



Islamic Republic of Afghanistan
Ministry of Finance

100

One-Hundred -Day Plan

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Introduction:

Management of financial affairs, revenue collection, saving in expenses, and attracting more aids to maintain financial stability and economic growth in the country are considered as major responsibilities of the Afghan Ministry of Finance.

A self-sufficient Afghanistan with strong economy in which financial laws are dominant and the Ministry of Finance is accountable and answerable to people's needs is a basic principle of MoF leadership. To achieve these goals, the Ministry of Finance as its short-term, medium-term and long-term priorities, will take the following actions: fundamental reforms in anti-corruption activities, improving administration and public finance system, preparing financial regulations and procedures and streamlining frameworks to be transparent and accountable for the purpose of administration effectiveness. The above measures will result in more revenue collection and better management of financial affairs.

The Ministry of Finance will adhere to accepted principles and standards and will take serious actions to strengthen manpower, plan and enforce policies and implement administrative reforms. For the purpose of enhancing financial affairs and allocating balanced financial resources based on government priorities, the Ministry of Finance is determined to change traditional budgeting process which was based on necessary resources to a budgeting process on the basis of a three-year plan and provincial budgeting. Allocation of more financial resources to provinces by paying close attention to less developed provinces and the relationship of Ministries budgets with national priorities and programs are the major reforms for the implementation of government policies.

From now on, budget will be used as a tool for realization of government policies. All these measures will lead to economic growth, creation of job opportunities, reduction of poverty, strengthening private sector and improving people's standard living.

As Afghanistan requires more aids in transformation decade and the aids are subject to commitments in different areas, coordination, follow-up activities and reporting on mutual and multilateral commitments will be a condition for continuation of aids within the framework of self-sufficiency document (commitment to reforms and renewal of cooperation) of the Ministry of Finance.

The first one-hundred-day plan of the Ministry of Finance will be the first step for the realization of short-term reform programs to achieve long-term commitments.

MoF One-Hundred -Day Plan

Policy Affairs

No	Activity	Expected outcome	Time					
			20	40	60	80	100	120
1	Coordination among government agencies to implement the short-term reform commitments of London conference	Achieving the short-term objectives of realization of "self sufficiency" document: commitment to reforms and renewal of cooperation						
2	Coordination with donors to implement the short-term reform commitments of London conference	Coordination with donors to implement the short-term reform commitments of London conference						
3	Establishment of a monitoring and evaluation system to follow up with London conference commitments	Better and timely reporting on the implementation of commitments						
4	Preparations for Senior Officials' meeting	Attracting more aids from international community and establishing continued partnership in transformation decade						
5	Discussing and providing advice on priority programs	Prioritizing national priority programs						
6	Approving the revised aids management policy and its framework for monitoring by the cabinet	Making the aids effective and spending them in accordance with national programs						
7	Holding negotiations on three new agreements of development framework	Ending negotiations and reaching agreement on three new development frameworks with Japan, Germany and European Union						

8	Finalizing and publishing the report of development aids	Establishing trust and making the donors' aids consistent with the Afghan government national priorities					
9	Reflecting the donors' official aids in the database of development aids and enhancing their quality	Collecting information regarding official development aids					
Budget Affairs							
1	Preparation of the budget for the review of 1394 mid fiscal year and sending it to cabinet meeting and parliament	Review of the expenditure and revenue of 1394 mid fiscal year and updating it for the purpose of achieving the government objectives and their consistency with financial and economic conditions of the country					
2	Finalizing the strategic plan of budget implementation in which gender issue is taken into account.	Analyzing and allocating resources in national budget for the pupose of achieving the objectives of gender support in all sectors in accordance with the policy of the national unity government					
3	Extending the State Budget planning system from 16 to 25 budget units	Accelerating the process of providing budget proposals, increasing accuracy and transparency in budget preparation electronically, and streamlining the budget processing					
4	Commencement of monitoring the budget implementation of 14 budget units (that covers 90 percent of development budget) and 50 development projects (based on value) and providing necessary facilities and coordination with all parties involved in budget spending process	Increasing the spending level of the budget allocated and achieving the objectives of government service provision to people in specific areas through timely implementation of development programs in the country and providing regular and timely reports to the relevant authorities					

5	Simplifying budget allocation process by decreasing the hours from 72 to 48 hours	Raising the level of effectiveness and performance in providing services to budget units, increasing the effectiveness, transparency and accountability in budget implementation process						
6	Finalizing the provincial budgeting policy and sending it to the cabinet for approval	Delegating budget authorities to provincial officials and changing budget preparation process to a participation process from bottom to top for the purpose of accelerating and increasing service provision level in provinces						
7	Finalizing the public property maintenance policy and sending it to the cabinet for approval	Extending budget norms for different sectors, allocating enough resources for maintaining public properties, especially for provinces and public property management for the purpose of maintaining and effective use						

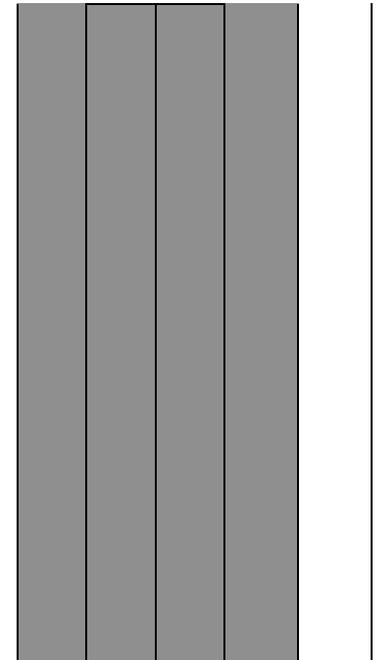
8	Finalizing the regulation for public and private participation and sending it to the cabinet through the Ministry of Justice	Providing an appropriate environment for the purpose of extending public and private participation to increase service provision in the country					
9	Planning the conversion of annually budgeting method to every three year budgeting method and sending it to the cabinet for approval	Improving the process of long-term planning and prioritization, better management of financial (budget) resources, increasing transparency, accountability and coordinating budget process with procurement process					
10	Providing capacity building trainings for central and provincial Departments in respect of reforms and introduction of provincial budget policy	Enhancing the capacity and skills of finance and budget officials to extend an effective budget system to central and provincial level offices for the purpose of accelerating and increasing effectiveness in service provision process and institutionalizing reforms in central offices					
11	Finalizing donation strategy of ARTF Incentive Program in coordination with the Departments involved	Utilizing about 750 million USD from discretionary sources through Afghan government budget by linking it with national unity government reform programs that should have the nature of financial and economic reforms					

12	Commencing the process of transferring the administration and management of donors resources to Afghan government which were before utilized through government budget but they were managed by non government contractors	Avoiding high expenditures, removing non consistent parallel structures, managing and administrating resources through government budget, raising the organization effectiveness and capacity and managing financial resources in central and provincial level.					
13	Assisting with the development of a standard system for monitoring and evaluation (E System & Government Wide M) of performance in coordination with the Office of Administrative Affairs and other offices involved	Developing an effective monitoring and evaluation system helps with effectively utilization of financial and human resources, decreases corruption and increases transparency and accountability in using resources in central and provincial office level					
14	Planning, reconciliation and coordination of preparation process of Road Map 2 PFM	Strengthening the budget role for the purpose of effectively providing key government services, increasing budget execution, raising transparency and accountability and necessary reforms in areas of public finance management to raise service provision level					
Treasury Affairs							
1	Transferring money electronically to companies' bank accounts and national commercial banks instead of cheque	Saving money on cheque expenses, saving time (performing a duty within a few hours instead of performing it within one to three days) and reduction of corruption					

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Referring the Accounting and Audit Law to the Ministry of Justice after approval by the cabinet

So far no Accounting Law has existed to define accountant and auditor and unfortunately professional accountants and auditors have not been available to calculate and audit the income and expenses in an organized manner. After approval of this Law, the accountant and auditor will not be allowed to calculate the amounts incorrectly and the auditor will not be able to confirm incorrect calculations. By implementing this Law, not only foreign investments will increase but also revenue collection and the calculation by professional accountants and auditors will be done in a sandartd mannar.



3	Implementing purchase and asset registration system in 6 Ministries	Further budget control in accordance with the contract; Registration of contract in purchase registration system for the purpose of more transparency; giving commitment to contracting companies in respect of availability of enough allocation when providing goods or services to budget units; registration of all public properties purchased from national budget; using this system will enable the agencies to request budget for maintaining their capital assets.						
4	Upgrading the capacity of AFMIS to Web Based System	Reduction of telecommunications cost, ensuring users access to AFMIS and linking all budget units to AFMIS through the internet Increasing transparency and accountability level						

5	Linking the Afghan political and consular agencies based in other countries to AFMIS	Controlling the expenditure and revenue of the agencies based in other countries and providing financial discipline to the agencies							
6	Transferring national revenue to treasury account (Zero Balance Account) on daily basis	Providing revenue and daily expenses report from central bank will enable the Ministry of Finance to prepare accurate financial plans and execute them so that the revenue collection and cost payment are not delayed							
7	Linking all State owned enterprises with AFMIS	Providing accurate and transparent information from revenue and expenses of state owned enterprises and further controlling of the enterprises							
8	Linking Municipalities with AFMIS	Controlling the expenses and revenue of Municipalities and providing timely reports to the relevant organizations							
9	Creating the central database of financial reports (BI & Data Warehouse)	Ensuring all budget units and donors access to financial reports for several years							
10	Training the staff of the first budget units in preparation of Qatia	Preparing and providing Qatia with no defects							

11	Planning the transfer of revenue and expenses of Afghan political agencies based in foreign countries	Collecting the revenue of political agencies in a timely manner and transferring the expenses directly to the agencies accounts on monthly basis						
Financial and Administrative Affairs								
1	Finalizing the ownership transfer of the new MoF building located in Pul-e- Mahmood Khan to MoF in agreement with the Ministry of Transport	Providing an appropriate and safe environment for MoF personnel						
2	Finalizing the program for designing the location of the new MoF building, developing a map and initial estimation of the wall enclosing the area	Providing an appropriate and safe environment for MoF personnel						
3	Modernizing state property registration system and offices using information technology and new programs	Prevention of state property usurpation and providing correct figures about accurate collection of state property revenue						
4	Studying the possibilities for modernizing the financial, accounting and procurement system of MoF using information technology	providing timely services to clients and spending the MoF budget transparently						
5	Commencing the process of lease and renting of 332 immovable properties which are under development plan of government organizations and are in accordance with approval No 39 of the council of Ministers, introduced to Estates Directorate General	Increasing revenue, in comparison to last year, for the purpose of realization of development and economic plans of the country						

6	Registration and collection of figures and accurate internal statistics of 1000 government properties with a breakdown of center, province and outside the country	Registration of figures and accurate statistics of government properties to use them correctly in development and economic plans of the country						
7	Providing a plan for all government properties clearance and registration including their surplus	Accurate statistics of government properties, transparency in government revenue and protecting public properties						
8	Inspection and evaluation of the following areas: Mustofiats, 13 provinces, 8 central and provincial customs offices, 8 tax zones of Kubul city, 3 revenue Departments of Kabul districts, 9 controlling Departments of budget units, 5 central Directorates of MoF, MoF systems in 4 areas, 2 enterprises, 12 budget units and world bank projects in 12 areas	The organizations performance to be in accordance with laws, regulations, procedures and instructions						
9	Addressing complaints that are received through Complaints Review Office, complaints boxes, telephone and email	Assuring MoF clients of addressing complaints and availability of clients complaints review office						

10	Following up and review of 20 cases received through Attorney General's Office, Directorate General of National Security and High Office of Oversight and Anti-Corruption, providing a policy for decision making regarding government enterprises to the cabinet	Completing the process of discovering and registration of losses incurred and the persons involved in corruption and providing assurance to authorities that have sent the cases						
11	Collection of Afs 400 million tax revenue and net profit from government enterprises and transferring the amount to government revenue account	Increasing government revenue						
12	Analysing 20 balance sheets of government enterprises, 30 national plans of government enterprises, financial condition and economic activities of 10 government enterprises and monitoring the bank accounts of 20 enterprises	Ensuring transparency in performance						
13	Out of 36 government enterprises, specifying the size of land under the control of 10 government enterprises; 15 jeribs of land have been considered for printing house and mint in Jangalak area and its construction work should start.	Specifying the property and prevention of misuse						
14	Analysing government enterprises failure in filing balance sheets with a breakdown of the years and reporting it to the cabinet	Ensuring the activities and development of enterprises, their capital and assets						

15	Following up the process of privatization of three government organizations and drafting their bylaws including 8 government organizations whose privatization has been commenced by sectoral ministries	Strengthening the private sector and effective use of resources and facilities					
16	Starting the privatization process of 3 of 8 government organizations and drafting their bylaws in cooperation with sectoral ministries	Drafting the bylaws of National laboratory Company for testing construction materials, Wadi Nangerhar company and Afghan Post company					
17	Planning audit and review of state owned enterprises' organizational structures including the members of enterprises' board of directors and sending it cabinet	Transparency and prevention of inflation in organizational structure					
18	Reporting plan of state owned enterprises' board of directors to High Commission for Evaluation of Enterprises	providing further coordination					
Revenue Affairs							
1	Collection of Afs 17 billion based on approved plan	Achieving revenue target in accordance with budget document Achieving the target set by IMF					
2	Implementation of new SIGTAS modules in center (LTO, MTO, STO) and provinces (Kandahar and Nangarhar)	Establishing a standard system of tax administration; building trust and transparency among tax offices and taxpayers; accurate, swift and timely reporting					

3	RegISTRATION of 2000 new taxpayers (individual and non individual) and granting TIN in center and provinces	Broadening tax base Raising the level of national revenue						
4	Increasing 2% BRT to 4% and imposing 10% telecommunication fee on prepaid and post paid credit cards	Increasing national revenue Achieving the target set by IMF						
5	Inspection of companies on the basis of Risk Based Compliance in center (LTO, MTO and STO)	Increasing taxpayers compliance level Building taxpayers trust Assessment of actual tax						
6	Signing cooperation agreement and obtaining the rights to use Ministry of Commerce Information Center at the time of tax clearance and companies' license renewal	Prevention of tax evasion and obtaining information in a timely manner Exchanging information and prevention of fraud						
7	Providing the review draft of ARD organizational structure	Administration reform and development						
8	Preparing proposals and specifying materials to be amended in the Income Tax Law in agreement with the chamber of commerce and small businesses of the city	Simplifying and facilitating tax collection process and amending tax laws						

Revenue Plan Affairs						
1	Updating the Revenue Trend Analysis System (RTAS) from version 4 to version 5.	By updating RTAS version 4 to RTAS version 5, revenue analysis in forecasting revenue plan, providing different types of revenue analysis reports based on the resources will become easier than previous and the possibilities will be made to get the revenue reports as per the requirement of Revenue Planning and Afghanistan Revenue Departments.				
2	Revision of Primary Revenue Forecasted plan for the fiscal year 1394 which has already been prepared.	After the annual revenue report (Qatia) of government is finalized, revenue forecasting plan for the organizations will be reviewed considering the abilities and resources of these organizations and after the approval of Finance Minister it will officially be announced to the budget organizations for revenue collection. On the other hand, it can assure the final level of domestic revenue in the national budget in case of probable changes in the middle of the year including the Budget Department and it avoids the difference caused by no cooperation between these two departments (Budget and Revenue Planning).				
3	Implementation of AFMIS System (Revenue Section) in Large Taxpayers Office (LTO) and Medium Taxpayers Office (MTO).	Data entry of collected revenue figures on time based on revenue source in its specific code and prevention of the monthly revenue reporting long process in a transparent way.				

Customs Affairs								
1	Increasing the efficiency of collection at least 10% in customs revenue in comparison with the previous year in the center and provinces;	13 billion Afghanis.						
2	Implementation of Customs Data Exchange System with Tajikistan. First of all, the memorandum of understanding (MOU) was signed with Tajikistan Customs in order to connect the custom systems of both countries;	Growing revenue, trade facilities, intensifying business relationship with Tajikistan and prevention of corruption opportunities.						
3	Completing the Tracking System process. Technical and financial proposals of interested companies will be collected until 5 June 2015 and after the necessary evaluation, the winner company will be announced;	Increasing revenue, prevention of smuggling and reduction of administrative corruption.						
4	Implementation of new pricing module in ASYCUDA System in Balkh, Aqina and Herat Customs;	Prevention of fake prices, increasing revenue, identical price in all customs, Development of facilities for traders in pricing section.						
5	Implementation of Risk Management program Or Customs processing considering the risk (Safety, security and revenue evasion) in Khost, Andkhoy and Nimroz Customs. Goods are divided into three parts based on risk which increases revenue in one	This process will facilitate the trade and increase revenue so that the goods are described in customs considering the existing risk and resources.						

	hand and on the other hand, it creates business facility;							
6	Starting the process of pilot electronic payments in Kabul Customs;	Connecting the customs systems, Da Afghanistan Bank (DAB) and commercial banks for transferring money into customs account electronically. Business facilitation.						
7	Implementation of sending text messages to traders for providing the customs returns;	For transparency and insuring the performance of commission agents and customs officials.						
8	Providing the customs human resources reform plan to the cabinet and activation of customs national academy with customs specific education programs;	Technical capacity building of customs employees. Prevention of administrative corruption and recruitment interference.						
9	Preparing draft tariff for precious and semi-precious stones in agreement with Ministry of Mines and Petroleum, AISA and Chamber of Commerce;	Supporting domestic industry of the country and organizing export process.						
10	Preparing the draft schedule of agricultural products tariff in agreement and cooperation with Ministry of Agriculture, Irrigation and Livestock;	Supporting domestic industry of the country and organizing export and import process in different seasons of the year.						
11	Preparing the draft of industrial tariff system for supporting domestic industry in cooperation with Ministry of Commerce;	Supporting domestic industry, creating job opportunities and balance between domestic production and commerce especially export.						
12	Opening Single Window in Customs;	Creating transparency, facilitating and accelerating service provision.						
13	Transferring the Customs Protection Detachment from Ministry of Interior	Prevention of any abuses and corruption.						

	to Customs and Revenue Department;								
14	Finalizing Customs Memorandum of Understanding (MoU) with Iran and United Arab Emirates;	Agreement and finally signing customs MoU for exchanging customs information.							
15	Providing a plan to address the main problems caused by importing goods in retail;	Preventing import of restricted goods, increasing government revenue and implementing identical customs tariff in the entire country.							
Insurance Affairs									
1	Developing culture for using insurance and processing the draft of new law;	Having an appropriate legal base and responding to insurance needs in the country.							
Human Resource Affairs									
1	President's decree will be obtained for implementation of CBR;	Implementing reform program in the government.							
2	Taking required actions on Terms of References for CBR program;	Implementing MoF Structural Organization (Tashkeel) Reform System.							
3	Over all evaluation of key positions (grade 1 and 2) of Customs and Revenue Department and State Accountants (Mustofiats) of 34 provinces;	For determining the efficiency and benefit of assigned individuals for the mentioned positions (grades).							
4	Evaluation of about 350 contractor employees through projects and plan for recruiting them in MoF Tashkeel;	Preventing the scape of professional and expert people.							
5	Recruiting 100 people of female graduates from various universities;	Use the capacity, capabilities and talents of females.							
Miscellaneous Affairs									
1	Preparation of procedure and schedule for collecting debts of government and nongovernment banks;	Addressing the debt cases of government and nongovernment banks and collecting them through a transparent and responsive process.							
2	Starting sub-committees work for	Developing business and economic							

	implementation of the commitments in order to develop economic and business relationship between Russia and Afghanistan;	relationship and providing transit facilitations.						
3	Starting sub-committees work for implementation of the commitments in order to develop economic and business relationship between China and Afghanistan;	Developing business and economic relationship and providing transit facilitations.						
4	Starting sub-committees work for implementation of the commitments in order to develop economic and business relationship between Iran and Afghanistan;	Developing business and economic relationship and providing transit facilitations.						
5	Starting sub-committees work for implementation of the commitments in order to develop economic and business relationship between India and Afghanistan;	Developing business and economic relationship and providing transit facilitations.						
6	Starting sub-committees work for implementation of the commitments in order to develop economic and business relationship between Pakistan and Afghanistan;	Developing business and economic relationship and providing customs and transit facilitations.						

Challenges

- Ambiguity in political and security situation last year which caused economic decline and affected the investment negatively and its effects on overall budget is tangible.
- Preparing budget in an unrealistic manner and politicizing 1394 national budget;
- Transferring receivables of development and optional projects of previous years which have caused

1394 budget deficit;

- Employees' ties with influential people in revenue offices in center and provinces
- Lack of access to adequate financial budget for funding development and optional projects;
- Lack of cooperation among revenue units in the center and provinces;
- Lack of timely cooperation of judicial and security organs to solve property issues and arrears clearance of tenants;
- Too much interference by customs police in customs daily affairs; and
- Unnecessary interference by detection and investigation organs in affairs of the Ministry of Finance revenue offices which has resulted in duty overlap and creation of corruption and obstacles to business growth.

