



Finance Circular No. 2/ 1383
Dated 23 February 2004 (4 Hoot, 1382)

Subject: Requirements for Central Ministries Bank Accounts

Overall management of the activity of banking monies belonging to the government is the responsibility of the Treasury Department of the Ministry of Finance.

Unless there is explicit approval from the Minister of Finance to do otherwise, all monies collected by Ministries as a result of their approved activities are to be paid into the National Revenues account (Account No. 600400) operated by the Da Afghanistan Bank (DAB) on behalf of the Treasury Department of the Ministry of Finance.

These monies are formed into the Consolidated Fund and are not to be made available in any way other than by an official payment request authorised by the Treasury Department which is supported by an approved budget and allotment.

Requirement for Ministries to advise bank account status

By the 10th of Hoot, 1382 Central Ministries are required to advise the Treasury Department, MOF in writing:

- existing revenue bank accounts with DAB or commercial banks which they consider contain other than public moneys;
- existing revenue bank accounts under their control which are operated for enterprises; and
- justification for establishing banking arrangements in 1383 for revenues of the central ministry.

Establishment of sub-revenue accounts

In 1383 Central Ministries will be able to open one sub-accounts with DAB to manage the collection of revenues of the central ministry – this account will belong to the MOF, but be operated by the ministry. As noted above, Ministries will have to apply in writing to MOF to establish this account, and in the application provide information on the nature and amount of all revenues which will be expected in 1383.

On advice from MOF DAB will open a sub-account for central ministries, to enable them manage deposit activity. These accounts will have its cash balance automatically swept to Account No. 600400 on a regular basis to be determined by MOF and DAB.

Operational procedures

The two substantive changes to existing procedures is that:

- ownership of the existing central ministry revenue bank accounts will be transferred to MOF. DAB will, if instructed by MOF to do so, re-establish one account for each ministry as a sub-

account, and operate that account with the Ministry in exactly the same way as before, including reporting of deposits and statements; and

- DAB will automatically sweep the newly created accounts on a regular basis.

All remaining existing procedures for treatment of central ministry revenues, including M27 and M29 procedures remain unchanged.

Salutation

Dr. Ghani
Minister of Finance
