate
1	Ministry of Defence	71,330.7	14,222.7	19.9%
2	Ministry of Interior Affairs	54,073.2	10,428.6	19.3%
3	General Directorate of National Security	18,212.7	9,213.8	50.6%
4	Ministry of Education	36,298.4	7,220.6	19.9%
5	Ministry of Finance	10,209.9	5,193.9	50.9%
6	Ministry of Foreign Affairs	6,003.5	1,374.6	22.9%
7	Ministry of Higher Education	5,595.5	1,083.5	19.4%
8	Supreme Court	3,732.2	965.0	25.9%
9	Independent Directorate of Local Governance	4,306.8	931.2	21.6%
10	Administrative Office of the President	7,053.3	832.1	11.8%

Development budget execution:

Top Executing Ministries - (Million Afs)				
#	Name	Budget	Actual	Rate
1	Urban Water Supply and Canalization Corporation	451.0	150.0	33.3%
2	Ministry of women affairs	50.8	16.7	32.9%
3	Independent Administrative Reforms and Civil Service	407.1	121.0	29.7%
4	Ministry of Economy	299.6	77.8	26.0%
5	Ministry of Frontiers and Tribal Affairs	63.4	16.2	25.5%
6	Da Afghanistan Brishna Shirkat	15,289.5	3,583.0	23.4%
7	Ministry of Labor Social Affairs Martyrs and Disabled	550.0	127.5	23.2%
8	Capital Region Independent Development Authority	910.1	210.0	23.1%
9	Ministry of Energy and Water	6,860.7	1,517.8	22.1%
10	Executive Directorate and Secretariat of Ministers Council	268.5	59.2	22.0%

Big Spending Ministries - (Million Afs)				
#	Name	Budget	Actual	Rate
1	Da Afghanistan Brishna Shirkat	15,289.5	3,583.0	23.4%
2	Ministry of Public Health	12,873.9	2,803.2	21.8%
3	Ministry of Public Works	12,518.1	2,304.4	18.4%
4	Ministry of Rural Rehabilitation and Development	19,606.1	2,030.0	10.4%
5	Ministry of Energy and Water	6,860.7	1,517.8	22.1%
6	Administrative Office of the President	4,209.8	832.6	19.8%
7	Ministry of Agriculture, Irrigation & Livestock	8,213.5	748.9	9.1%
8	Ministry of Finance	2,551.3	516.0	20.2%
9	Afghanistan Railway Authority	2,195.7	352.1	16.0%
10	Ministry of Urban development and Housing	5,131.3	290.0	5.7%

Development budget execution: The following table shows spending ministries which haven't execute development budgets yet.

Ministries – (zero Percent Execution)				
#	Name	Budget	Actual	Rate
1	Meshrano Jirga	15.0	-	0%
2	Wolesi Jirga	21.7	-	0%
3	Radio and television of Afghanistan	95.7	-	0%
4	Ministry of Defence	76.9	-	0%
5	Ministry. of Trasport	85.0	-	0%
6	Ministry of counter narcotics	142.0	-	0%
7	Afghanistan National Standard Authority	36.1	-	0%
8	General Directorate of Sports and Fitness	95.9	-	0%
9	Micro Finance Investment Support Facility for Afghanistan	328.9	-	0%
10	Afghanistan Independent Human Rights Commission	20.2	-	0%