



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

## Cash Management Committee Meeting Minutes September 23, 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:**

1. The DM Finance to work on a plan to transfer the one-off payments identified in the line government agencies and also solve issues related to one-off of the Da Afghanistan Bank immediately;
2. Immediate recruitments of the vacant positions of the ACD in capital and provinces should be filled out with reserved candidates as soon as possible; the hired staffs would be reshuffled immediately to areas where major revenues are pending due to work load;
3. Those right-hand vehicles that are detained in Herat Customs Department shall be cut in pieces and taxed as spare parts. A group of agents from the MoF and other relevant departments should be assigned to investigate and report to the Ministry of Finance.
4. Revenue Department and DG Treasury to work on a system for revenue transfers from the embassies and consulate generals to the treasury accounts on time and on a regular basis.
5. Provisional Governors' cooperation has to be sought in both the tax and non-tax collections. Major reductions have happened in non-tax revenue where the Governors can be of major help;
6. Those line ministries that are unable to collect their revenue targets, their budget will be reduced, and if needed, the budget department shall hold meetings with them.

جمهوری اسلامی افغانستان  
وزارت مالیه



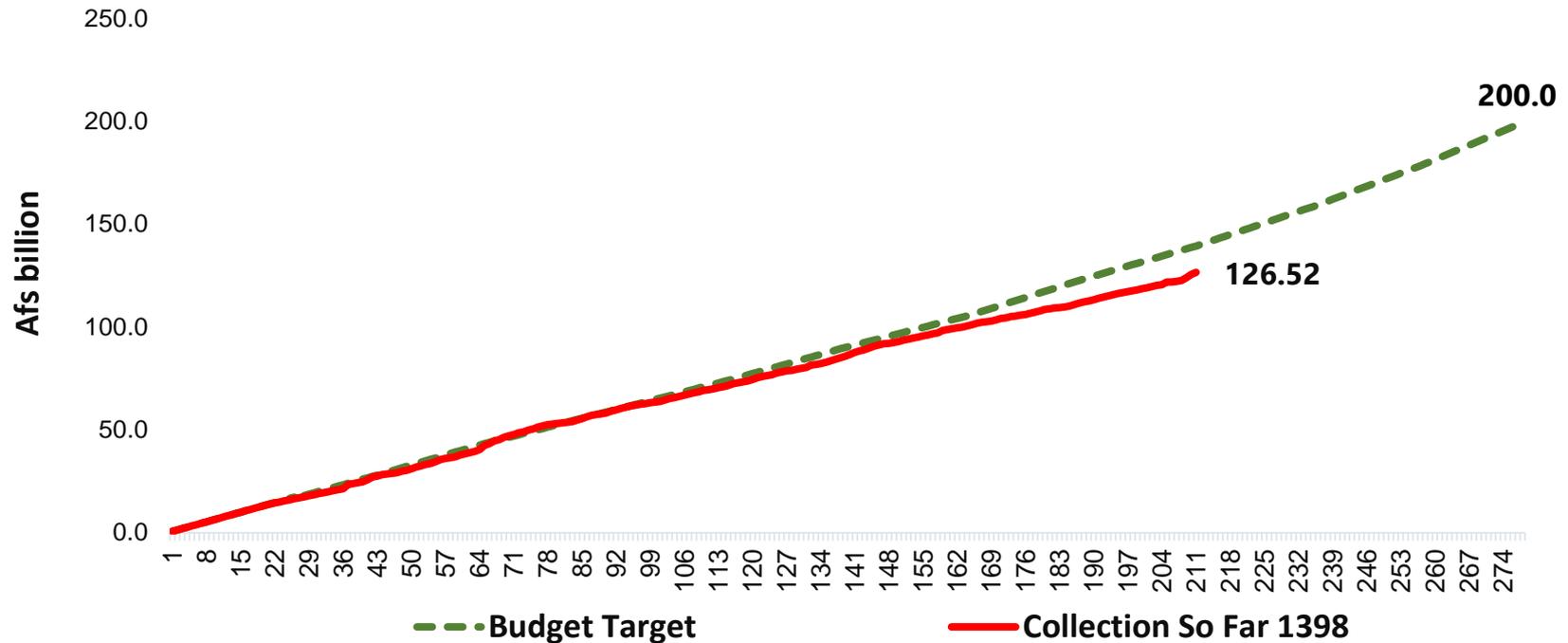
د افغانستان اسلامی جمهوریت  
د مالیې وزارت

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

# **Fiscal Performance in 2019**

September 23, 2019

# Revenue collection to date



**Source:** Afghanistan Financial Management Information System (AFMIS)

**Budget target to date:** Afs 139.3 billion;

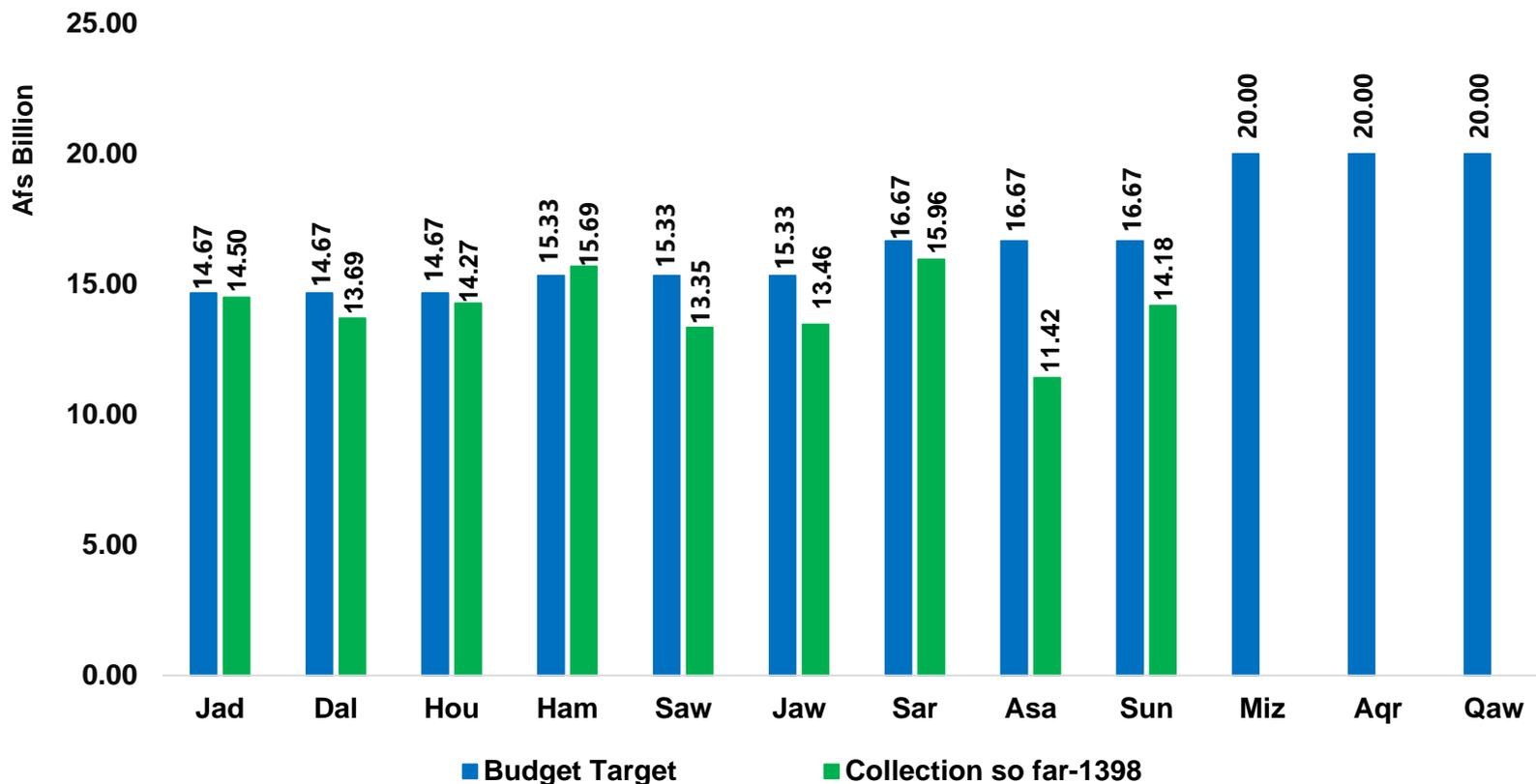
**Collection to date:** Afs 126.52 billion;

**Collection is lower than the target by:** Afs -12.81 billion.

**Last year collection to date:** Afs 122.35 billion.

# Collection performance by month

On average, monthly collection is below the budget target by Afs 1.37 billion during the eight months.



Source: Afghanistan Financial Management Information System (AFMIS)

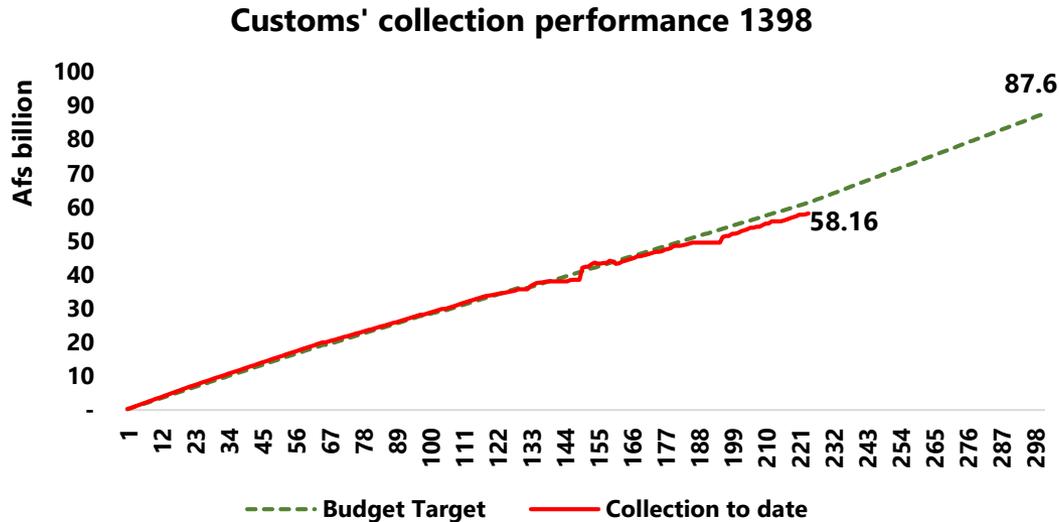
# Revenue Forecast: Based on the eight months' collection FY-1398

- **Linear Trend:** Afs 173.9 billion;
- **Growth Trend:** Afs 185.9 billion;
- **Pattern:** Afs 178.6 billion.

	Actual								Forecast				
Billion Afs	Jad	Dal	Hou	Ham	Saw	Jaw	Sar	Asa	Sun	Miz	Aqr	Qaw	TOTAL
Linear Trend	14.5	13.7	14.3	15.7	13.4	13.5	16.0	11.4	13.0	14.0	16.1	18.4	173.9
Growth Trend	14.5	13.7	14.3	15.7	13.4	13.5	16.0	11.4	13.7	16.4	19.7	23.7	185.9
Pattern	14.5	13.7	14.3	15.7	13.4	13.5	16.0	11.4	12.5	14.4	16.2	23.2	178.6
Actual FY-1397	13.3	11.0	13.6	14.7	12.4	14.7	15.5	13.0	17.8	16.6	23.5	23.8	189.9

Source: MFPD Staff forecast

# Customs Collection Performance



## Areas to Focus on within the Next three months

1. Regular meetings between the MoF leadership and Customs Directors;
2. MoF leadership support for enforcement of law (seizures of goods, disciplinary action against corrupt officers, etc.);
3. Assign task force to work with underperforming large custom houses;

**Source:** Revenue Management Information System (RMIS)

**Budget target to date:** Afs 61.31 billion;

**Collection to date:** Afs 58.16 billion;

**Collection is lower than the target by:** Afs **-3.15** billion.

**Last year collection to date:** Afs 55.24 billion.

**Note:** Afs 3.26 billion of total domestic revenue is unclassified.

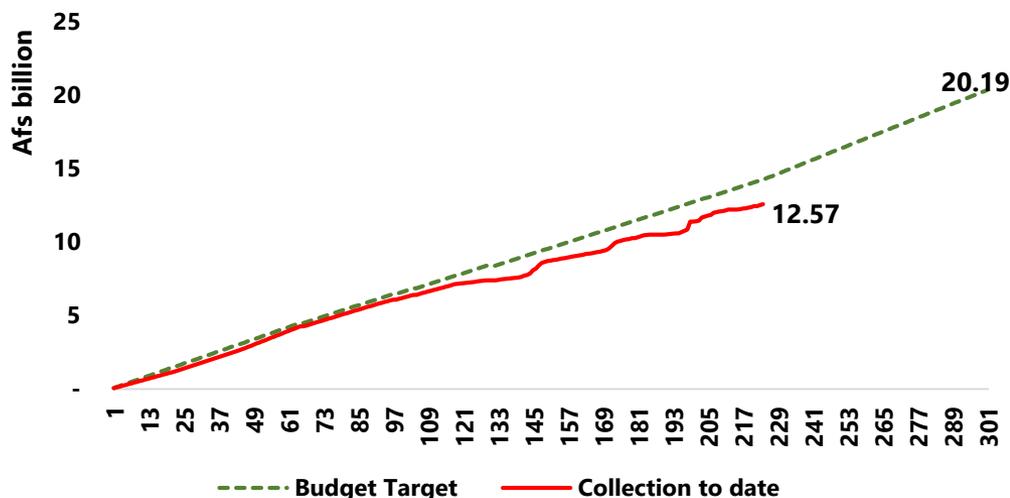
# Individual Customs House's revenue performance - 1398

Values are in Million Afghanis					
Customs House	Annual Budget Target	BudgetTarget so far	Collection so far	Collection Vs Target	Above/Below Target (%)
HERAT	23,938.61	16,757.03	13,699.04	(3,057.99)	-18.2%
NANGARHAR	19,024.68	13,317.28	12,882.04	(435.24)	-3.3%
BALKH	13,810.59	9,667.41	7,172.41	(2,495.00)	-25.8%
KANDAHAR	8,171.70	5,720.19	8,119.27	2,399.07	41.9%
NIMROZ	7,930.54	5,551.38	5,390.27	(161.11)	-2.9%
FARYAB	4,206.70	2,944.69	3,341.19	396.50	13.5%
FARAH	4,127.67	2,889.37	2,256.18	(633.20)	-21.9%
Custom Airport	2,432.71	1,702.90	1,563.67	(139.22)	-8.2%
Kabul Customs	1,084.52	759.17	700.52	(58.65)	-7.7%
KUNDUZ	937.45	656.22	579.69	(76.53)	-11.7%
KHOST	862.73	603.91	797.95	194.03	32.1%
PAKTYA	607.27	425.09	839.98	414.90	97.6%
PAKTIKA	403.32	282.32	776.49	494.16	175.0%
TAKHAR	23.18	16.23	16.97	0.74	4.5%
KUNARHA	8.90	6.23	2.16	(4.07)	-65.4%
Custom Post Porcel	7.00	4.9	22.65	17.75	362.2%
BADAKHSHAN	6.31	4.42	1.86	(2.56)	-57.9%
HELMAND	-	-	0.01	0.01	
<b>Total</b>	<b>87,583.89</b>	<b>61,308.73</b>	<b>58,162.32</b>	<b>(3,146.39)</b>	<b>-5.1%</b>

Source: Revenue Management Information System (RMIS)

# Mustofiats' collection performance

Mustofiats' collection performance 1398



## Areas to Focus on within the Next three months

1. On-time audit of cases;
2. Governors' cooperation has to be sought in both tax and non-tax collections. Major reductions have happened in non-tax revenue where the Governors can be of major help;
3. Seek assistance from Ministry of Interior in collecting arrears;

Source: Revenue Management Information System (RMIS)

**Budget target to date :** Afs 14.24 billion;

**Collection to date:** Afs 12.57 billion;

**Collection is lower than the target by:** Afs – 1.68 billion.

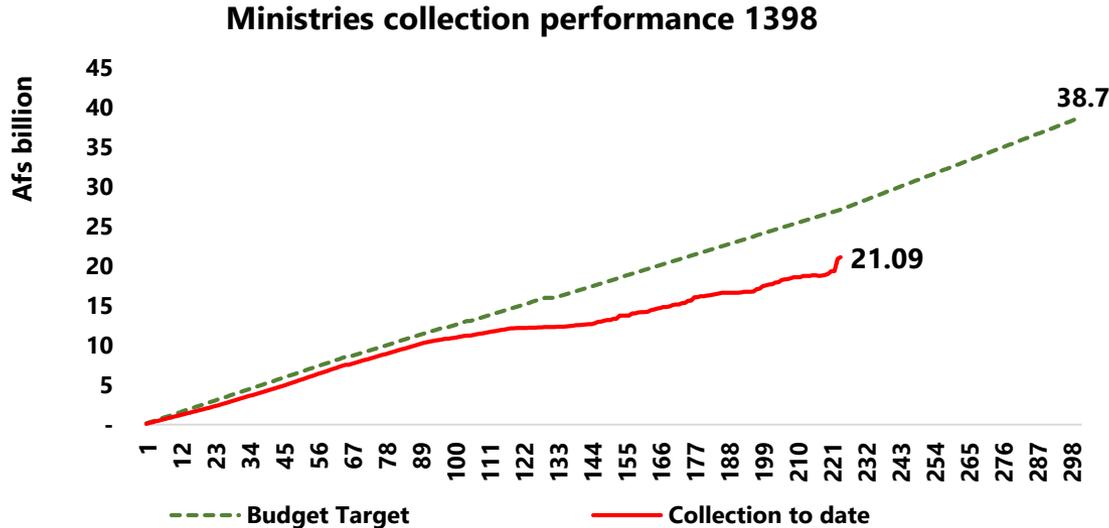
**Last year collection to date:** Afs 12.9 billion.

# Individual Mustofiat's revenue collection performance - 1398

Values are in Million Afghanis					
Mustofiats'	Annual Budget Target	Budget Target so far	Collection so far	Collection Vs Target	Above/Below Target (%)
HERAT	3,484.01	2,438.8	2,417.53	(21.27)	-0.9%
BALKH	2,661.53	1,863.1	1,521.49	(341.58)	-18.3%
NANGARHAR	2,563.33	1,794.3	1,494.03	(300.30)	-16.7%
KANDAHAR	1,501.89	1,051.3	1,037.71	(13.61)	-1.3%
HELMAND	834.03	583.8	427.08	(156.74)	-26.8%
PAKTYA	752.39	526.7	407.93	(118.74)	-22.5%
KUNDUZ	585.93	410.2	373.13	(37.02)	-9.0%
KHOST	535.30	374.7	349.34	(25.38)	-6.8%
FARYAB	535.01	374.5	281.22	(93.28)	-24.9%
GHAZNI	520.84	364.6	332.08	(32.50)	-8.9%
PARWAN	516.78	361.7	335.22	(26.53)	-7.3%
TAKHAR	506.51	354.6	310.60	(43.96)	-12.4%
BAGHLAN	504.31	353.0	302.89	(50.13)	-14.2%
NIMROZ	437.55	306.3	313.74	7.46	2.4%
JAWZJAN	430.03	301.0	263.04	(37.98)	-12.6%
FARAH	411.31	287.9	253.46	(34.46)	-12.0%
BADAKHSHAN	404.46	283.1	197.46	(85.66)	-30.3%
KUNARHA	320.90	224.6	173.09	(51.54)	-22.9%
LAGHMAN	296.94	207.9	159.93	(47.93)	-23.1%
WARDAK	283.60	198.5	167.37	(31.15)	-15.7%
SAMANGAN	238.78	167.1	171.75	4.60	2.8%
BAMYAN	237.21	166.0	149.33	(16.72)	-10.1%
KAPISA	235.70	165.0	132.90	(32.09)	-19.4%
SAR-E- PUL	207.65	145.4	150.03	4.67	3.2%
LOGAR	203.37	142.4	105.56	(36.80)	-25.8%
GHOR	199.90	139.9	105.79	(34.15)	-24.4%
BADGHIS	178.98	125.3	114.12	(11.17)	-8.9%
DAYKUNDI	167.89	117.5	116.11	(1.41)	-1.2%
PAKTIKA	160.68	112.5	100.83	(11.64)	-10.4%
PANJSHER	143.19	100.2	78.89	(21.35)	-21.3%
ZABUL	128.66	90.1	101.50	11.44	12.7%
UROZGAN	80.61	56.4	68.95	12.52	22.2%
NOORISTAN	76.95	53.9	51.93	(1.93)	-3.6%
<b>Total</b>	<b>20,346.23</b>	<b>14,242.36</b>	<b>12,566.03</b>	<b>(1,676.33)</b>	<b>-11.8%</b>

Source: Revenue Management Information System (RMIS)

# Ministries collection performance



Source: Revenue Management Information System (RMIS)

**Budget target to date:** Afs 27.10 billion;

**Collection to date:** Afs 21.09 billion;

**Collection is lower than the target by:** Afs **-6.01** billion.

**Last year collection to date:** Afs **21.98** billion.

## Areas to Focus on within the Next three months

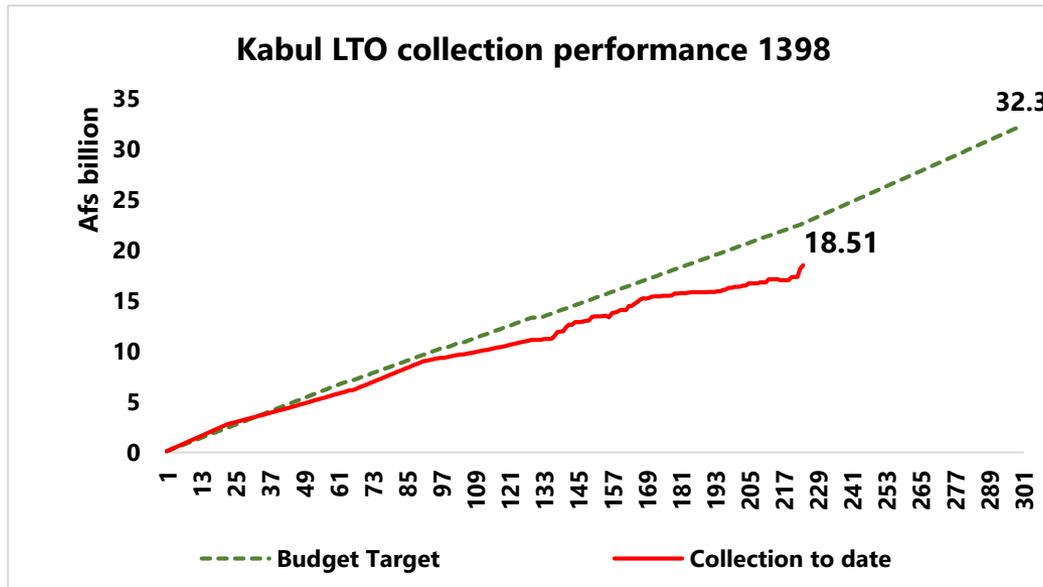
1. Meetings with relevant Ministers on revenue performance and seek their cooperation;
2. Additional deductions in license and other fees should be avoided;
3. MoF leadership cooperation is sought on the timely transfer of one-offs from the Government agencies.

# Ministry/agency revenue performance

Values are in Million Afghanis

Ministries	Annual BudgetTarget	Budget Target so far	Collection so far	Collection Vs Target	Above/Below Target (%)
Civil Aviation Authority	8,616.0	6,031.2	3,606.3	(2,424.9)	-40.2%
Ministry of Communication Information Technology	6,064.1	4,244.9	4,657.5	412.7	9.7%
Ministry of Finance	5,415.5	3,790.8	2,206.9	(1,583.9)	-41.8%
Ministry of Interior Affairs	4,643.8	3,250.6	3,327.5	76.8	2.4%
Ministry of Foreign Affairs	4,189.5	2,932.7	2,269.5	(663.2)	-22.6%
Afghanistan Railway Authority	2,787.8	1,951.4	1,519.2	(432.3)	-22.2%
Ministry of Mines	2,684.4	1,879.1	611.1	(1,268.0)	-67.5%
Ministry of Commerce and Industry	1,094.9	766.4	124.9	(641.5)	-83.7%
Ministry. of Trasport	694.6	486.2	247.7	(238.5)	-49.1%
Supreme Court	581.1	406.8	322.9	(83.8)	-20.6%
Ministry of Urban Development Affairs	578.3	404.8	82.0	(322.8)	-79.7%
Ministry of Higher Education	194.4	136.1	103.3	(32.8)	-24.1%
Others	1,172.0	820.4	2,011.2	1,190.9	145.2%
<b>Total</b>	<b>38,716.3</b>	<b>27,101.4</b>	<b>21,090.1</b>	<b>(6,011.3)</b>	<b>-22.2%</b>

# LTO Collection Performance



## Areas to Focus on within the Next three months

1. Pending cases should be rapidly audited;
2. The issue of low capacity staff should be resolved;

Source: Revenue Management Information System (RMIS)

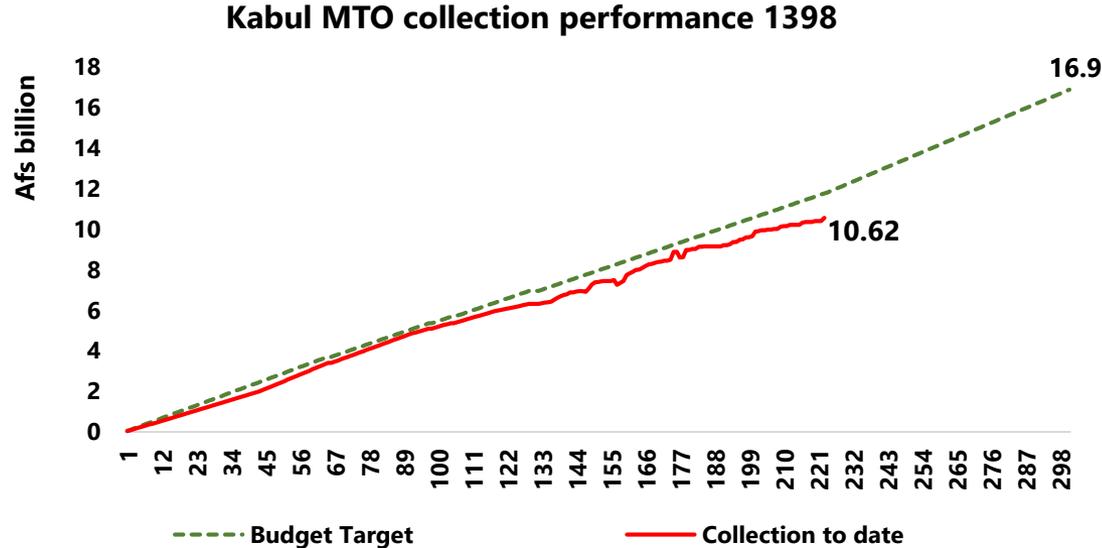
**Budget target to date:** Afs 22.64 billion;

**Collection to date:** Afs 18.51 billion;

**Collection is lower than the target by:** Afs -4.13 billion.

**Last year collection to date:** Afs 19.57 billion.

# MTO collection performance



## Areas to Focus on within the Next three months

1. Separate the audit tashkeel from MTO;

Source: Revenue Management Information System (RMIS)

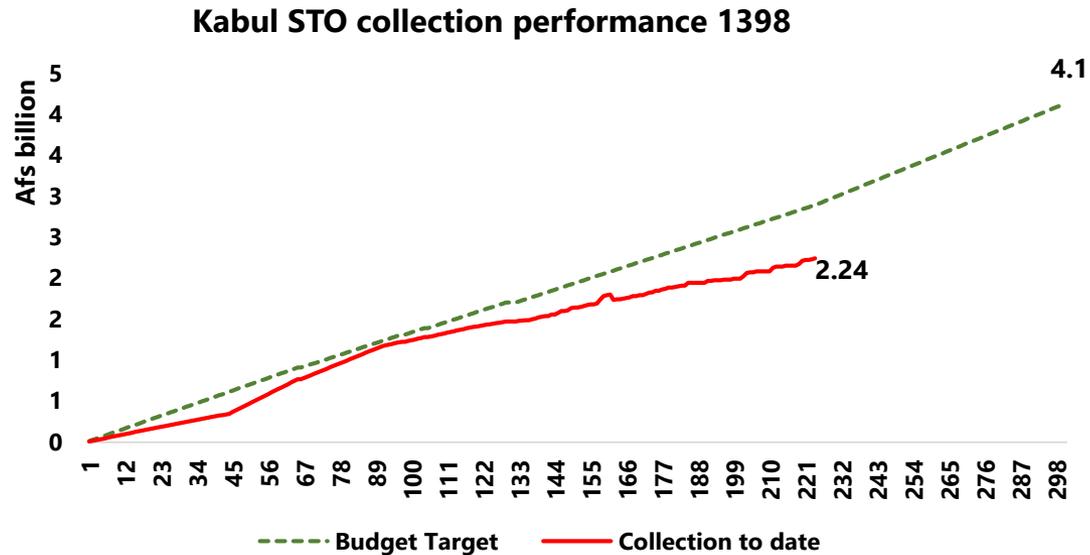
**Budget target to date:** Afs 11.82 billion;

**Collection to date:** Afs 10.62 billion;

**Collection is lower than the target by:** Afs -1.20 billion.

**Last year collection to date:** Afs 10.45 billion.

# STO collection performance



Source: Revenue Management Information System (RMIS)

**Budget Target to date:** Afs 2.89 billion;

**Collection to date:** Afs 2.24 billion;

**Collection is lower than the target by:** Afs -0.65 billion.

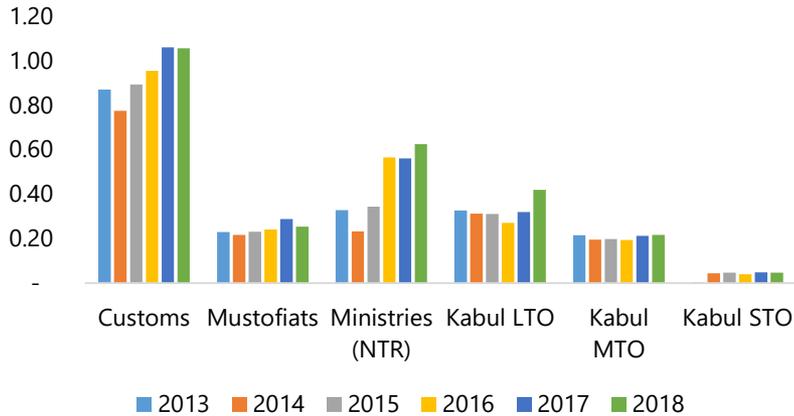
**Last year collection to date:** Afs 2.21 billion.

## Areas to Focus on within the Next three months

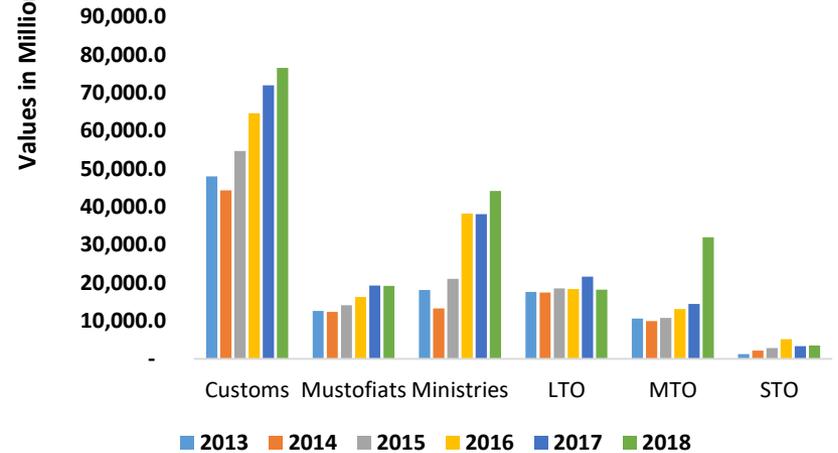
1. Temporary transfer of staff or additional internees are required to clear the work load in STO;

# Agency performance since 2013

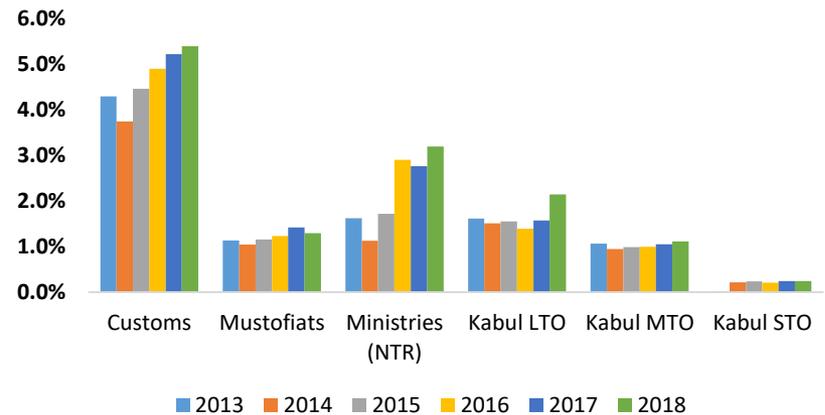
Agency performance since 2013  
in million US\$



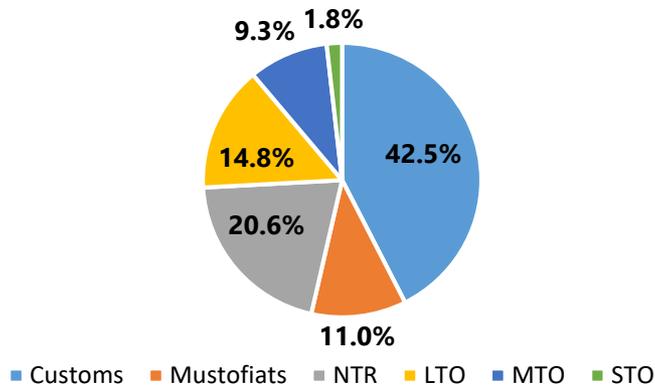
Agency Performance Since 2013 in Million  
Afs



Agency Performance as a percentage of GDP since  
2013



Share in revenues (6 year average)



# Budget execution summary

Development Expenditure (Afs million)				Amount Executed Today
	1397	1398	Difference	1398
Development Expenditure	68,529.4	77,035.6	8,506.3	721.58
Execution to date (% of total Dev... Budget)	50.5%	53.0%	2.5%	0.5%

Operating Expenditure (Afs million)				Amount Executed Today
	1397	1398	Difference	1398
Operating Expenditure	170,756.8	185,452.1	14,695.3	303.72
Execution to date (% of total Opr... Budget)	60.9%	64.6%	3.8%	0.1%

Total Expenditure (Afs million)				Amount Executed Today
	1397	1398	Difference	1398
Total Expenditure	239,286.2	262,487.7	23,201.5	1025.31
Execution to date %	57.5%	60.7%	3.2%	0.2%

# Monthly cash projection

Annex: Monthly Cashflow projections														
Values are in Afs billion	1	2	3	4	5	6	7	8	9	10	11	12	End-year total	
Sources of Funds	Actuals								Forecasts				Projections	Budget
<b>Total</b>	14.7	18.1	29.6	28.7	32.7	28.2	34.5	23.8	38.3	41.0	35.2	51.1	375.9	408.6
<b>1. Domestic Revenues</b>	14.5	13.7	14.3	15.7	13.4	13.5	16.0	11.3	18.7	16.1	18.5	22.5	188.0	188.0
<b>2. Total Grants</b>	0.2	4.4	15.3	13.0	19.3	14.7	18.5	12.6	19.6	24.9	16.8	28.6	187.9	220.6
a. Operating grants	0.0	2.0	9.9	7.0	15.9	1.8	2.4	8.8	13.4	12.5	11.1	16.4	101.1	98.8
1. Security	0.0	2.0	9.9	7.0	15.9	1.8	2.4	8.8	10.6	12.5	11.1	16.4	98.4	98.8
2. Non-security	-	-	-	-	-	-	-	-	2.7	-	-	-	2.7	-
b. Development Grants	0.2	2.4	5.4	5.9	3.4	12.9	16.1	3.8	6.2	12.4	5.7	12.2	86.7	121.8
1. Discretionary	-	-	-	-	-	8.7	12.8	-	-	7.9	-	7.1	36.5	58.8
Operating surplus from the last year	-	-	-	-	-	-	-	-	-	-	-	-	-	10.0
2. Non-discretionary	0.2	2.4	5.4	5.9	3.4	4.2	3.3	3.8	6.2	4.5	5.7	5.1	50.3	63.0
Uses of Funds													end-year Total	
<b>Total</b>	4.7	20.7	26.7	42.3	32.1	37.9	33.6	33.1	36.1	35.5	39.8	46.6	389.2	406.5
1. Operating Expenditures	4.7	18.0	19.6	27.3	22.1	22.2	25.4	21.6	26.8	24.9	27.4	29.5	269.7	282.3
2. Development Expenditures	-	2.7	7.0	15.0	10.0	15.7	8.2	11.5	9.3	10.6	12.4	17.1	119.5	124.2
1. Discretionary	-	1.2	3.8	5.4	4.1	7.7	3.9	5.4	5.5	6.3	5.3	8.8	57.5	61.2
2. Non-Discretionary	-	1.5	3.2	9.6	5.9	8.0	4.3	6.2	3.8	4.3	7.1	8.3	62.0	63.0
<b>Surplus/Deficit</b>	10.0	(2.6)	2.9	(13.6)	0.5	(9.7)	0.9	(9.3)	2.2	5.5	(4.6)	4.5	(13.3)	2.1

# Additional expected one-off revenue sources

No.	Agency	Amount in Million Afs
1	Northern Coal	800
2	Bank-e-Milli Afghan	750
3	Afghan Telecom	900
4	ATRA	2,000
5	Ministry of ICT	1,200
6	Ministry of Foreign Affairs	850
7	Ministry of Interior	723
8	Ministry of Mines and Petroleum	250
9	Ministry of Labor and Social Affairs	122
10	Fuel and Liquid Gas Regulatory Authority	400
11	Fuel and Liquid Gas Enterprise	2,100
12	Ministry of Agriculture, Irrigation and Livestock	400
13	Civil Aviation Authority	3,356
14	Afghanistan Railways Authority	160
15	Ministry of Urban Development and Land	220
<b>Total</b>		<b>14,231</b>

**TREASURY DAILY CASH POSITION REPORT**

September 22, 2019

I	SUMMARY REPORT OF FUNDS AVAILABLE UNDER THE OPERATING BUDGET			
		(Mn Afs)	(Mn Afs)	(Mn Afs)
	<b>Opening Balance Of Unrestricted Funds (FY 1398)</b>			<b>16,747</b>
	<b>Restricted 1397 balance (1398 budget allocation Disc Development)</b>			<b>10,000</b>
	Daily Revenue Collection		<b>1,037</b>	
	Total Domestic Revenues collected (Operating Budget) Excluding Restricted		<b>126,522</b>	
	One off Revenues (DAB Dividend)		<b>8,991</b>	
	Donor Revenues (Operating Budget Grants)	69,670		
	<b>Less: Security Sector Advances (MOD &amp; MOI grants)</b>	<b>(4,614)</b>		
	<b>Excess / (Shortfall) in Donor Funds (1398)</b>		<b>65,056</b>	
	<b>Total Recurrent Budget Revenues</b>			<b>200,569</b>
	Less : Transfers to Discretionary Development Budget Expenditures			<b>(18,017)</b>
	<b>Total Recurrent Budget Expenditures ( Including Cash Transfer To Province )</b>			<b>(189,613)</b>
	<b>Excess / (Shortfall) in Receipts VS Payments</b>			<b>(7,060)</b>
	<b>BALANCE OF AVAILABLE FUNDS ( Without Restrictions )</b>			<b>19,687</b>
	Currency Exchange Gain ( Realised/ Reserved )		10,624	
	Currency Exchange Gain ( Unrealised Reserve ) holding forex balance		5,980	
	PRGF Funds (153.043 Mn USD)		10,304	
	ARTF Advance Payment ( 50 Mn USD )		2,500	<b>29,408</b>
	<b>TOTAL AVAILABLE BALANCE OF FUNDS</b>			<b>49,095</b>
II	FUNDS AVAILABLE UNDER THE DISCRETIONARY DEVELOPMENT BUDGET			
	CASH POSITION		BUDGET AND ALLOTMENT	
	<b>Particulars</b>	<b>Mn Afs</b>		<b>Mn Afs</b>
	Opening Balance (1398 balance)	8,315	Total Approved Budget	64,036
	Receipts	30,771	Total Allotments released	62,691
	Other Receipts		Expenditures	35,068
	<b>Total Funds Available</b>	<b>39,086</b>	Unspent Allotment	27,622
	Expenditures	35,068	Net Funds available	4,018
	<b>Net Funds Available</b>	<b>4,018</b>	<b>Allotments without financing</b>	<b>23,605</b>
	Note:			
	1- Unspent cash balance in provinces (Operating)	4,386	Bn Afs	
	2- Total available cash balances (incl Disc Dev & Province )	28,090	Bn Afs	
III	FUNDS RECEIVABLE AGAINST BUDGET AND DONOR COMMITMENTS			
	Sources	Afs Million		
		Budget	Receipts	Balance
	<b>Operating Budget</b>	<b>297,389</b>	<b>187,491</b>	<b>109,898</b>
	<b>Domestic revenues (Operating budget)</b>	<b>200,006</b>	<b>126,522</b>	<b>73,484</b>
	<b>Grants (Operating)</b>	<b>98,844</b>	<b>60,969</b>	<b>37,875</b>
	LOTFA	28,000	18,637	9,363
	CSTC-A MOD	60,520	35,241	25,279
	CSTC-A MOI	10,299	7,068	3,231
	NATFO - NSC	25	23	2
		<b>Budget</b>	<b>Receipts</b>	<b>Transfers + Direct receipts</b>
	<b>Grants (Disc - Development)</b>	<b>62,645</b>	<b>8,702</b>	<b>30,771</b>
	Revenue Surplus (1397)	10,000	0	10,000
	Revenue Surplus (1398)	11,626	0	11,626
	European Commission	8,678	8,702	8,017
	European Commission (Refugee Return)	741		
	ARTF (IP +)	31,600	12,755	12,755
				<b>18,845</b>