

جمهوری اسلامی افغانستان
وزارت مالیه



د افغانستان اسلامي جمهوریت
د مالیې وزارت

Islamic Republic of Afghanistan
Ministry of Finance

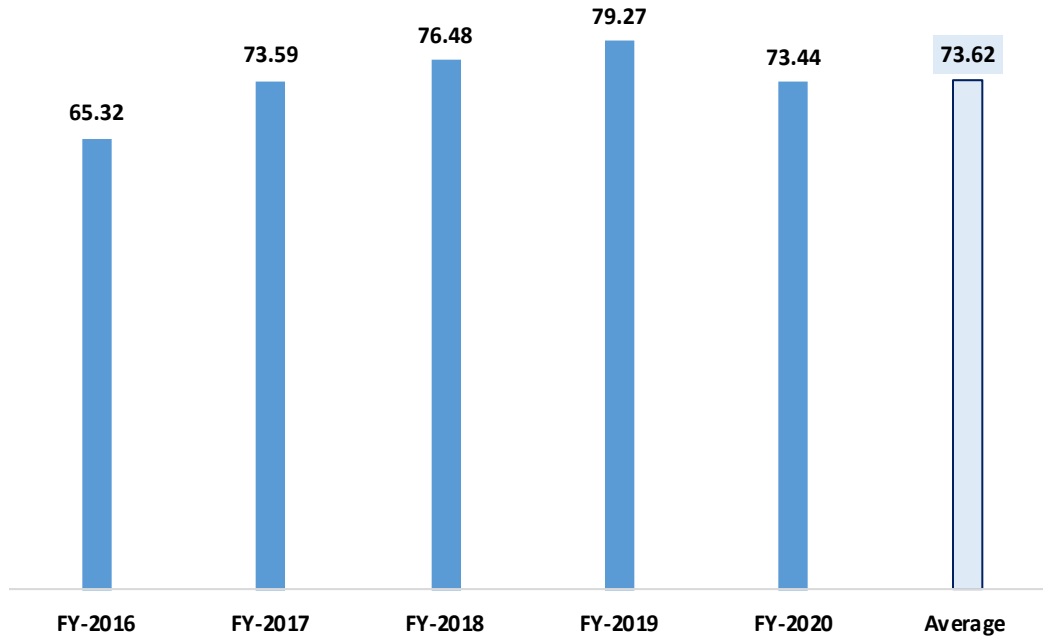
Macro-Fiscal Policy Department – MFPD

Cash Management Report

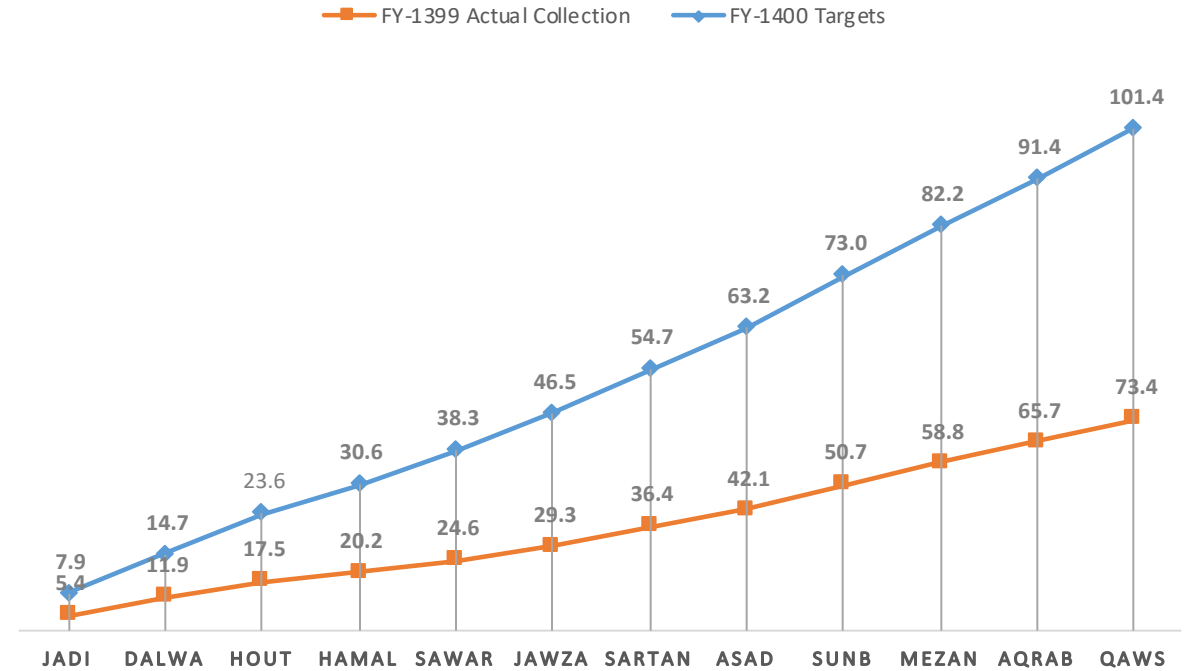
March 01, 2021

Customs Revenue Trends & FY-1400 Performance (Targets VS Actual)

CUSTOMS REVENUE TREND OVER THE LAST 5 YEARS
BILLION AFS



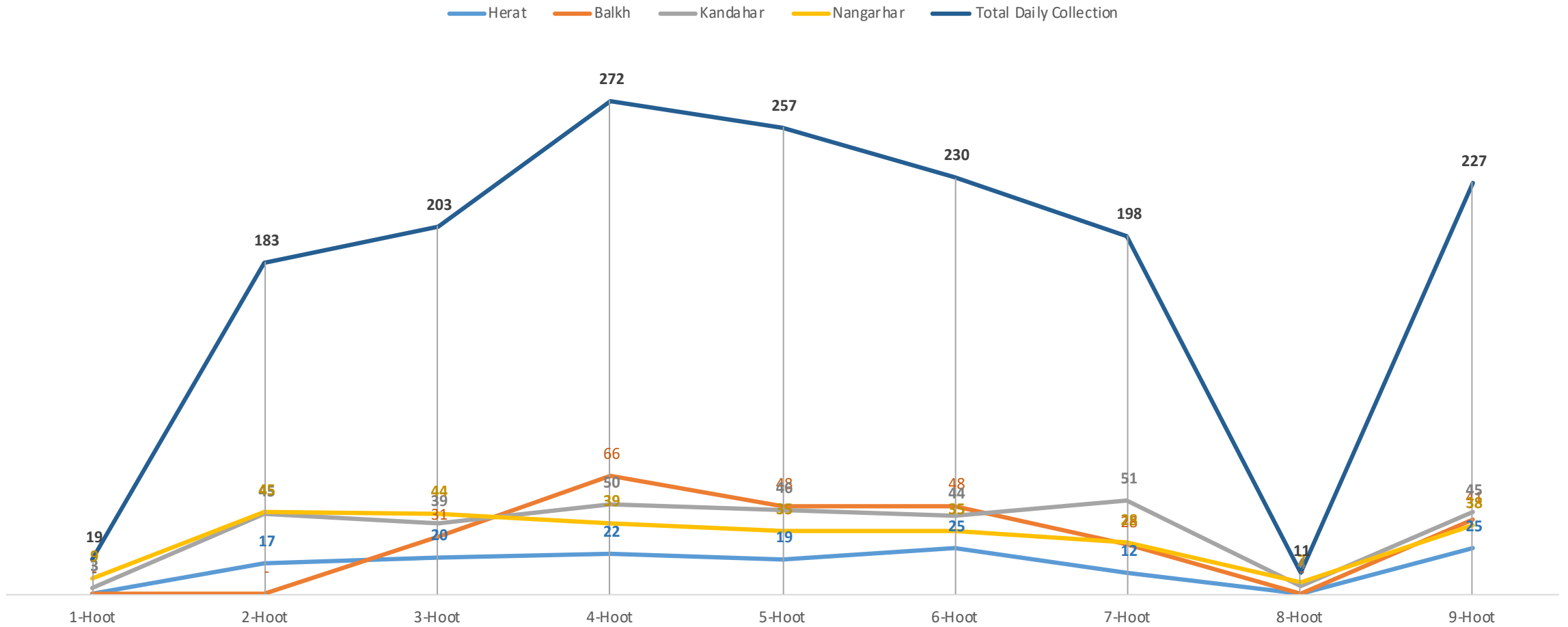
FY-1400 TARGETS VS FY-1399 COLLECTION
BILLION AFS



FY-1400 Revenue Performance <i>Million Afs</i>	Annual Targets	March 07 Target	YTD – Target	YTD – Actual	Difference in Value	Difference in Percent
Customs Department (ACD)	101,369	20,434	19,340	13,572	(5,768)	-30%

Daily Revenue Performance in Top Customs

Daily Customs Revenue Collection (1-8 of Hoot)
Million Afs



Revenue Performance by Individual Customs

Agency (Million Afs)	Annual Targets	YTD – Target	YTD – Actual	Difference in Value	Difference in Percent
Herat	22,845	4,359	3,229	(1,129)	-26%
Nangarhar	18,870	3,600	2,256	(1,344)	-37%
Kandahar	14,068	2,684	1,705	(979)	-36%
Balkh	13,035	2,487	2,146	(341)	-14%
Nimroz	10,995	2,098	1,410	(688)	-33%
Faryab	6,871	1,311	680	(631)	-48%
Farah	6,674	1,273	400	(873)	-69%
Airport custom	2,095	400	362	(38)	-10%
Paktya	1,500	286	212	(74)	-26%
Khost	1,208	231	272	42	18%
Paktika	1,157	221	44	(177)	-80%
Kunduz	1,098	209	228	18	9%
Kabul	883	168	602	434	258%
Custom Post Parcel	35	7	8	1	21%
Takhar	25	5	6	2	33%
Badakhshan	6	1	1	0	25%
Kunar	4	1	11	10	1175%
Total	101,369	19,340	13,572	(5,768)	-30%

Recommendations for Improvements

- **Significant efforts should be made to control leakages in customs revenue collection by:**
 - Automation of systems and process simplification in a prudent way,
 - Exchange of cross-border customs information with major trading partners of Afghanistan using trade facilitation agreements and other best practices,
 - Implementation of job rotation plans on random basis on central and provincial levels,
 - Strengthening custom intelligence and the legal framework for better targeting corrupt official, and taking legal actions in a transparent and timely manner,
 - Imposing high tariffs on those importing goods, that are locally produced with no supply constraints/limitations,
 - Enhancing service delivery by MoF's central departments to ARD/ACD,
 - Recruitment of ARD/ACD employees (3-8 grades) through IARCSC & Implementation of customs cadre regulation,
 - Holding regular virtual meetings with customs' directors and making provincial authorities accountable for transparent revenue collection and achieving the targets,
 - ACD to assess the applicability of Real-Time Data Management System (RTDMS) at customs.

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 and seized properties 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, Customs

The End!