

جمهوری اسلامی افغانستان
وزارت مالیه



د افغانستان اسلامي جمهوریت
د مالیې وزارت

Islamic Republic of Afghanistan
Ministry of Finance

Macro-Fiscal Policy Department - MFPD

Cash Management Report

February 20, 2021

Overall Revenue Performance (Targets VS Actual)

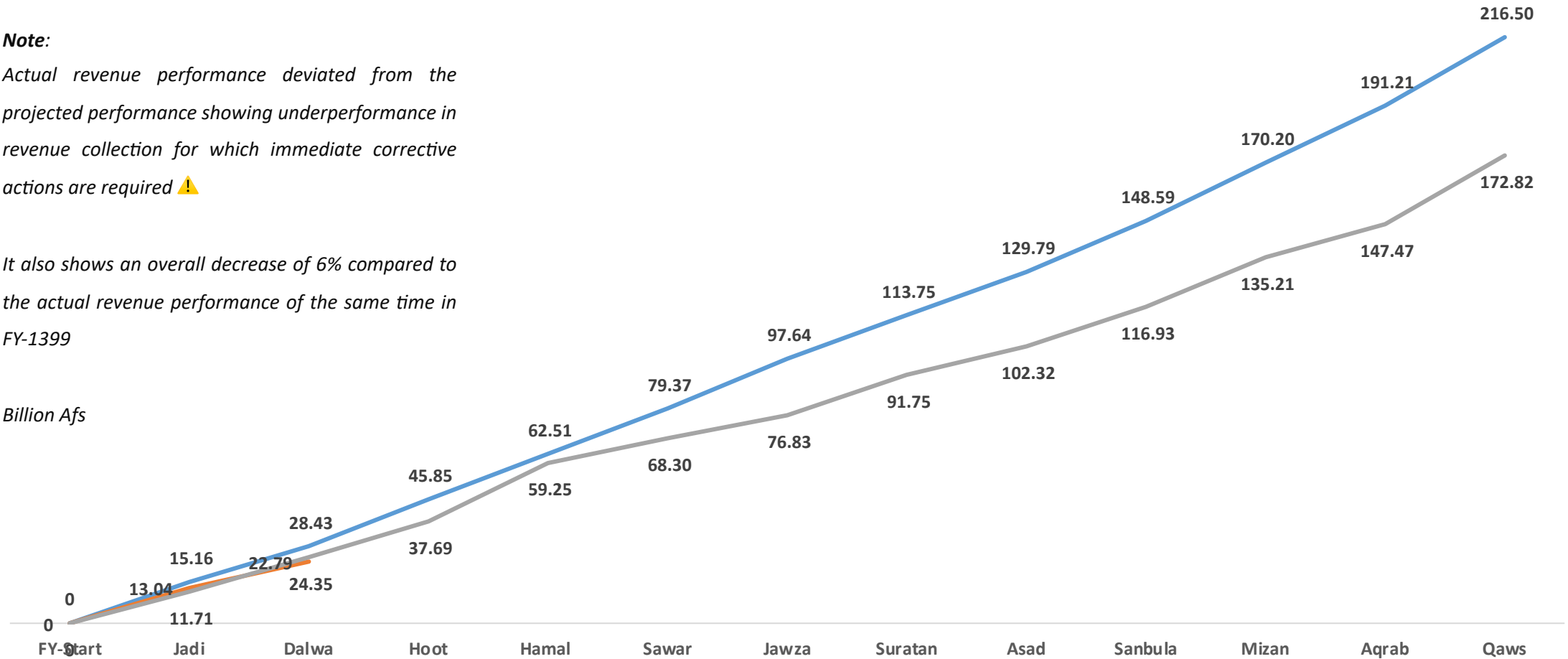
— Target FY-144 — Actual FY-1400 — Actual FY-1399

Note:

Actual revenue performance deviated from the projected performance showing underperformance in revenue collection for which immediate corrective actions are required ⚠️

It also shows an overall decrease of 6% compared to the actual revenue performance of the same time in FY-1399

Billion Afs



FY-1400 Revenue Performance by Agencies (Targets VS Actual)

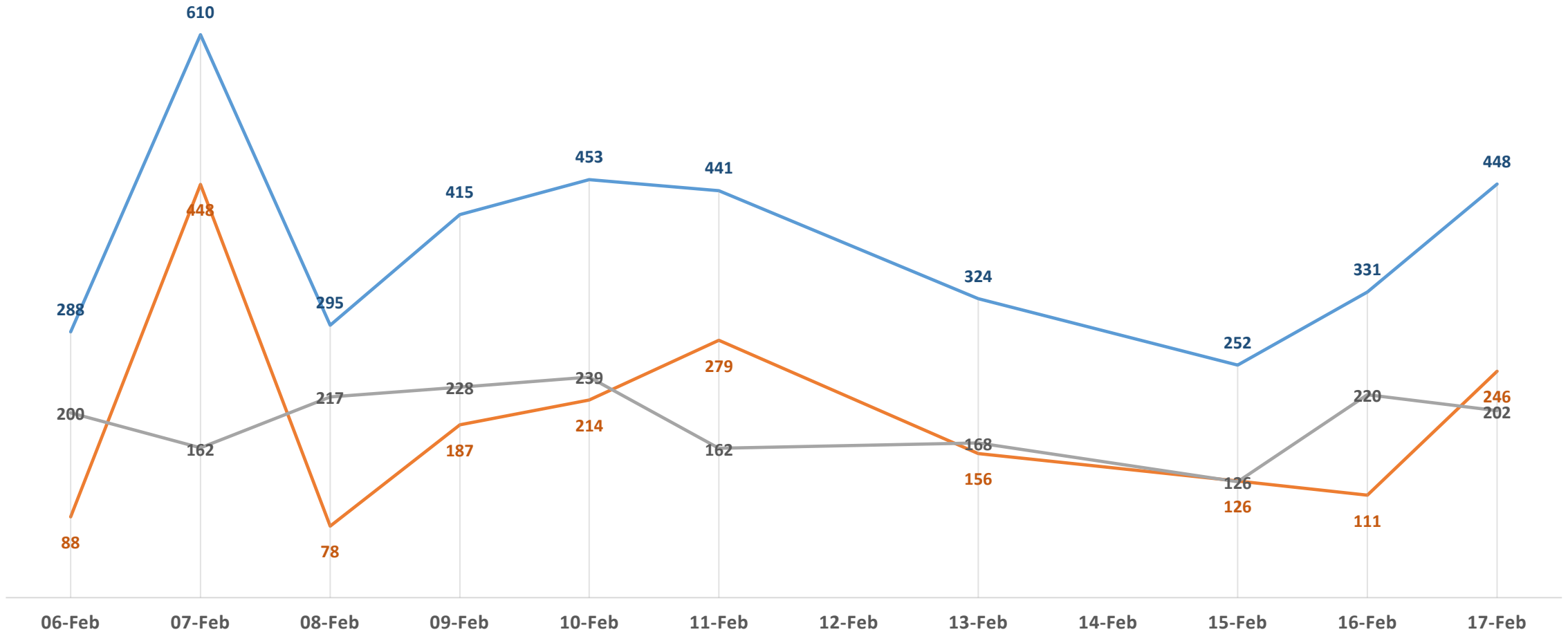
Agency (Million Afs)	Annual Targets	YTD – Target	YTD – Actual	Difference in Value	Difference in Percent
Customs Department (ACD)	101,369	16,672	11,776	(4,897)	-29%
Revenue Department (ARD)	115,131	17,646	11,014	(6,632)	-38%
• <i>Mustofiat</i>	<i>19,282</i>	<i>2,940</i>	<i>1,947</i>	<i>(992)</i>	<i>-34%</i>
• <i>Ministries</i>	<i>42,687</i>	<i>6,550</i>	<i>2,881</i>	<i>(3,669)</i>	<i>-56%</i>
• <i>LTO</i>	<i>30,141</i>	<i>4,624</i>	<i>4,026</i>	<i>(598)</i>	<i>-13%</i>
• <i>MTO</i>	<i>16,467</i>	<i>2,526</i>	<i>1,520</i>	<i>(1,006)</i>	<i>-40%</i>
• <i>STO</i>	<i>3,987</i>	<i>612</i>	<i>639</i>	<i>27</i>	<i>4%</i>
• <i>Audit department</i>	<i>2,567</i>	<i>394</i>	<i>-</i>	<i>(394)</i>	<i>-100%</i>
Total	216,500	34,318	22,789	(11,529)	-33%

Revenue Targets for March, 07 (IMF Mission)

Agency (Million Afs)	March 07 Targets	YTD – Actual	Difference in Value	Difference in Percent	Required Daily Collection
Customs Department (ACD)	20,434	11,776	(8,659)	-42%	577
Revenue Department (ARD)	19,143	11,014	(8,129)	-42%	542
• <i>Mustofiats</i>	3,849	1,947	(1,901)	-49%	127
• <i>Ministries</i>	5,256	2,881	(2,374)	-45%	158
• <i>LTO</i>	5,690	4,026	(1,664)	-29%	111
• <i>MTO</i>	3,110	1,520	(1,590)	-51%	106
• <i>STO</i>	753	639	(114)	-15%	8
• <i>Audit department</i>	485	-	(485)	-100%	32
Total	39,577	22,789	(16,788)	-42%	1,119

Daily Revenue Collection (Million Afs)

— Total (ARD + ACD) — Revenue Department (ARD) — Customs Department (ACD)



Revenue Collection by Individual Customs

Agency (Million Afs)	Annual Targets	YTD – Target	YTD – Actual	Difference in Value	Difference in Percent
Herat	22,845	3,757	3,075	(682)	-18%
Nangarhar	18,870	3,104	1,916	(1,187)	-38%
Kandahar	14,068	2,314	1,350	(964)	-42%
Balkh	13,035	2,144	1,884	(259)	-12%
Nimroz	10,995	1,808	1,134	(674)	-37%
Faryab	6,871	1,130	578	(552)	-49%
Farah	6,674	1,098	314	(784)	-71%
Airport custom	2,095	345	305	(39)	-11%
Paktya	1,500	247	149	(98)	-40%
Khost	1,208	199	229	30	15%
Paktika	1,157	190	42	(148)	-78%
Kunduz	1,098	181	203	23	13%
Kabul	883	145	569	424	292%
Custom Post Parcel	35	6	7	2	30%
Takhar	25	4	6	2	55%
Badakhshan	6	1	1	0	24%
Kunar	4	1	11	10	1379%
Total	101,369	16,672	11,776	(4,897)	-29%

Revenue Collection by Individual Mustofiats

Agency (Million Afs)	Annual Targets	YTD – Target	YTD – Actual	Difference in Value	Difference in Percent
Herat	3,839	585	340	(245)	-42%
Nangarhar	2,211	337	255	(82)	-24%
Balkh	2,101	320	261	(59)	-18%
Kandahar	1,672	255	103	(151)	-59%
Paktya	1,072	163	108	(55)	-34%
Helmand	687	105	63	(42)	-40%
Khost	620	95	60	(34)	-36%
Parwan	591	90	72	(18)	-20%
Ghazni	570	87	63	(24)	-27%
Kunduz	522	80	78	(1)	-2%
Nimroz	466	71	19	(52)	-73%
Faryab	400	61	35	(26)	-43%
Jawzjan	361	55	29	(26)	-47%
Baghlan	352	54	55	1	3%
Other Mustofiats	3,817	582	405	(177)	-30%
Total	19,282	2,940	1,947	(992)	-34%

Revenue Collection by Individual Ministries (NTRs)

Agency (Million Afs)	Annual Targets	YTD – Target	YTD – Actual	Difference in Value	Difference in Percent
Ministry of Information Technology	8,512	802	807	5	1%
Civil Aviation Authority	7,455	703	535	(168)	-24%
Ministry of Foreign Affairs	6,030	568	153	(415)	-73%
Ministry of Interior Affairs	4,860	458	541	83	18%
Ministry of Mines	3,068	289	11	(278)	-96%
Afghanistan Railway Authority	2,690	253	314	61	24%
Ministry of Finance	2,186	206	2	(204)	-99%
National Statistics and Information Authority	1,646	155	29	(127)	-82%
Ministry of Labor and Social Affairs	1,096	103	23	(81)	-78%
Afghanistan National Standard Authority	865	82	1	(80)	-98%
Ministry. of Transport	656	62	9	(53)	-85%
Supreme Court	487	46	90	44	96%
Ministry of Urban Development and Land	281	26	67	40	152%
National Security Council	261	25	11	(14)	-56%
Other Ministries	2,596	2,772	289	(2,483)	-90%
Total	42,687	6,550	2,881	(3,669)	-56%

Recommendations for Improvements

- **Development of a web-based inventory/assets management/registration system at MoF.**

Unavailability of proper asset registry and inventory management system at the MoF caused wastage of public resources including but not limited to: Purchase of unnecessary equipment and tools, sales of unused and undepreciated assets at low costs, unpredictability for purchase/sales of assets, inequitable distribution of resources, and a very weak financial statement and fiscal framework in general.

Basic Features:

- Web-based and accessible to line ministries by providing username to relevant departments in LMS,
- Should have all asset related information (Name, Serial No, Price, Owner, Purchase date, Useful life, user, etc.)
- Salvage and depreciated value calculation of public asset and defining sales terms,
- Recycling/disposal techniques with environmental consideration.

Expected Benefits:

- Saving costs by expenditure rationalization and avoidance of unnecessary assets,
- Diversifying the sources of financing by sales of government assets and capital gains,
- Ensuring equitable inter-departmental and cross ministerial distribution of resources/equipment,
- Increased efficiency in PFM system and reduction in loss, theft, and misplacement of public assets.
- Enabling PFM system transition from traditional cash based system to advanced accrual based system.

Main Stakeholders: DG IT, DG Treasury, NSIA

Recommendations for Improvements

- **ACD to assess the applicability of Real-Time Data Management System (RTDMS) at customs.**

For controlling leakages and corruption, modernization of customs, and automation of processes, we need to assess the applicability of RTDMS systems and its integration with ASYCUDA at customs department in medium-term.

- **Compulsion of insurance purchase by civil servants and employees of large taxpayers.**

- Purchase of health/life insurance from the national insurance company (NIC) should be obliged for those civil servants, who receive high salaries e.g., multipliers receivers, super scale staff, cadres, Taghir, etc.
- Employees of large taxpayers should also be obliged to purchase health/life insurances from NIC or any other valid domestic/international insurers operating in Afghanistan,
- In medium-term, including insurance purchase as one of Afghanistan's visa requirements for international travelers,
- NIC should improve awareness programs about their insurance services and provide online insurance purchasing options using different types of debit/credit cards,

Expected Benefits:

- Mobilizing domestic revenue in terms of government share in SOCs and taxation,
- Enabling NIC to compete in the market, generate profit and increase retained investment,
- Improving HDI in Afghanistan through social protection programs (labor rights protection).

The End!