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Jobs, Skills, and Employment: A Descriptive Analysis of Development Budget Spending in Afghanistan

DECEMBER 2019

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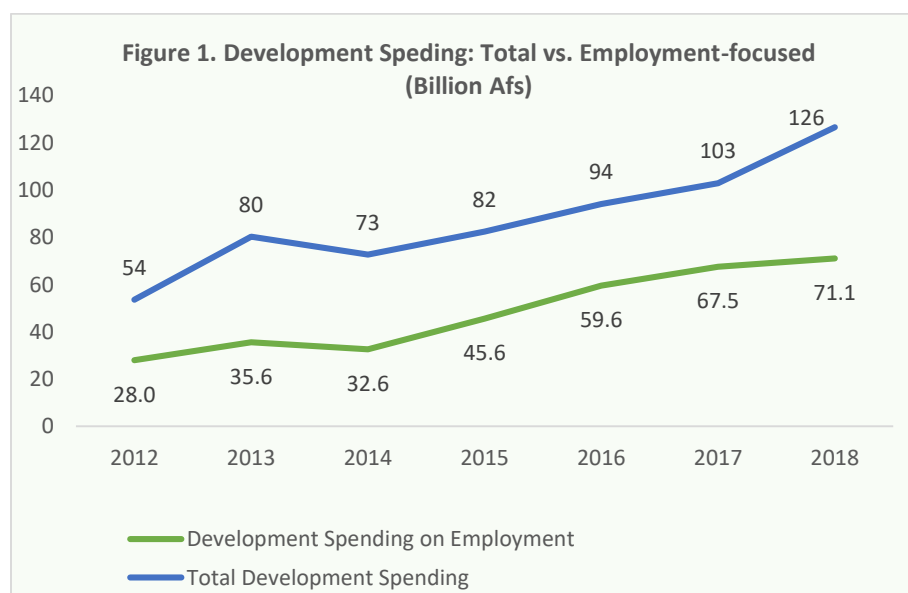
Fiscal year in Afghanistan, which until 2011 (SH 1391) coincided with the Persian solar year (Solar Hijri) that starts at March 21st in the Gregorian calendar, was changed in 2012 to become nearly consistent with the Gregorian calendar year – the first day of the fiscal year now starts on December 21st. The FY 2012 was therefore a transition year towards a new fiscal year regime and had only 9 months. The figures for 2012 in this report are reported as they are, without being pro-rated to match a full 12-month year. Hence caution should be maintained when comparing subsequent years with the FY 2012.

Executive Summary

Supporting employment in a country requires measures that not only improve the quality of labor supply by enhancing the skills of the workforce, but also unleash opportunities for labor demand including job creation and private sector development.

This report provides a descriptive analysis of development budget expenditures that directly or indirectly support employment in Afghanistan, including job creation, skills enhancement, and private sector development.

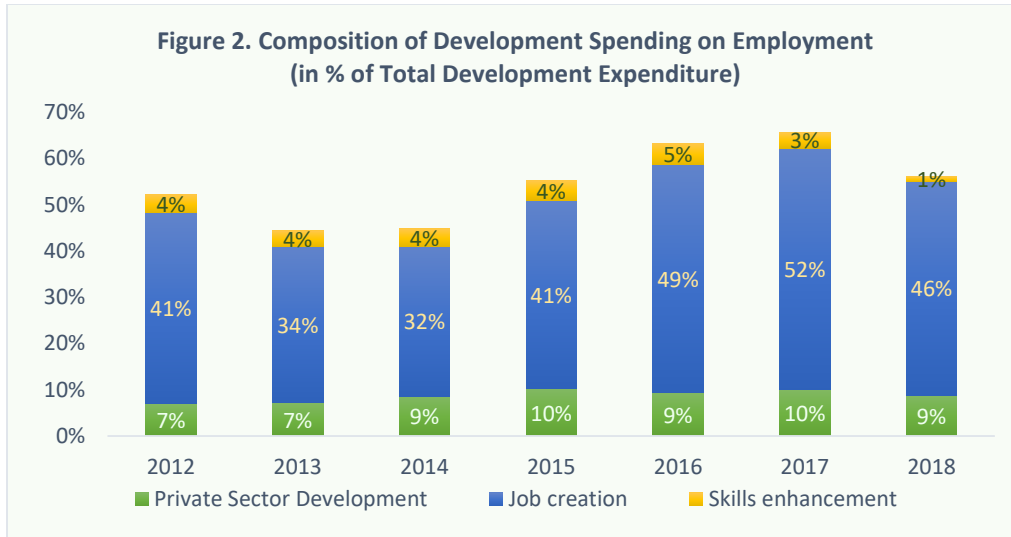
Analysis in this report reveals that on-budget development spending on programs that support “employment”, i.e., those targeted at job creation, skills enhancement, and private sector development, have consistently increased over the past six years, increasing from around Afs 35 billion (about US\$ 650 million) in 2013 to slightly more than Afs 70 billion (nearly US\$ 990 million) in 2018. In real terms, this shows an increase of nearly 75 percent between 2013 and 2018. In per capita terms, development spending on employment has increased from around Afs 1,300 (\$23) to Afs 2,250 (\$31) over the same period. At its peak, the share of development spending on employment programs reached 66 percent in 2017, as compared to 44 percent in 2013 and 56 percent in 2018.



* The fiscal year 2012 had only 9 months. See note on page 1 of this report.

Data shows that the share of development budget expenditures on programs that support ‘job creation’ (i.e., on labor-intensive infrastructure and public works) increased from 34 percent in 2013 to 46 percent in 2018. Development expenditure on ‘private sector development’ programs increased only marginally from a share of 7 percent in 2013 to 9 percent in 2018. However, the

share of development spending for 'skills enhancement' declined over the period, shrinking from 4 percent of total development spending in 2013 to 1.2 percent in 2018.



The development budget portfolio on 'employment' is comprised of 26 active programs which are further classified into 56 active sub-programs in the development budget. Of these programs, eight were on private sector development, thirteen on job creation (i.e. labor-intensive infrastructure and public works), and six programs were on skills enhancement. Of the 26 active programs, 13 programs have consumed 93% of the development spending on employment, or 52% of the total development expenditures over the past seven years (2012-2018).

Development spending on 'private sector development' was mainly driven by two programs: (i) Agriculture Production and Productivity program, and (ii) Economic Regeneration Program. These two programs consumed 67% of the spending that was allocated for private sector development. Development spending on 'job creation' was dominated by four programs related to the supply and distribution of power, provision of roads and railways, and the development of rural infrastructure. These four programs have absorbed 75% of the funds spent on infrastructure development over the past seven years. Finally, about 88 percent of development spending on 'skills enhancement' was consumed by three programs: (i) Educate and Train Skilled Graduates, (ii) Labor Support program, and (iii) Technical and Vocational Education & Trainings.

Fiscal data shows that nineteen agencies were involved in the execution of programs on 'employment', i.e., on skills enhancement, job creation, and private sector development. Of these, seven agencies were responsible for spending 85% of the allocated funds for employment which accounted for almost half of the total on-budget development spending. These agencies included Ministry of Public Works, Da Afghanistan Brishna Shirkat (power utility), Ministry of Agriculture, Ministry of Rural Rehabilitation and Development, Ministry of Energy and Water, Ministry of Education, and the Civil Aviation Authority. The private sector development programs were

implemented by five government agencies, of which the Ministry of Agriculture, Irrigation and Livestock (MAIL) was solely responsible for spending almost 80% of the funds dedicated to this area. The labor-intensive infrastructure development programs (i.e. programs for job creation) were implemented by ten government agencies. Ministry of Public Works (MoPW), Da Afghanistan Brishna Shirkat (DABS), Ministry of Rural Rehabilitation and Development (MRRD), and Ministry of Energy and Water (MoEW) have utilized 86% of the funds in this category. The skills enhancement programs were carried out by four government agencies, including ministries of Education (MoE), Higher Education (MoHE), Labor (MoLSAMD), and Women Affairs (MoWA). The former three ministries were responsible for 98 percent of expenditures in this category.

According to the Government’s fiscal reporting system (AFMIS), about 78% of development spending on ‘employment’ was executed by the provincial authorities. The remainder was assumed as offshore payments¹ and expenditures by central ministries with no clear attribution to any of the provinces. The attributable development spending on employment have mostly been concentrated in ten provinces, which have utilized around 65% of the allocated development funds for employment. These ten provinces include Kabul, Herat, Baghlan, Balkh, Parwan, Jawzjan, Badakhshan, Helmand, Faryab, and Nangarhar.

Table 1. Development Spending on Employment, 10 leading provinces (in Million Afs)

	2013	2014	2015	2016	2017	2018
Kabul	6,318	5,656	11,262	14,785	17,092	11,695
Herat	1,825	1,626	2,125	2,134	2,445	4,959
Baghlan	867	1,094	1,598	3,788	4,024	3,110
Balkh	2,808	1,498	1,658	1,764	2,225	1,474
Parwan	385	268	697	1,280	1,474	7,641
Jawzjan	213	63	1,854	1,317	2,723	6,226
Badakhshan	1,496	469	1,229	2,917	2,285	2,950
Helmand	408	1,114	2,628	3,041	1,643	1,267
Faryab	346	380	298	1,311	1,489	1,560
Nangarhar	1,467	596	1,368	2,395	1,623	1,545
Total	16,135	12,762	24,718	34,731	37,023	42,426
% of Attributable Development Spending on Employment	57%	66%	61%	65%	64%	66%
% of Total Development Spending	20%	18%	30%	37%	36%	34%

The distribution of development spending on employment within the provinces is heavily skewed towards provincial capitals. Over the period of 2012 to 2018, 87% of the spending attributed to the provinces were spent in the provincial capitals where only 30% of the country’s population live. Provincial capitals have consumed 97% of the allocated development funds for ‘private sector development’ in the past seven years. For labor-intensive infrastructure and public works programs (‘job creation’), 85% of the allocated development funds in this category has been

¹ Offshore payments are spending with no clear attribution to the central agencies or the provinces.

absorbed by the provincial capitals. Likewise, provincial capitals have utilized 95% of the total attributed development expenditure on 'skills enhancement'.

Part of such strong disparity among provincial capitals and districts could be simply attributed to the fact that most of the larger projects that span over more than a single district (such as road infrastructure projects) are normally managed centrally in a province, and thus recorded and reported as being spent only in the provincial capital. However, the disparity in these numbers are substantial enough to flag out the unequal allocation of development funding in the country between provincial capitals (urban areas) and provincial districts (rural areas).

Analysis in this report also shows that on-budget development expenditures on the three identified areas for employment, namely job creation, skills enhancement, and private sector development, have been overall aligned with the National Priority Programs (NPPs) of the Government. Almost 95% of the development spending on employment were aligned with seven of the ten NPPs. The NPP-aligned development spending on employment has increased almost consistently over the years, from Afs 28.6 billion in 2012 to Afs 72.6 billion in 2018. In comparison, the portion of development spending on employment that was not aligned with the NPPs represented only a small fraction (5%). About 97 percent of the NPP-aligned expenditures on employment were driven by four national priority programs: (i) Infrastructure, (ii) Human Capital, (iii) Comprehensive Agriculture Development, and (iv) Urban Development.

This study has only looked at the 'on-budget' portion of development spending on employment. In other words, it has focused on the development budget of the Government, and has not covered the development programs which are directly financed by the donor agencies outside the Government's budget. Given lack of consistent reporting by the donors on their off-budget grants, it is difficult to make any connection between the composition of off-budget development spending on the three identified areas for employment, namely job creation, skills enhancement, and private sector development, and the composition of on-budget development expenditures on employment which has been reflected in this report. Thus, findings in this report should be treated with a caveat that these reflect only the 'on-budget' portion of development spending on employment in Afghanistan.

1. Introduction: Aim, Scope, and Methodology

This report is produced as a background paper for a comprehensive employment program to be developed and designed by the United Nations Development Programme in Afghanistan. The program will be a comprehensive framework for action on skills enhancement, private sector development, and job creation in Afghanistan for the period of 2020-2030, which will enable achievement of related SDG (Sustainable Development Goals) targets.

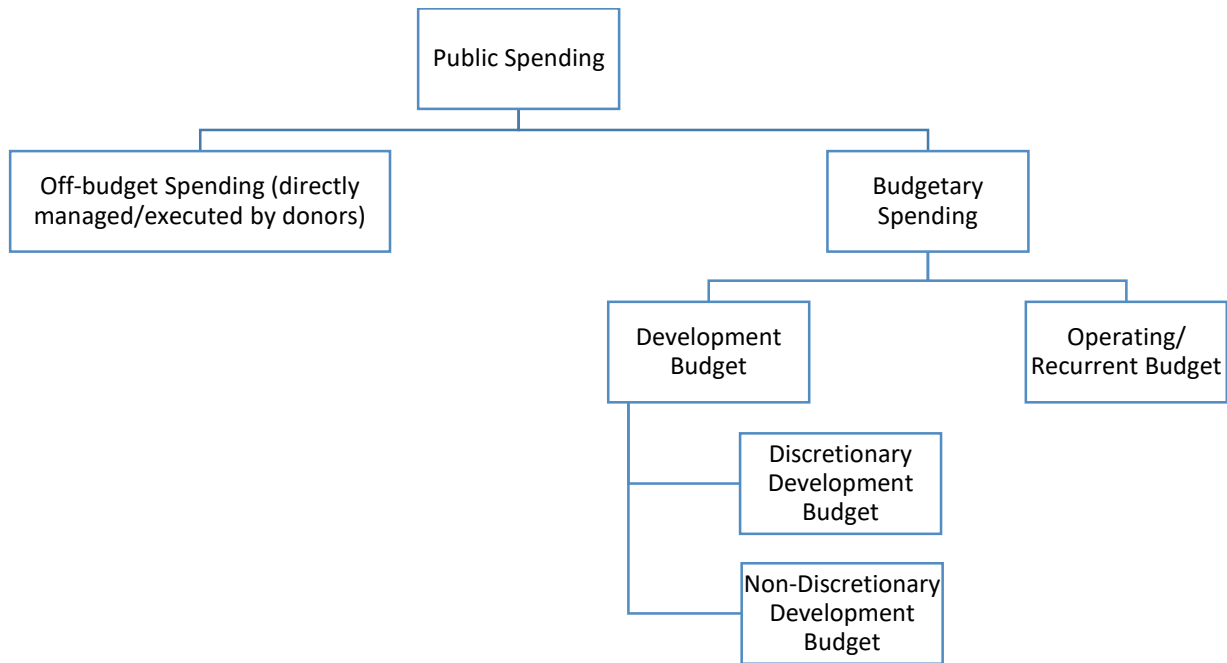
The aim of this study is to look at the level and composition of public spending in Afghanistan on 'employment'. Employment is used as an 'umbrella term' in this report to include the following three pillars:

- ***skills enhancement***, which refers to actions improving the supply of labor and its quality through technical & vocational training and other active labor market programs;
- ***job creation***, which involves public works explicitly aimed at creating jobs, or labor-intensive infrastructure projects that have high propensity to employment generation (to include construction and infrastructure); and
- ***private sector development***, which includes actions providing financing to businesses (microfinance, loans, cash transfers); marketing & operational support to businesses (access to markets, quality assurance, bookkeeping); supporting the development of supply chains; and support policy reforms for private investment, which all ultimately lead to employment generation in the economy.

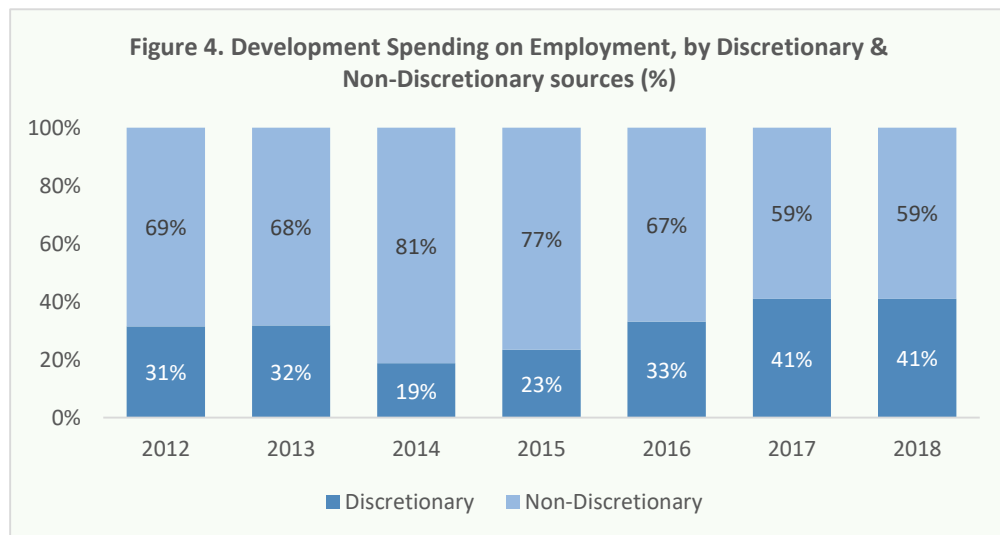
Public spending in Afghanistan comprises of budgetary expenditures (also called 'on-budget spending') and non-budgetary public expenditures (called 'off-budget spending'). The latter consists of those development projects that are directly funded and managed by the donors outside the budget, but which fall under the strict nature of 'public expenditures'. These are directly out-sourced by the donors to firms and non-government organizations (NGOs) for execution and implementation. Typically, humanitarian assistance delivered by international organizations are excluded from this category.

The on-budget development expenditures are managed and/or executed by the Government, but are mostly funded by donor grants. Nearly 80 percent of the development budget expenditures are supported by donor grants. Development projects are either jointly designed and managed with the donor agencies, or developed solely by the Government. The former comprises of non-discretionary development projects for which donor grants are earmarked, while the latter include discretionary development projects which are financed either by discretionary grants (resources over which the Government have full discretion) or domestic revenues. Figure 3 shows the structure of public spending arrangements in Afghanistan.

Figure 3: Public Spending in Afghanistan



This study focuses on the on-budget portion of development spending in Afghanistan, which are targeted at the three identified areas for ‘employment’, namely skills enhancement, job creation, and private sector development. The analysis includes both discretionary and non-discretionary development spending on employment. The results suggest that, while the share of discretionary funded expenditures on employment has been growing over the years, it still represents about 60% of overall development spending on ‘employment’ programs in the country (see Figure 4).



To identify the expenditures on job creation, skills enhancement, and private sector development, the study used spending figures for the relevant “programs”. A “program” is a thematic/functional

classification of the projects in the Government's Charts of Account, and helps identify various expenditures by sectors of activity or by the nature of the projects. Thus, those programs which thematically matched to job creation, skills enhancement, and private sector development were used in the study.

Analysis in this report relies on data from the Afghanistan Financial Management Information System (AFMIS), which is the centralized fiscal reporting system used by the Ministry of Finance. The analysis also made use of the BOOST, which is a public expenditure analysis tool developed by the World Bank and is based on the data generated by AFMIS.

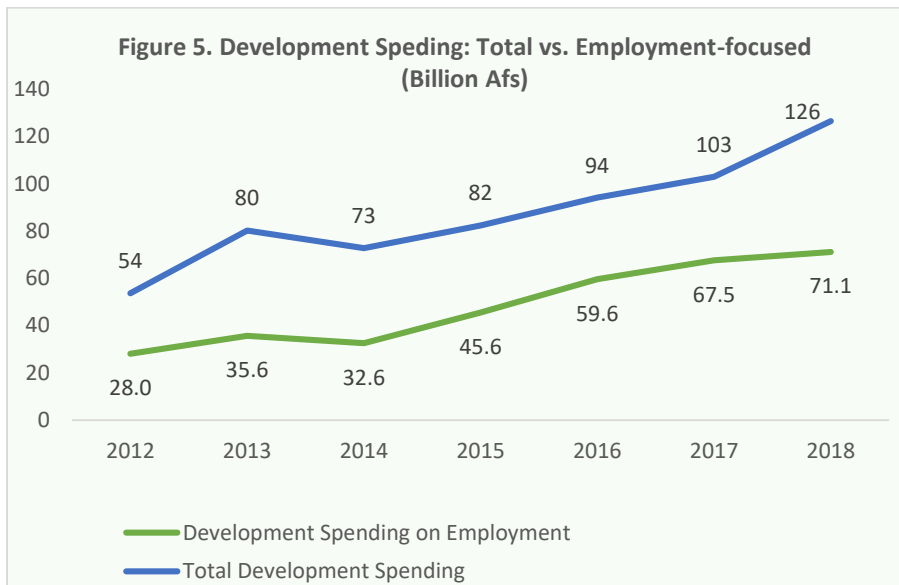
Finally, this report mapped development expenditures on 'employment' to the National Priority Programs (NPPs). The NPPs are outcome focused thematic programs that guides the government agencies towards a comprehensive development goal. Most NPPs involve more than one agency and share a number of common principles. The NPPs are designed to advance the ability of the Government to direct resources into areas that will have the greatest national impact. So far, the following ten NPPs are developed by the National Unity Government:

1. Private Sector Development
2. National Infrastructure Plan
3. Effective Governance Program
4. National Justice and Judicial Reform Plan (NJRPP)
5. Citizens' Charter Program
6. National Comprehensive Agriculture Development Program
7. Urban Development Program
8. Extractive Industries
9. Human Capital Development Program
10. Women's Economic Empowerment Program.

In this report, to map the development expenditures against the NPPs, all programs listed in the charts of accounts were screened for their alignment with the National Priority Programs. To do so, the list of all programs between 2012 and 2018 was generated, and was shared with the relevant directorates of the ten NPPs in the Policy Department of the Ministry of Finance. The short survey with the NPP Directorates aimed to cross-match every program with the main objectives and goals of each of the ten NPPs. The mapping exercise revealed that 95% of the development spending on 'employment' was aligned with seven of the ten National Priority Programs.

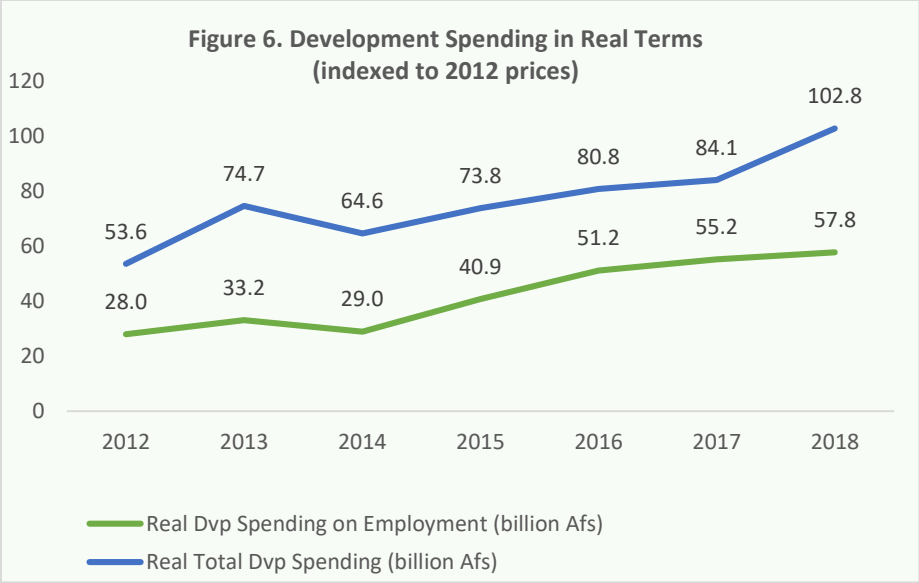
2. Development Spending on Employment: Composition and Trend

Development spending on programs aimed at supporting 'employment', i.e. programs for private sector development, job creation (i.e. on labor-intensive infrastructure and public works), and skills enhancement, has witnessed substantial increase in the past seven years, more than doubling in nominal terms. On-budget development spending on employment increased from Afs 28 billion in FY 1391 (2012) to Afs 71 billion in FY 1397 (2018), with a temporary decline observed in FY 1393 (2014). Total development budget spending also increased from Afs 54 billion to Afs 126 billion over the same period. Figure 5 shows that while development spending increased as a whole between 2012 and 2018, it had a slight drop in 2014. Fiscal year 2014 was in fact a crisis year for the Government with total revenues unexpectedly dropping in nominal terms which pushed the Government to implement austerity measures both in the recurrent and development budgets.² Nonetheless, development expenditures quickly recovered in the following year in 2015.

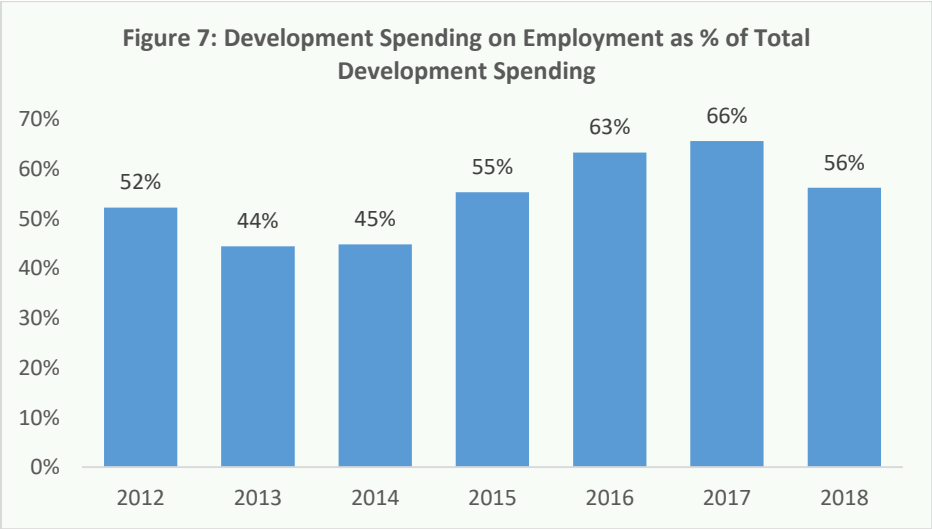


In real terms, on-budget development spending on employment programs increased from Afs 28 billion to Afs 58 billion between 2012 and 2018. This shows an increase of 107 percent over the period, as compared to an increase of 92 percent for the total development spending.

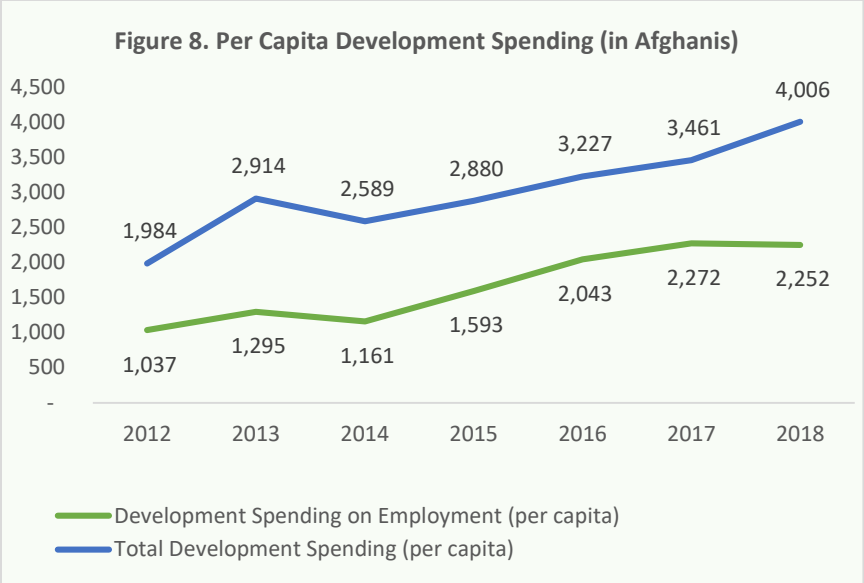
² For more details on the 2014 fiscal crisis and the austerity measures undertaken by the Government, please see: "Nassif, C., Joya, O., and Khan, F., 2014. [Afghanistan Economic Update: October 2014](#). The World Bank. Washington DC"



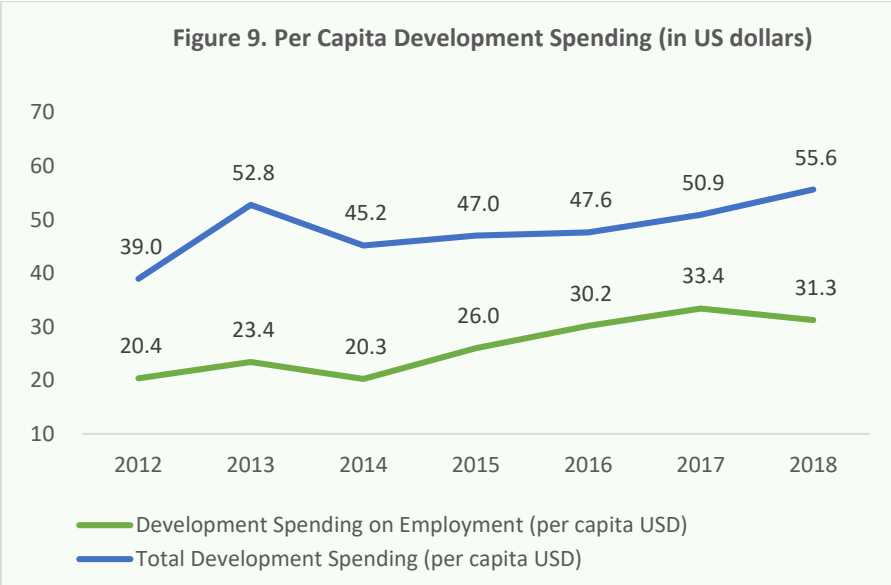
The share of 'development spending on employment' in the overall development budget increased from 55% in 2012 to 60% in 2018. Development spending on employment has closely followed the trend in total development spending in the past seven years, with its share increasing from a low of 44% in 2013 to 66% in 2017 before falling abruptly to 56% in 2018. Such divergence in 2018 can be seen in figures 5, 6, and 7.



In per capita terms, development spending on employment has more than doubled in the past seven years. It rose from Afs 1,037 per person in 2012 to Afs 2,252 in 2018. Similar trend was observed for the per capita total development spending which rose from Afs 1,984 to Afs 4,006 over the period. The average annual percentage change has been 15% and 12% for the two series, respectively.

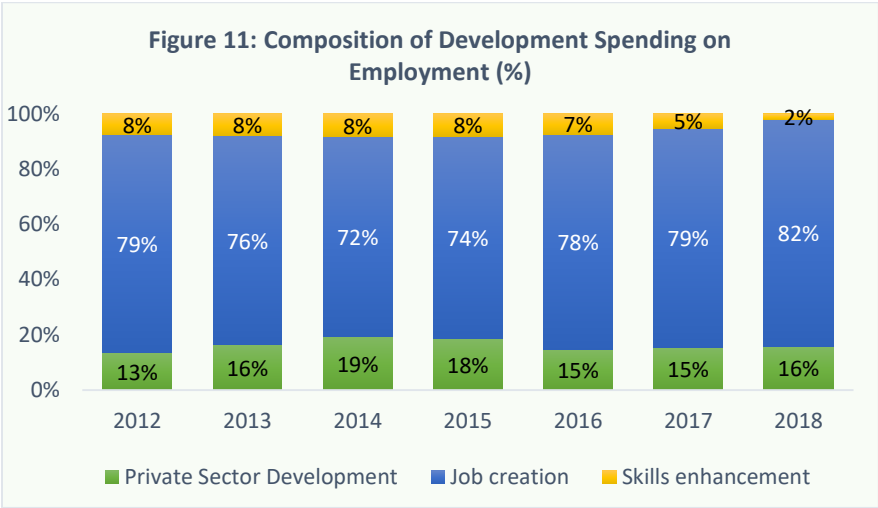
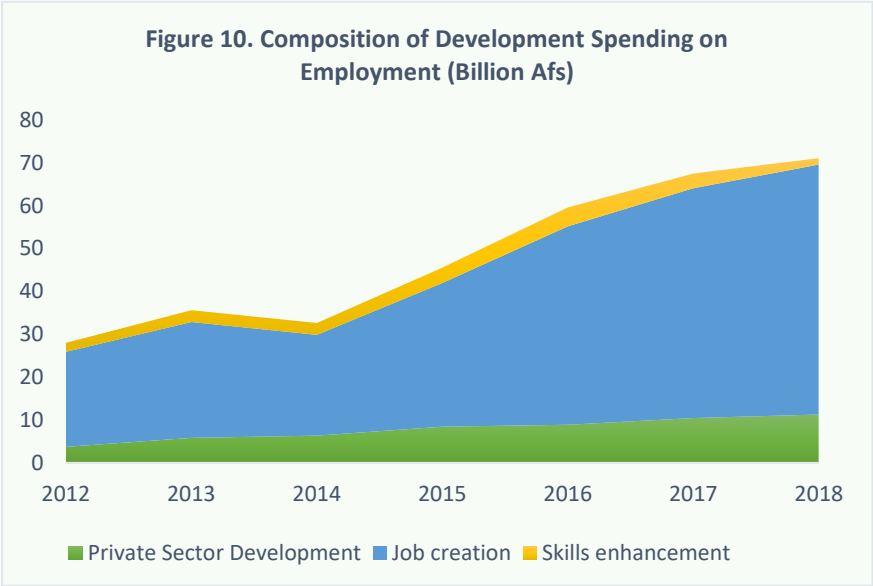


In US dollars, the per capita spending on employment has increased from \$20 to \$31 between 2012 and 2018, and the per capita total development spending increased from \$39 to \$56 over the observed period. In 2018, given a flattening of development expenditure on employment (in nominal Afghanis, as seen in Figure 8) and a strong currency depreciation, the per capita values showed a decline between 2017 and 2018, dropping from \$33 to \$31.

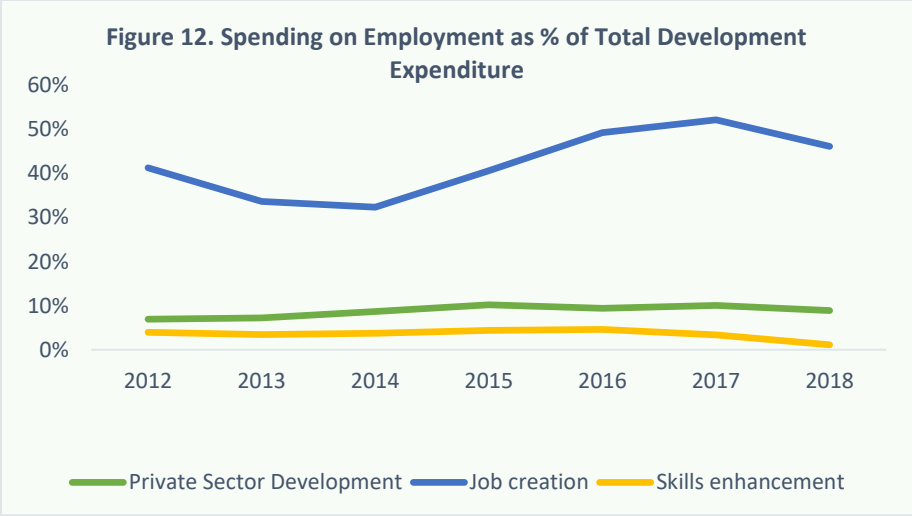


Development spending on all three functional pillars for employment, as identified in this report, has increased from their levels in 2012. Most of the increase since 2014 came from a surge in development expenditures on job creation, i.e. labor-intensive infrastructure and public works (see Figure 10). The share of development spending on job creation, within the portfolio of development spending on employment, has increased from 72% in 2014 to 82% in 2018. As a

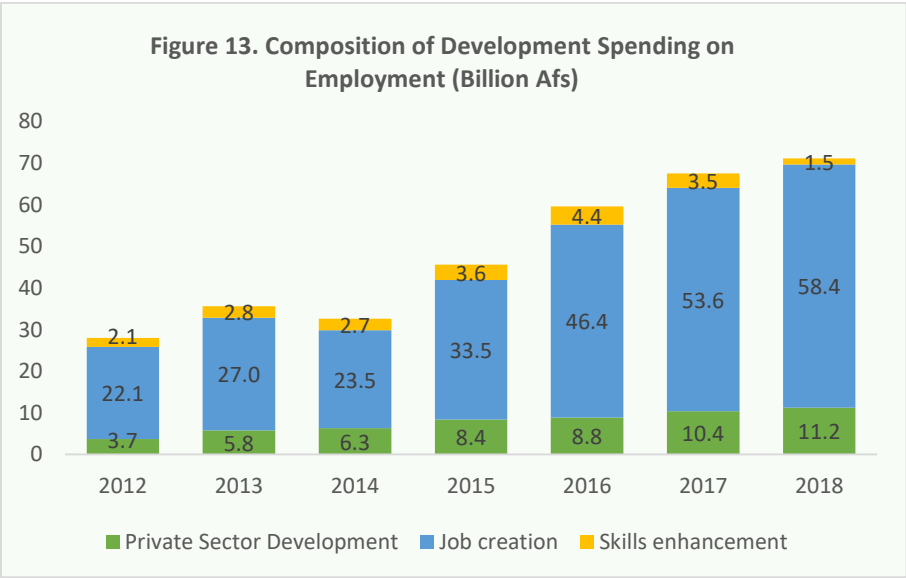
result, the shares of development spending on private sector development and skills enhancement have dropped from respectively 19% and 8% in 2014 to respectively 16% and 2% in 2018 (see Figure 11).



In proportion to the total development budget spending, the share of development spending on job creation increased between 2014 and 2017, growing from 32% to 52%. However, the share of development spending on private sector development (in the total development spending) has remained flat at around 9%, while that of skills enhancement has reduced from 4% in 2014 to 1% in 2018.



In nominal terms, development spending on private sector development has continuously increased in the past seven years. It rose from Afs 3.7 billion in 2012 to Afs 11.2 billion in 2018, recording an annual average growth rate of 20%. Likewise, spending on labor-intensive infrastructure development has witnessed a surge from Afs 22.1 billion to Afs 58.4 billion over the same period. This indicates a cumulative increase of 164% or an annual average growth of 18%. In contrast, development spending on skills enhancement has remained flat. As Figure 13 depicts, expenditures on skills development has fluctuated between a maximum of Af 4.4 billion (recorded in 2016) and a minimum of Af 1.5 billion (recorded in 2018).



3. Analysis of 'Development Programs' for Employment

Development expenditures on employment over 2012-2018 have had 26 active programs which were further classified into 56 sub-programs. Of the 26 active programs, 13 programs have consumed 93% of the development spending on employment, or 52% of the total development expenditures. Infrastructure programs have been the main drivers of increased spending in the portfolio of development expenditures on employment, accounting for 79% of the increased expenditure over the observed period.³

Table 2. Top Programs in the Portfolio of Development Spending on Employment (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
421 Roads and Railways	12,572	13,984	10,867	11,546	13,610	15,431	18,421
831 Power Supply	941	2,083	2,757	7,942	12,560	10,564	16,824
431 Rural Infrastructure	1,592	2,338	2,960	4,092	8,278	12,263	7,482
412 Availability of and Accessibility to Water	3,483	3,805	2,803	3,280	2,996	4,153	4,333
392 Agriculture Production and Productivity	1,695	2,524	1,542	2,237	3,585	3,569	4,535
393 Economic Regeneration	1,025	2,014	2,841	2,770	1,936	3,145	2,840
441 Civil Aviation	0	0	0	2,353	3,190	2,943	3,476
793 Urban Infrastructure	369	880	1,409	1,498	1,952	3,192	2,531
281 Educate & Train Skilled Graduates	1,140	1,524	1,474	2,185	2,549	2,083	454
471 Labor Support Program	389	461	281	239	664	727	616
411 Availability of Competitively Priced Electricity	1,817	1,952	1,127	1,651	1,069	761	1,135
391 Natural Resource Management	216	350	972	722	1,702	1,989	1,882
492 Housing	410	457	2	0	1,767	2,149	1,484
Total	25,648	32,371	29,036	40,513	55,859	62,970	66,012
In Percent of Dvp Spending on Employment	92%	91%	89%	89%	94%	93%	93%
In Percent of Total Development Spending	48%	40%	40%	49%	59%	61%	52%

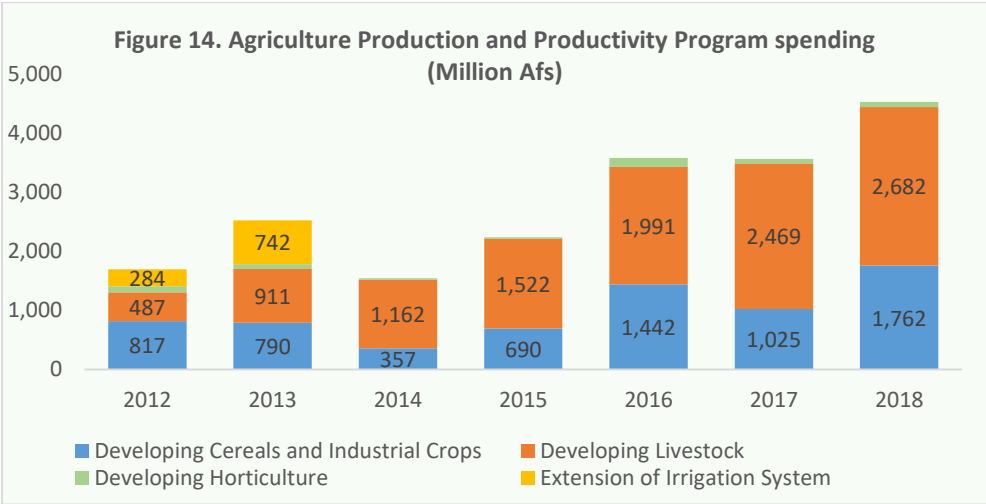
On **private sector development**, there have been eight active programs and 13 active sub-programs in the past seven years. The 'Agriculture Production and Productivity' and the 'Economic Regeneration' programs were the main programs for spending on private sector development, which accounted for 66% of expenditures for this category. Other programs such as 'Mines Geological Survey' and 'Natural Resource Management' have also recently seen an increase in their spending allocations.

Table 3. Programs on Private Sector Development (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
Private Sector and Industry Development	97	165	236	475	97	147	141
Trade Policy and Transit	0	10	8	9	44	24	55
Mines Geological Survey	426	355	97	1,595	692	479	1,055
Natural Resource Management	216	350	972	722	1,702	1,989	1,882
Agriculture Production and Productivity	1,695	2,524	1,542	2,237	3,585	3,569	4,535
Economic Regeneration	1,025	2,014	2,841	2,770	1,936	3,145	2,840
Economic Development	284	396	503	359	192	279	495
Microfinance Investment	4	0	115	257	595	774	234

³ Annex 1 provides the complete list of programs and their relevant sub-programs devoted to employment generation.

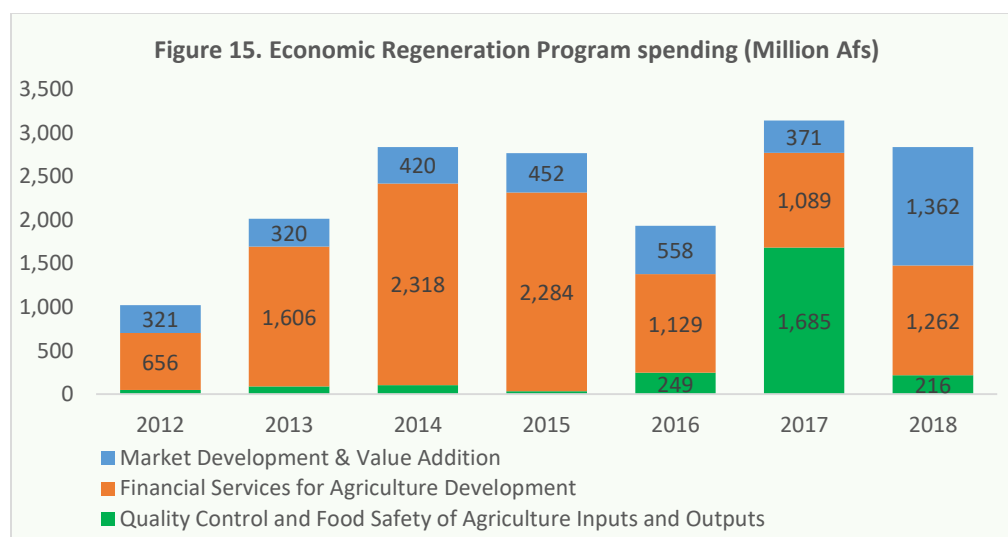
Annual expenditure under 'Agriculture Production and Productivity'⁴ program has increased, on average, by 18% between 2012 and 2018. This program has had three active sub-programs: (i) Livestock development (ii) Cereals and industrial crops development, and (iii) Horticulture development. The 'livestock development', and the 'cereals and industrials crops development' sub-programs have been the major spending sources.



The 'Economic Regeneration'⁵ program has recorded expenditure between Afs 2.5 and 3 billion since 2014, albeit a temporary decline in 2016. The program consists of three active sub-programs: (i) Market development & value addition (ii) Financial services for agriculture development, and (iii) Quality control and food safety of agriculture inputs and outputs. The 'financial services for agriculture development' sub-program have consumed major chunk of funding allocated to this program. However, spending allocation to the 'market development and value addition' sub-program has also witnessed almost three-and-half fold increase in 2018 compared to in 2017.

⁴ The Agriculture Production and Productivity Program mainly aims to support private entrepreneurship in various agricultural sub-sectors. Over the past seven years, activities under this program included: promoting the cultivation of saffron, the establishment of fisheries, apiculture and poultry farms, development of the orchards and nurseries and many other activities linked to promoting private sector investment in the agriculture sector.

⁵ The Economic Regeneration Program mainly supports the financing, marketing, and preservation of agriculture activities and products. Some major activities under this program included: establishment of agriculture marketing infrastructure, construction of cold storages, processing and packing centers for rice, rural micro-finance, rural agri-business support, support to Baghlan New Sugar factory, agriculture development fund, and the establishment of quality control and diagnostic laboratories.



On **job creation** (labor-intensive infrastructure and public works programs), there were 13 active programs with 28 sub-programs. The major chunk of funding, however, have been devoted to three major infrastructure sub-components. These sub-components have consisted of four programs devoted to the supply and distribution of power, provision of roads and railways, and the development of rural infrastructure. These four programs have altogether spent 75% of the funds allocated to job creation over the last seven years.

Table 4. Programs and Sub-Components on Job Creation (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
Power Supply & Competitive Priced Electricity	2,758	4,034	3,884	9,593	13,630	11,325	17,959
Supply of and Accessibility to Water & Sewerage	3,615	4,122	3,496	3,662	3,068	4,304	4,861
Roads and Railways	12,572	13,984	10,867	11,546	13,610	15,431	18,421
Rural Infrastructure	1,592	2,338	2,960	4,092	8,278	12,263	7,482
Civil Aviation and Air Transport Services	318	448	648	2,381	3,245	2,958	3,554
Urban Development and Infrastructure	698	1,472	1,588	2,128	2,653	4,176	3,614
Housing	410	457	2	0	1,767	2,149	1,484
New Kabul City	151	155	85	100	118	1,036	1,020

Note: Homogenous programs have been grouped into sub-components. Overall, there are 13 programs in this category.

Out of the sub-components listed in Table 4, 'Roads and Railways'⁶ and 'Rural Infrastructure'⁷ are assumed to be the largest sources for job creation, due to the nature of their projects being such with larger spending on public works. Expenditures under Roads and Railways have surged from Afs 12.6 billion in 2012 to Afs 18.4 billion in 2018. The Rural Infrastructure sub-component consists of four programs, with NRAP (National Rural Access Program) and WatSan (Water and Sanitation)

⁶ The two main sub-programs included in this sub-component are: (i) Roads: activities under this sub-program are the design, construction and rehabilitation of roads and bridges, and (ii) Railways: survey, design, and construction of railways are the main activities under this sub-program.

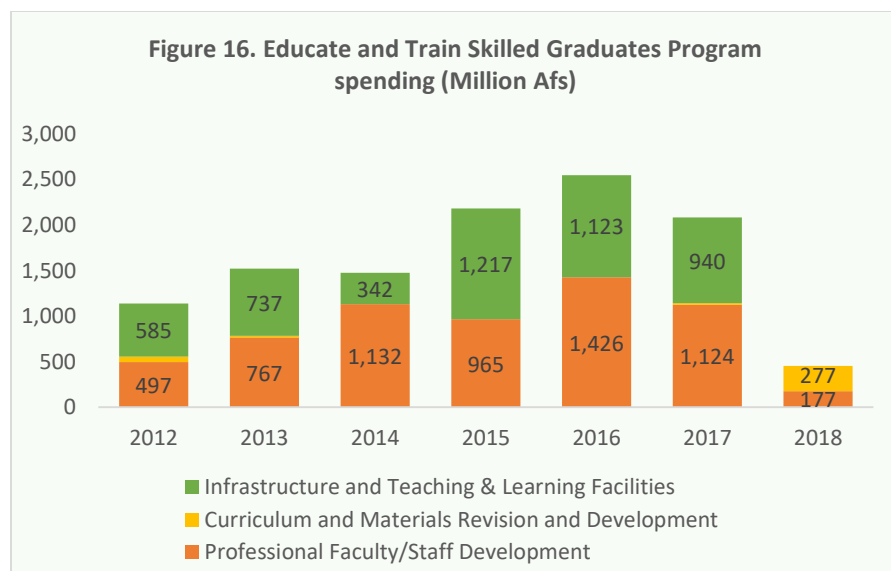
⁷ The main activities under the 'rural infrastructure' program include: construction, rehabilitation, and maintenance of rural roads and bridges, water supply and sanitation, and the construction of retaining walls.

being the largest programs in terms of spending. Expenditures in this sub-component have increased from Afs 1.6 billion in 2012 to Afs 7.5 billion in 2018.

On **skills enhancement**, there were 6 active programs with 12 sub-programs. Of these, three programs, namely Educate & Train Skilled Graduates, Labor Support Program, and Technical and Vocational Education & Training (TVET), have absorbed 98% of expenditures in this category. The Educate & Train Skill Graduates⁸ was the largest program in this category until 2017, with around Afs 2 billion in spending every year. In 2018, however, expenditure under this program declined to about Afs 450 million. The 'Technical & Vocational Education and Training (TVET)⁹ program is the second largest program, which had a spending level of nearly Afs 1 billion in 2016, but has seen a drastic reduction since then, with expenditures falling to nearly Afs 250 million in 2018. Finally, Labor Support Program has expanded over the past few years, with expenditures at about Afs 600 million in 2018.

Table 5. Programs on Skills Enhancement (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
Technical and Vocational Education & Trainings (TVET)	435	460	876	967	910	390	240
Literacy	131	336	111	253	236	269	151
Educate & Train Skilled Graduates ⁸	1,140	1,524	1,474	2,185	2,549	2,083	454
Gender Development & monitoring of Policy	11	7	0	5	1	5	20
Labor Support Program	389	461	281	239	664	727	616
Capacity Building	22	24	0	0	0	0	0
Total Skills Enhancement Programs	2,129	2,813	2,742	3,648	4,361	3,474	1,481



⁸ The main activities under this program consist of: undertaking short-term technical trainings, curriculum material development, construction and maintenance of classes, labs and libraries, and the education research.

⁹ Main activities under this program include: development and revision of learning and teaching materials, TVET teacher training, academic monitoring, and construction and equipping TVET schools.

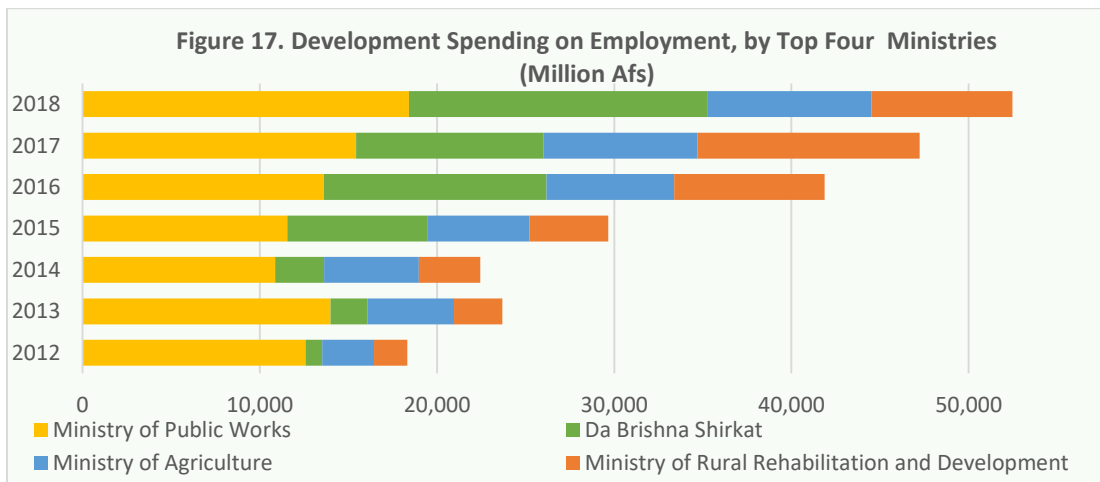
4. Agency-wise Analysis of Development Spending on Employment Programs

Analysis shows that twenty-one Government agencies were involved in the implementation of development programs on employment in the past seven years.¹ Of these, expenditures by seven agencies alone accounted for 85% of the funds allocated for employment – almost half of the total development budget. Table 6 shows the list of the top 7 Government agencies and their respective spending on employment between 2012 and 2018.

Table 6. Major Implementing Agencies of Development Programs on Employment (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
Ministry of Public Works	12,572	13,984	10,867	11,546	13,610	15,431	18,421
Da Brishna Shirkat	941	2,083	2,757	7,942	12,560	10,564	16,824
Ministry of Agriculture	2,935	4,888	5,355	5,729	7,222	8,703	9,257
Ministry of Rural Rehabilitation and Development	1,876	2,733	3,464	4,450	8,470	12,543	7,977
Ministry of Energy and Water	5,301	5,756	3,930	4,931	4,066	4,914	5,467
Ministry of Education	2,190	4,587	5,510	4,959	5,099	3,999	3,231
Civil Aviation Authority	0	0	0	2,353	3,190	2,943	3,476
Total	25,814	34,032	31,882	41,909	54,218	59,097	64,654
In Percent of Dvp Spending on Employment	87%	86%	86%	85%	85%	83%	85%
In Percent of Total Development Spending	48%	42%	44%	51%	58%	57%	51%

The Ministry of Public Works, the Da Afghanistan Brishna Shirkat (power utility), the Ministry of Agriculture, and the Ministry of Rural Rehabilitation and Development were the main implementers of the development programs on employment. These agencies together have experienced an annual average spending growth of 19% over the last seven years. The spending by these four agencies alone accounted for almost 40% of the total development budget expenditure over the period of 2012-2018.



¹ Annex 2 provides the complete list of agencies which implemented programs for the three areas of focus for employment.

In the development programs for **private sector development**, five agencies were involved over the years. Of these, the Ministry of Agriculture, Irrigation and Livestock (MAIL) was solely responsible for spending almost 80% of the funds dedicated to this component. Spending by MAIL on private sector development purposes increased from Afs 2.9 billion in 2012 to Afs 9.3 billion in 2018.

Table 7. Major Implementing Agencies: Private Sector Development (in Million Afs.)

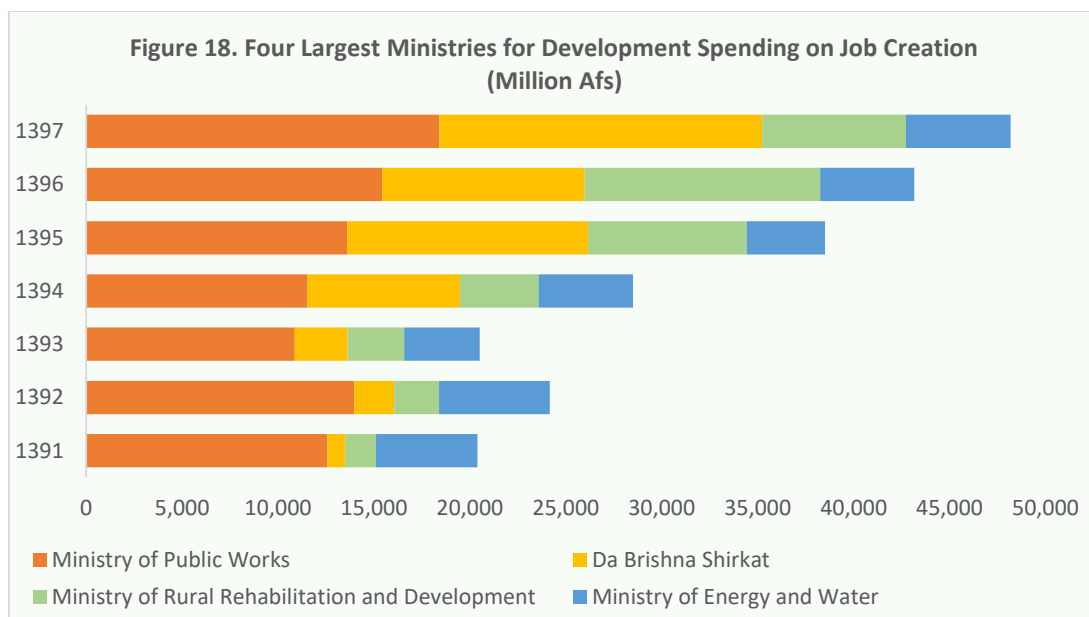
	2012	2013	2014	2015	2016	2017	2018
Ministry of Commerce	97	175	244	484	141	170	196
Ministry of Mines and Industries	426	355	97	1,595	692	479	1,055
Ministry of Agriculture	2,935	4,888	5,355	5,729	7,222	8,703	9,257
Ministry of Rural Rehabilitation and Development	284	396	503	359	192	279	495
Micro Finance Investment Support Facility for Afghanistan	4	0	115	257	595	774	234

In the development programs for **job creation**, ten Government agencies were involved over the years. However, only four of these agencies have carried out the great bulk of the infrastructure development programs. Ministry of Public Works, Da Afghanistan Brishna Shirkat, Ministry of Rural Rehabilitation and Development, and Ministry of Energy and Water have utilized 84% of the funds dedicated to labor-intensive infrastructure and public works over the past seven years. Spending on these areas by the four agencies have expanded from Afs 20.4 billion in 2012 to Afs 48.2 billion in 2018.

Table 8. Major Implementing Agencies: Job Creation (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
Ministry of Energy and Water	5,301	5,756	3,930	4,931	4,066	4,914	5,467
Ministry of Public Works	12,572	13,984	10,867	11,546	13,610	15,431	18,421
Ministry of Rural Rehabilitation and Development	1,592	2,338	2,960	4,092	8,278	12,263	7,482
Civil Aviation Authority	0	0	0	2,353	3,190	2,943	3,476
Ministry of Transport and Aviation	318	448	648	28	54	15	77
Ministry of Urban Development	739	1,049	180	631	2,468	3,133	2,566
Kabul Municipality	369	880	1,409	1,498	1,952	3,192	2,531
Water Supply and Canalization Corporation	132	317	693	382	72	150	529
Da Brishna Shirkat	941	2,083	2,757	7,942	12,560	10,564	16,824
Independent Board of New Kabul	151	155	85	100	118	1,036	1,020

The Ministry of Public Works has been the main stakeholder in labor-intensive infrastructure and public works programs. Its development expenditure increased from Afs 12.6 billion in 2012 to Afs 18.4 billion in 2018, growing by an average 7% on annual basis. Second and third leading agencies are Da Afghanistan Brishna Shirkat (DABS) and Ministry of Rural Rehabilitation and Development (MRRD), whose expenditures in this category have increased by average 62% and 29% growth rates, respectively, over the past 7 years.



In the development programs for **skills enhancement**, four Government agencies were involved in the implementation over the years. Ministry of Education has been involved in the implementation of two programs, namely TVET and Literacy. Ministry of Higher Education was the largest implementing agency for skills programs up until 2017, when disbursements under the Educate & Train Skilled Graduates reached Afs 2 billion. In 2018, Ministry of Labor became the largest spending agency for implementing the Labor Support Program which disbursed around Afs 600 million.

Table 9. Major Implementing Agencies: Skills Enhancement (in Million Afs.)

	2012	2013	2014	2015	2016	2017	2018
Ministry of Education	567	796	987	1,219	1,146	659	391
Technical and Vocational Education & Trainings (TVET)	435	460	876	967	910	390	240
Literacy	131	336	111	253	236	269	151
Ministry of Higher Education	1,140	1,524	1,474	2,185	2,549	2,083	454
Educate & Train Skilled Graduates ²	1,140	1,524	1,474	2,185	2,549	2,083	454
Ministry of Women Affairs	11	7	-	5	1	5	20
Gender Development & monitoring of Policy	11	7	-	5	1	5	20
Ministry of Labor, Social Affairs, M&D	389	461	281	239	664	727	616
Labor Support Program	389	461	281	239	664	727	616

5. Geographic Distribution of Development Spending on Employment Programs

The public financial management system in Afghanistan is based on a highly centralized system of public finances, where budgetary allocations to the provincial offices of line ministries are assumed through their central ministries in Kabul. Often, the disbursement of funds of the development projects targeted for the provinces are directly managed by central line ministries. This makes it difficult to track development expenditures targeted to provinces in an accurate fashion. Nonetheless, relying on the information recorded in the fiscal reporting system of the Government (i.e., AFMIS), this report looks into the geographic distribution of development spending on 'employment' programs both across the provinces and within the provinces (provincial capital vs. districts).

5.1. Provincial distribution of expenditures

According to the BOOST database, only 78% of development spending on 'employment', over the past seven years, have clearly been attributed to provinces. Of the remaining, 1.6% is given as offshore payments, and the rest is specified as expenditures undertaken by central ministries with no clear attribution to any of the provinces.

The attributable development spending on 'employment' have mostly been concentrated in ten provinces. These provinces utilized 65% of the allocated provincial development funds for employment in the period from 2012 to 2018. Table 10 shows that while total development spending on employment in the ten major provinces have increased from its level of Afs 17.1 billion in 2012 to 42.4 billion in 2018, the expenditure pattern in the provinces was volatile and inconsistent over time.

Table 10. Development Spending on Employment, 10 leading provinces (in Million Afs)

	2012	2013	2014	2015	2016	2017	2018
Kabul	4,808	6,318	5,656	11,262	14,785	17,092	11,695
Herat	1,832	1,825	1,626	2,125	2,134	2,445	4,959
Baghlan	235	867	1,094	1,598	3,788	4,024	3,110
Balkh	3,046	2,808	1,498	1,658	1,764	2,225	1,474
Parwan	1,050	385	268	697	1,280	1,474	7,641
Jawzjan	110	213	63	1,854	1,317	2,723	6,226
Badakhshan	856	1,496	469	1,229	2,917	2,285	2,950
Helmand	188	408	1,114	2,628	3,041	1,643	1,267
Faryab	4,799	346	380	298	1,311	1,489	1,560
Nangarhar	169	1,467	596	1,368	2,395	1,623	1,545
Total	17,094	16,135	12,762	24,718	34,731	37,023	42,426
% of Attributable Dvp Spending on Employment	79%	57%	66%	61%	65%	64%	66%
% of Total Development Spending	32%	20%	18%	30%	37%	36%	34%

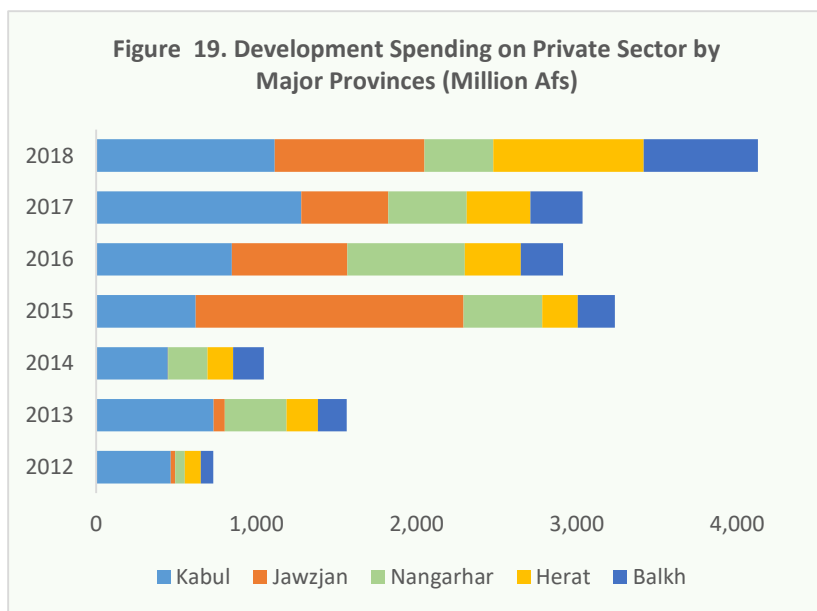
Of the total development spending on **private sector development**, only 53% could be attributed to the provinces. The rest were spent at the central ministries. Private sector development spending by provinces have significantly increased from Afs 1.3 billion in 2012 to Afs 7.2 billion in 2018. Even though, all provinces have seen increases in their private sector development expenditure, only ten of these had substantial spending in this area. Of the total attributable spending for private sector development, 73% were utilized by ten leading provinces. The combined expenditure of these provinces stood at Afs 5.1 billion in 2018 compared to a level of Afs 0.9 billion in 2012.

Table 11. Development Spending on Private Sector Development, 10 leading provinces (in Million Afs)

	2012	2013	2014	2015	2016	2017	2018
Kabul	465	733	447	620	847	1,281	1,114
Jawzjan	28	69	3	1,673	721	543	935
Nangarhar	60	385	245	492	734	489	429
Herat	99	196	161	221	350	397	939
Balkh	78	180	191	232	263	327	714
Parwan	31	94	76	214	281	295	245
Kunduz	51	138	90	173	206	103	283
Bamyan	28	130	86	166	194	138	78
Baghlan	40	113	42	122	146	175	172
Takhar	39	96	39	83	97	94	204

Kabul, Jawzjan, Nangarhar, Herat and Balkh have been the five leading provinces. These have collectively spent 57% of the funds attributed to the provinces for private sector development.

On development expenditures targeted at **job creation** (i.e., labor-intensive infrastructure and public works programs), the Boost database attributes 87% of spending in this



category to the provinces. Development spending on job creation by provinces increased from Afs 18.1 billion in 2012 to Afs 52.9 billion in 2018. This shows an average annual growth rate of 20%. Almost all provinces have experienced an increase in development expenditures on job creation over the past seven years. However, only ten provinces show substantial spending in this

category, as shown in Table 12. These ten provinces have consumed 68% of development spending on job creation allocated to the provinces over the period of 2012-2018.

Table 12. Development Spending on Job Creation, 10 leading provinces (in Million Afs)

	2012	2013	2014	2015	2016	2017	2018
Kabul	3,665	4,402	4,686	10,316	13,555	15,452	10,371
Baghlan	147	703	1,025	1,364	3,550	3,745	2,853
Herat	1,617	1,464	1,356	1,404	1,591	1,983	3,938
Balkh	2,896	2,507	1,225	1,278	1,349	1,746	633
Parwan	977	224	147	371	916	1,104	7,319
Badakhshan	805	1,246	424	1,076	2,539	2,083	2,715
Faryab	4,714	249	343	217	1,161	1,326	1,244
Helmand	47	271	990	2,455	2,847	1,455	924
Jawzjan	38	90	36	123	495	2,058	5,197
Badghis	317	2,392	1,562	581	401	864	1,822

Data suggests that 48% of the development spending on **skills enhancement** could be attributed to the provinces. The remaining has been spent either by central ministries or given as offshore payments dedicated to skills development programs. Provincial spending on skills enhancement was about Afs 1.3 billion in 2017, which declined to about Afs 615 million in 2018, in-line with the overall reduction in spending in skills enhancement programs in 2018. The ten leading provinces that were responsible for the execution of 31% of development expenditures on skills enhancement programs are listed in Table 13.

Table 13. Development Spending on Skills Enhancement, 10 leading provinces (in Million Afs)

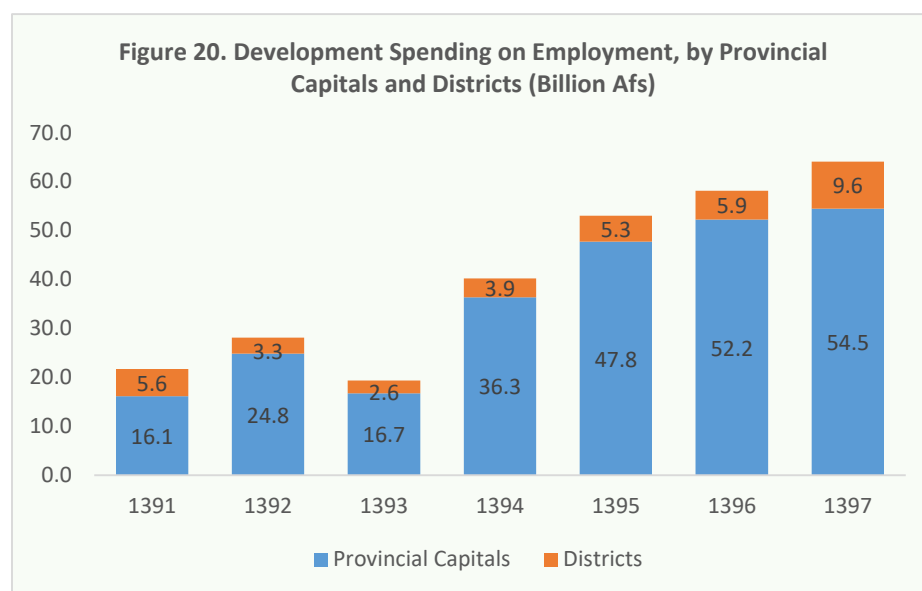
	2012	2013	2014	2015	2016	2017	2018
Kabul	627	1,022	369	202	266	224	60
Herat	71	126	66	472	55	21	21
Nangarhar	62	87	61	171	159	127	47
Paktya	25	64	6	88	100	52	18
Balkh	24	51	39	81	59	58	29
Kunarha	48	64	10	52	56	49	21
Kandahar	63	15	17	49	80	55	8
Ghazni	23	62	21	79	55	13	15
Kapisa	49	38	19	31	64	39	19
Khost	17	36	6	40	89	43	17

5.2. Intra-provincial disparities in spending

The intra-provincial distribution of development spending on employment programs is heavily skewed towards provincial capitals. Between 2012 and 2018, about 87% of the spending attributed to the provinces were spent in the provincial capitals where only 30% of the country's population live. Development spending on employment programs attributed to the provincial capitals have increased from Afs 16.1 billion in 2012 to Afs 54.5 in 2018. The trend has been continuous, except for in 2014 when the share of development spending to provincial capitals experienced a fall.

However, this was likely the result of austerity measures in the case of the 2014 fiscal crisis rather than any improvement in the public financial management decisions towards provincial districts.

Development spending on employment attributed to 'provincial districts' have also increased from Afs 5.6 billion to Afs 9.6 billion between 2012 and 2018 (see Figure 21). However, this increase in provincial districts allocation is unmatched to the increase in the allocation of funds to provincial capitals.



Among the provincial capitals the spending has been unevenly distributed. In fact, the ten leading provincial capitals have spent 58% of the total spending attributed to the provinces on employment programs over the past seven years. While, in absolute terms, spending by these leading provincial capitals have risen from Afs 12.5 billion in 2012 to Afs 36.4 billion in 2018, its share in the attributable spending mix, however, have remained relatively steady.

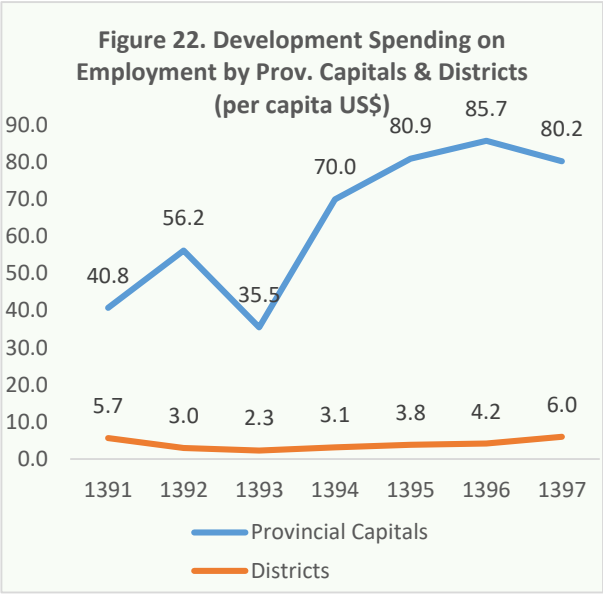
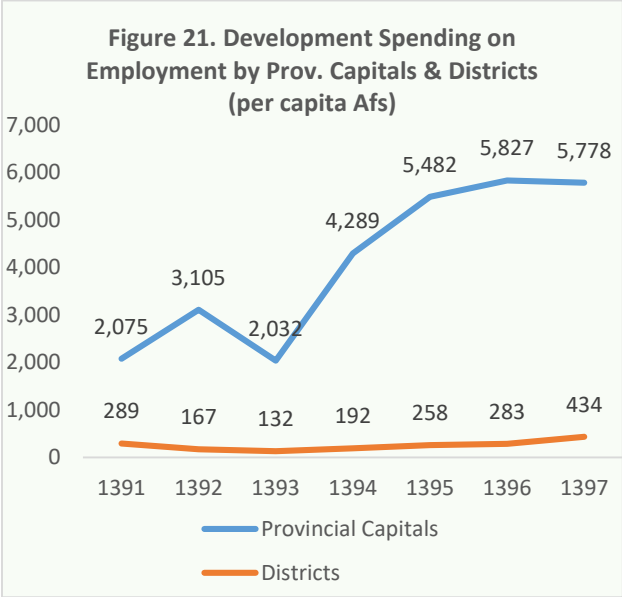
Table 14. Development Spending on Skills Enhancement, 10 leading provincial capitals (in Billion Afs)

	2012	2013	2014	2015	2016	2017	2018
Provincial Capital Of Kabul (Kabul)	4.8	6.1	5.6	11.2	14.5	16.8	10.9
Provincial Capital Of Balkh (Mazar-E-Sharif)	3.0	2.8	1.5	1.6	1.7	2.0	1.3
Provincial Capital Of Baghlan (Pul-I-Khumri)	0.1	0.9	1.0	1.2	3.6	3.7	2.5
Provincial Capital Of Herat (Herat)	1.0	1.1	1.1	2.0	2.1	2.2	2.7
Provincial Capital Of Jawzjan [Sheberghan]	0.1	0.2	0.1	1.8	1.2	2.7	6.1
Provincial Capital Of Parwan (Charikar)	0.8	0.3	0.3	0.7	1.1	1.4	7.3
Provincial Capital Of Badakhshan (Faiz Abad)	0.8	1.4	0.4	0.8	2.5	1.9	2.4
Provincial Capital Of Bamyan (Bamyan)	1.2	1.2	0.9	1.2	0.8	1.9	1.2
Provincial Capital Of Nangarhar (Jalalabad)	0.2	1.4	0.6	1.3	2.3	1.5	1.1
Provincial Capital Of Nimroz (Zaranj)	0.6	0.6	0.4	1.1	0.8	1.6	1.0
Total	12.5	16.1	11.8	22.9	30.6	35.7	36.4
In % of Dvp Spending on Emp. attributed to Provinces	21.7	28.1	19.3	40.2	53.0	58.1	64.1
In % of Total Dvp Spending by Provincial Capitals	58%	57%	61%	57%	58%	61%	57%

The per capita development spending on 'employment' by the provincial capitals have risen from Afs 2,075 in 2012 to Afs 5,778 in 2018. In dollar terms, it shows an increase from \$41 to \$80 over

the same period. Except for in 2014 when development spending overall declined, the per capita development spending on 'employment' by the provincial capitals have had a consistent growth.

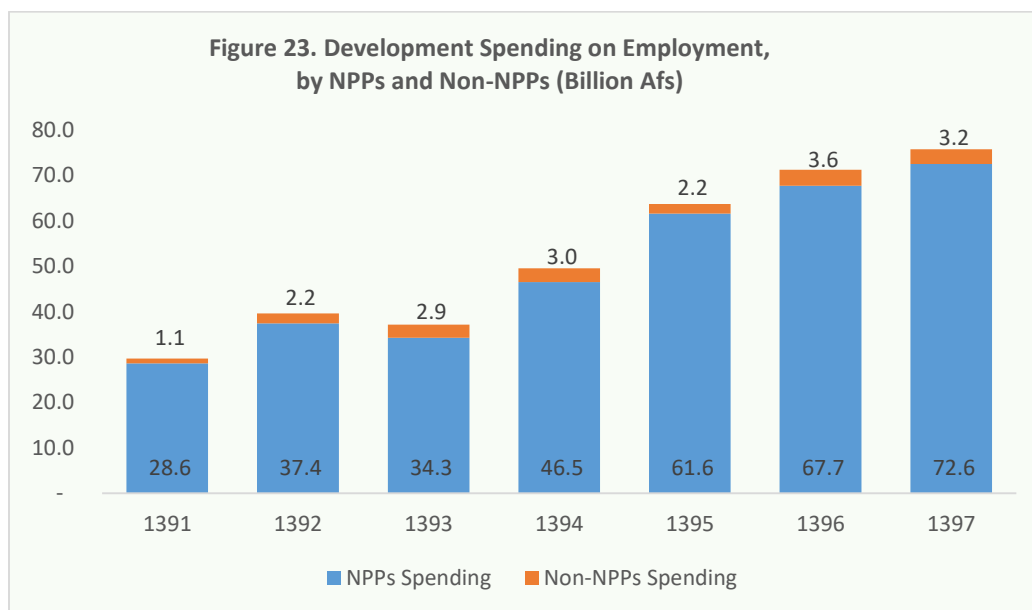
In provincial districts, however, per capita spending on employment declined between 2012 and 2014 and subsequently increased till 2018. Per capita development spending on employment by provincial districts stood at Afs 434 in 2018, as compared to Afs 289 in 2012. In US dollars, however, this shows a marginal increase from \$5.7 to \$6.0 over the period.



Part of such strong disparity among provincial capitals and districts could be simply attributed to the fact that most of the larger projects that span over more than a single district (such as road infrastructure projects) are normally managed centrally in a province, and thus recorded and reported as being spent only in the provincial capital. However, the disparity in these numbers are substantial enough to flag out the unequal allocation of development funding in the country between provincial capitals (urban areas) and provincial districts (rural areas).

6. National Priority Programs and Development Spending on Employment

Analysis in this report suggests that development spending on ‘employment’, between 2012 and 2018, were aligned with the National Priority Programs (NPPs) to a large extent. Almost 95% of these expenditures fell under seven of the ten NPPs. The NPP-aligned development spending on job creation, private sector development, and skills enhancement has consistently increased from a level of Afs 28.6 billion in 2012 to Afs 72.6 billion 2018.¹



Most of the development spending on employment fell under four of the National Priority Programs, namely National Infrastructure Program (NIP), Human Capital (HC), Comprehensive Agriculture Development (CAD), and Urban Development (UD). These four NPPs accounted for 92% of the overall development expenditure on employment programs (job creation, private sector development, and skills enhancement). Of these, the Infrastructure NPP alone accounted for 65% of spending on employment programs. The remaining three NPPs, i.e. Mining, Private Sector Development (PSD NPP), and Woman Economic Empowerment (WEE NPP), accounted for 3% of the expenditures.

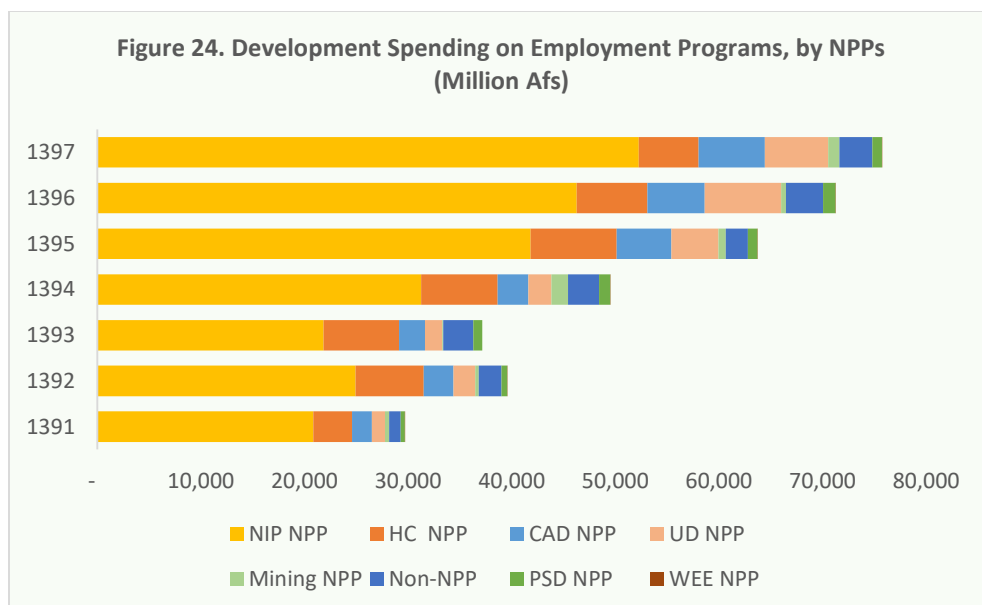


Table 15 shows the breakdown of mapping of the three identified areas of focus for employment, namely private sector development, job creation, and skills enhancement, to seven National Priority Programs. Development spending on job creation is fully aligned with the NPPs for infrastructure and urban development. For development spending on private sector development, almost 30% of expenditures remain not aligned with any of the NPPs. Finally, only 3% of development spending on skills enhancement cannot be mapped to any NPP over the observed period.

Table 15. Mapping of Development Spending on Employment to National Priority Programs (in Million Afs)

	2012	2013	2014	2015	2016	2017	2018
Private Sector Development	3,746	5,815	6,315	8,424	8,843	10,406	11,237
CAD NPP	1,910	2,874	2,514	2,959	5,287	5,559	6,417
Mining NPP	426	355	97	1,595	692	479	1,055
PSD NPP	385	571	863	1,099	929	1,224	925
Not aligned	1,025	2,014	2,841	2,770	1,936	3,145	2,840
Job Creation	22,114	27,010	23,530	33,501	46,368	53,642	58,395
NIP NPP	20,855	24,926	21,856	31,273	41,831	46,281	52,277
UD NPP	1,259	2,084	1,674	2,229	4,538	7,362	6,117
Skills Enhancement	3,838	6,766	7,332	7,608	8,530	7,238	6,145
HC NPP	3,741	6,596	7,265	7,382	8,312	6,809	5,758
WEE NPP	11	7	-	5	1	5	20
Not aligned	86	162	67	220	216	424	367
Grand Total	29,698	39,591	37,177	49,533	63,741	71,286	75,777

Annexes: Data Tables for Development Spending on Employment

Annex 1: By Programs and Sub-Programs

Job Creation Programs (in Afghanis)	2012	2013	2014	2015	2016	2017	2018
411 Availability of competitively priced electricity for community livelihood and industry development	1,817,429,468	1,951,512,265	1,127,122,283	1,650,808,373	1,069,392,290	760,922,550	1,134,885,172
4111 Institutional & Regulatory Reform	863,180,512	1,004,285,976	497,492,276	934,552,212	895,080,722	374,801,010	160,081,959
4112 Generation	77,994,517	311,693,500	38,369,139	342,109,339	98,518,737	280,998,618	659,943,174
4113 Transmission	15,773,960	156,436,958	207,557,477	270,195,330	66,850,349	54,576,000	43,919,322
4114 Distribution	860,480,479	479,095,831	383,703,390	103,951,491	8,942,482	50,546,922	270,940,718
412 Availability of and accessibility to water for community livelihood and industrial development.	3,483,384,262	3,804,568,219	2,802,578,517	3,280,058,229	2,996,347,947	4,153,409,733	4,332,514,111
4121 Institutional & Regulatory Reform	1,018,551,761	1,228,071,225	834,291,398	1,449,409,028	882,010,885	1,257,912,081	1,316,812,817
4122 National River Basin Management	1,446,843,844	1,624,140,203	1,272,991,337	1,038,516,073	980,689,982	917,934,571	1,297,003,052
4123 Bank Protection and Flood control	107,814,913	176,341,025	71,145,924	74,376,836	184,573,502	343,510,271	412,346,859
4124 National Water Resource Developmen	910,173,744	776,015,767	624,149,858	717,756,292	949,073,578	1,634,052,810	1,306,351,383
421 Infrastructure	12,571,972,370	13,984,288,145	10,866,565,944	11,545,588,732	13,609,972,470	15,430,658,658	18,421,326,830
4211 Admin & Finance Management	-	527,241,679	964,173,731	790,005,652	811,986,951	732,956,127	1,708,998,086
4212 Roads	12,393,134,090	13,289,966,699	9,149,145,990	10,504,957,727	12,670,192,428	14,372,316,021	16,712,328,745
4213 Rail way	178,838,280	167,079,766	753,246,224	250,625,354	127,793,091	325,386,511	
431 Rural Infrastructure	1,591,970,104	2,337,651,714	2,960,490,362	4,091,767,143	8,277,742,232	12,263,475,892	7,482,387,429
4311 NRAP	1,126,010,937	1,688,873,920	2,470,723,969	3,041,818,226	4,720,986,675	5,670,030,275	5,545,319,720
4312 WatSan	269,813,411	202,898,354	230,965,618	396,069,079	1,702,654,095	2,487,356,515	1,811,487,810
4313 National Area Base Dev Progr	196,145,756	374,329,059	68,729,666	21,122,119		12,000,000	27,445,403
4314 Japane Fund for poverty Reduction(JFPR Grant 9165)		71,550,380	190,071,110	632,757,718	1,854,101,462	910,970,774	98,134,497
4315 Unknown						3,183,118,329	
441 Civil Aviation Authority				2,352,509,358	3,190,412,164	2,942,821,909	3,476,309,181
4411 Civil Aviation Trnsport Ser.				2,352,509,358	3,190,412,164	2,942,821,909	3,476,309,181
451 Air Transport Service	317,753,430	448,400,819	648,495,252	28,337,771	54,288,400	14,703,127	77,360,530
4511 Civil Aviation Service	317,753,430	448,400,819	648,495,252	28,337,771	54,288,400	14,703,127	77,360,530
491 Planning and Urban Development	97,199,561	67,735,821	73,636,896	52,232,922	95,383,868	294,913,011	264,336,577
4911 Planning	37,079,474	36,585,401	41,785,606	14,397,118	34,947,144	201,402,630	127,343,639
4912 Urban Development	60,120,087	31,150,420	31,851,290	37,835,804	60,436,724	93,510,380	136,992,939
492 Housing	409,707,978	456,669,367	2,027,693	-	1,767,161,662	2,149,068,424	1,483,507,357
4921 National Housing Policy	237,388,749	454,047,267			1,749,823,512	1,341,329,914	1,092,901,731
4922 Land Management	172,319,229	2,622,100	2,027,693	-	17,338,150	807,738,510	390,605,626
493 Urban Infrastructure	232,396,232	524,431,647	104,452,723	578,365,730	605,864,137	689,010,126	818,632,355
4931 Water Supply and Canalization	52,111,232	-	-	-	117,872,533	29,130,254	-
4932 Housing infrastructure and Urban transportation	180,285,000	524,431,647	104,452,723	578,365,730	487,991,604	659,879,872	818,632,355
793 Urban Infrastructure	368,732,496	879,981,103	1,409,454,775	1,497,753,455	1,951,725,761	3,192,357,497	2,530,617,939
7931 Design and Implementation of Policies, Urban Planning and Construction Control	12,751,017	178,554,987	711,143,693	777,417,566	777,413,443	1,530,649,488	854,546,892
7932 Construction works and Maintenance	355,981,479	701,426,116	698,311,082	720,335,889	1,174,312,319	1,661,708,009	1,676,071,046
821 Water supply and Sewerage	132,047,968	317,368,885	693,253,782	381,882,812	72,087,238	150,368,781	528,878,127
8211 Establishment of Water Supply System	132,047,968	317,368,885	693,253,782	381,882,812	72,087,238	150,368,781	528,878,127
831 Power Supply for all Afghanistan	940,725,453	2,082,586,038	2,757,281,158	7,941,912,893	12,560,370,593	10,564,270,982	16,823,766,612
8311 Establishment of Power Supply system	940,725,453	2,082,586,038	2,757,281,158	7,941,912,893	12,560,370,593	10,564,270,982	16,823,766,612
841 New Kabul city	151,095,317	155,143,836	84,893,545	100,198,408	117,745,263	1,036,404,338	1,020,245,599
8411 New City	151,095,317	155,143,836	84,893,545	100,198,408	117,745,263	1,036,404,338	1,020,245,599

Private Sector Dvp Programs (in Afghans)	2012	2013	2014	2015	2016	2017	2018
251 Private sector and industry development	96,902,791	165,118,334	235,770,805	474,585,950	96,953,440	146,652,878	141,353,782
2511 Private sector and industry development	94,491,141	165,118,334	235,770,805	474,585,950	96,953,440	146,652,878	141,353,782
2512 Small and Medium Enterprise Development	2,411,650	-	-	-	-	-	-
252 Trade Policy and Transit		9,944,856	8,204,498	8,945,560	44,452,413	23,538,250	54,926,205
2521 Trade Development		9,944,856	8,204,498	8,945,560	44,452,413	23,538,250	54,926,205
321 Mines Geological Survey	426,134,508	355,407,833	96,899,206	1,595,402,064	691,908,067	478,850,372	1,055,316,250
3211 Geological Survey for Sustainable Minerals and Hydrocarbon Development	426,134,508	355,407,833	96,899,206	1,595,402,064	691,908,067	478,850,372	1,055,316,250
391 Natural Resource Management	215,861,236	350,010,658	971,852,272	722,388,220	1,701,641,941	1,989,319,661	1,881,973,355
3912 Protection and conservation of (NR)	179,363,221	298,128,207	169,877,830	42,380,673	309,731,203	333,938,728	208,647,665
3913 Community based NRM	36,498,015	12,157,612	-	680,007,547	1,391,910,738	1,655,380,933	1,673,325,690
3914 Kuchi Support and conflict resolution	-	39,724,839	801,974,442	-	-	-	-
392 Agriculture production and productivity	1,694,633,586	2,524,131,942	1,542,135,003	2,236,655,656	3,585,043,816	3,569,428,325	4,535,056,363
3921 Developing Cereals and Industrial Crops	817,466,197	790,349,386	356,810,416	689,879,307	1,442,099,153	1,025,235,785	1,762,263,198
3922 Developing Livestock	486,607,036	911,329,166	1,162,283,992	1,522,129,703	1,991,449,939	2,468,746,775	2,682,209,630
3923 Developing Horticulture	106,296,783	80,635,462	23,040,595	24,646,646	151,494,724	75,445,764	90,583,535
3924 Extension of Irrigation System	284,263,570	741,817,928	-	-	-	-	-
393 Economic Regeneration	1,024,733,199	2,014,230,736	2,841,110,415	2,769,993,490	1,935,755,910	3,144,685,496	2,839,914,908
3931 Market Development & Value Addition	320,503,287	320,155,560	419,910,207	452,413,019	557,617,316	370,548,345	1,362,049,958
3932 Financial Services for Agriculture Development	655,645,696	1,605,603,154	2,318,401,124	2,283,721,625	1,129,473,419	1,089,367,231	1,261,946,610
3933 Quality Control and Food Safety of Agriculture Inputs and Outputs	48,584,216	88,472,023	102,799,085	33,858,846	248,665,174	1,684,769,920	215,918,341
432 Economic Development	283,582,647	395,657,852	503,431,887	358,553,304	192,221,038	279,315,186	495,075,409
4321 Afghanistan Rural Enterprise Development Program	283,582,647	395,657,852	503,431,887	358,553,304	192,221,038	279,315,186	495,075,409
811 Microfinance Investment	4,187,084	-	115,202,370	257,313,567	595,496,213	774,040,570	233,670,116
8111 Microfinance Investment	4,187,084	-	115,202,370	257,313,567	595,496,213	774,040,570	233,670,116

Skills Enhancement Programs (in Afghans)	2012	2013	2014	2015	2016	2017	2018
273 Technical and Vocational Education & Trainings (TVET)	435,330,737	460,014,851	876,401,357	966,690,957	910,471,287	390,489,476	240,216,014
2731 Technical and Vocational Education & Trainings (TVET)	435,330,737	460,014,851	876,401,357	966,690,957	910,471,287	390,489,476	240,216,014
274 Literacy	131,188,185	336,337,384	110,700,702	252,615,645	235,973,334	268,851,773	151,241,498
2741 Literacy	131,188,185	336,337,384	110,700,702	252,615,645	235,973,334	268,851,773	151,241,498
281 Educate & Train Skilled Graduates	1,139,831,012	1,524,293,808	1,474,444,717	2,184,672,270	2,549,278,921	2,083,113,069	454,491,694
2811 Professional Faculty/Staff Development	496,915,367	767,332,038	1,132,324,214	965,378,781	1,426,362,184	1,124,123,814	177,056,987
2812 Curriculum and Materials Revision and Development	58,165,387	16,489,596	-	-	-	19,142,230	277,434,707
2813 Infrastructure and teaching&learning facilities	584,750,258	736,966,670	342,120,502	1,216,589,201	1,122,916,738	939,847,025	-
2814 Research and Graduate Instruction	-	3,505,505	-	2,704,288	-	-	-
382 Gender Development & monitoring of Plicy	10,625,136	7,302,796	-	5,443,113	964,917	4,882,170	19,848,257
3821 Gender Training & Awareness	10,625,136	7,302,796	-	5,443,113	964,917	4,882,170	6,476,605
3822 Coordinnation & Monitoring of Policyes							13,371,652
471 Labor Support Program	389,063,868	460,873,099	280,940,186	238,649,861	663,947,083	726,789,350	615,528,456
4711 NSDP	246,437,135	304,603,750	184,543,836	142,707,901	405,342,742	448,720,563	441,288,745
4712 Employment Services & Labour Law	23,987,939	14,049,278	7,637,425	10,470,258	10,307,855	-	8,150,511
4713 Pension Services	118,638,794	142,220,070	88,758,925	85,471,702	248,296,485	278,068,787	166,089,200
623 Capacity Building	22,476,205	23,796,621					-
6231 Trainings	22,476,205	23,796,621					-

Annex 2: By Ministries/ Implementing Agencies

In Afghanis	2012	2013	2014	2015	2016	2017	2018
Private Sector Development							
25 Ministry of Commerce	96,902,791	175,063,189	243,975,303	483,531,510	141,405,853	170,191,128	196,279,988
32 Ministry of Mines and Industries	426,134,508	355,407,833	96,899,206	1,595,402,064	691,908,067	478,850,372	1,055,316,250
39 Ministry of Agriculture	2,935,228,020	4,888,373,337	5,355,097,691	5,729,037,366	7,222,441,667	8,703,433,482	9,256,944,627
43 Ministry of Rural Rehabilitation and Development	283,582,647	395,657,852	503,431,887	358,553,304	192,221,038	279,315,186	495,075,409
81 Micro Finance Investment Support Facility for Afghanistan	4,187,084	-	115,202,370	257,313,567	595,496,213	774,040,570	233,670,116
Job Creation (Labor-intensive Infrastructure & Public Works)							
41 Ministry of Energy and Water	5,300,813,730	5,756,080,484	3,929,700,799	4,930,866,601	4,065,740,237	4,914,332,283	5,467,399,283
42 Ministry of Public Works	12,571,972,370	13,984,288,145	10,866,565,944	11,545,588,732	13,609,972,470	15,430,658,658	18,421,326,830
43 Ministry of Rural Rehabilitation and Development	1,591,970,104	2,337,651,714	2,960,490,362	4,091,767,143	8,277,742,232	12,263,475,892	7,482,387,429
44 Civil Aviation Authority				2,352,509,358	3,190,412,164	2,942,821,909	3,476,309,181
45 Ministry of Transport and Aviation	317,753,430	448,400,819	648,495,252	28,337,771	54,288,400	14,703,127	77,360,530
49 Ministry of Urban Development	739,303,770	1,048,836,835	180,117,312	630,598,652	2,468,409,667	3,132,991,560	2,566,476,289
79 Kabul Municipalities	368,732,496	879,981,103	1,409,454,775	1,497,753,455	1,951,725,761	3,192,357,497	2,530,617,939
82 Water Supply and Canalization Corporation	132,047,968	317,368,885	693,253,782	381,882,812	72,087,238	150,368,781	528,878,127
83 Da Brishna Shirkat	940,725,453	2,082,586,038	2,757,281,158	7,941,912,893	12,560,370,593	10,564,270,982	16,823,766,612
84 Independent Board of new Kabul	151,095,317	155,143,836	84,893,545	100,198,408	117,745,263	1,036,404,338	1,020,245,599
Skills Enhancement							
27 Ministry of Education	566,518,922	796,352,235	987,102,059	1,219,306,602	1,146,444,621	659,341,249	391,457,512
28 Ministry of Higher Education	1,139,831,012	1,524,293,808	1,474,444,717	2,184,672,270	2,549,278,921	2,083,113,069	454,491,694
38 Ministry of Women Affairs	10,625,136	7,302,796	-	5,443,113	964,917	4,882,170	19,848,257
47 Ministry of Martyrs, Disabled and Social Affairs	389,063,868	460,873,099	280,940,186	238,649,861	663,947,083	726,789,350	615,528,456
62 IARCSC	22,476,205	23,796,621					-
Grand Total	27,988,964,831	35,637,458,630	32,587,346,348	45,573,325,484	59,572,602,403	67,522,341,602	71,113,380,128

Annex 3: By Provinces

In Afghanis	2012	2013	2014	2015	2016	2017	2018
Private Sector Development	3,746,035,050	5,814,502,211	6,314,606,456	8,423,837,811	8,843,472,838	10,405,830,736	11,237,286,388
01 Kabul	465,401,398	733,273,600	447,114,582	619,913,350	846,978,880	1,280,640,998	1,114,258,218
02 Kapisa	13,876,916	29,056,034	10,503,643	58,216,647	89,506,432	63,149,808	37,866,100
03 Parwan	30,956,731	93,808,809	76,065,643	213,893,170	280,985,661	295,359,613	245,301,370
04 Wardak	12,740,623	22,724,297	12,392,379	8,323,732	30,590,412	105,775,205	127,291,711
05 Logar	15,007,677	25,334,318	1,329,829	81,027,773	89,430,042	233,537,346	186,753,796
06 Nangarhar	60,039,302	385,232,779	244,900,458	491,757,392	733,819,222	489,172,094	429,344,877
07 Laghman	10,281,487	41,895,868	34,633,670	25,018,917	83,389,046	72,516,635	111,666,347
08 Panjsher	10,372,962	7,075,704	5,486,828	16,894,112	43,052,035	32,112,371	34,975,345
09 Baghlan	39,695,816	112,633,185	41,692,086	121,986,081	146,290,578	175,051,727	172,206,080
10 Bamyan	27,589,728	130,064,368	86,250,812	166,366,649	193,606,846	138,408,632	77,763,321
11 Ghazni	31,014,750	28,559,341	6,955,250	15,573,201	54,803,340	82,539,696	80,257,698
12 Paktika	8,285,500	11,886,378	604,075	9,177,162	38,869,591	41,704,874	45,437,273
13 Paktya	11,560,844	14,288,098	28,960,197	59,617,016	74,258,438	114,486,132	117,473,186
14 Khost	11,134,887	24,452,546	5,845,506	26,351,666	61,429,096	74,919,543	83,092,710
15 Kunarha	20,297,139	41,266,565	23,416,638	38,248,562	69,154,003	88,186,342	113,675,190
16 Nooristan	3,936,046	8,752,131	7,700,146	13,381,241	55,003,826	45,314,745	37,083,317
17 Badakhshan	22,718,182	158,511,257	26,334,048	84,043,765	128,143,434	85,419,320	106,572,990
18 Takhar	38,567,919	95,720,072	38,630,478	83,320,475	96,891,822	94,406,326	203,600,677
19 Kunduz	50,602,190	137,878,242	89,880,995	173,426,453	206,024,674	103,447,911	283,331,958
20 Samangan	19,944,465	65,929,550	36,826,239	106,728,883	75,238,121	120,041,895	88,290,357
21 Balkh	78,294,516	180,367,666	190,505,094	232,313,986	262,817,015	327,118,584	713,902,025
22 Sar-E- Pul	23,200,901	47,218,536	26,201,224	51,108,727	88,636,949	76,037,349	48,567,588
23 Ghor	15,662,282	50,978,673	2,262,486	43,597,683	55,340,205	61,470,945	37,996,093
24 Daykundi	6,436,690	17,314,294	3,884,332	7,474,564	45,065,845	46,665,247	31,444,811
25 Urozgan	30,484,100	34,781,904	81,000	9,883,460	15,206,656	63,486,512	45,634,213
26 Zabul	10,118,952	25,068,174	43,035,994	24,121,000	12,632,650	21,361,958	25,504,338
27 Kandahar	21,416,395	33,490,737	28,350,163	91,236,523	49,558,062	145,917,133	225,542,487
28 Jawzjan	28,268,854	68,807,022	2,512,436	1,672,716,186	720,720,251	543,344,666	935,086,555
29 Faryab	24,697,673	25,741,146	14,230,186	51,065,990	61,971,847	73,273,933	155,778,670
30 Helmand	44,354,270	31,778,095	22,105,020	26,365,180	80,529,189	117,801,954	206,355,302
31 Badghis	18,146,475	43,839,073	11,053,725	12,579,803	48,428,539	43,137,573	73,754,159
32 Herat	99,057,062	195,783,332	160,580,751	221,246,341	350,103,896	396,601,227	938,586,204
33 Farah	15,605,950	44,678,081	10,658,038	23,691,136	37,553,507	25,293,842	72,121,798
34 Nimroz	16,087,100	16,099,609	4,057,929	8,727,460	64,174,347	26,246,492	35,022,122
90 Central Ministries	2,410,179,267	2,830,212,730	4,569,564,578	3,534,443,526	3,553,268,381	4,701,882,110	3,995,747,503

In Afghanis	2012	2013	2014	2015	2016	2017	2018
Job Creation	22,114,414,638	27,010,337,859	23,530,252,930	33,501,415,826	46,368,494,023	53,642,385,027	58,394,767,820
01 Kabul	3,664,962,283	4,402,348,687	4,686,392,763	10,315,880,176	13,554,610,368	15,452,443,129	10,371,184,456
02 Kapisa	90,533,699	484,484,589	305,980,030	809,333,499	514,298,318	638,002,426	895,670,800
03 Parwan	977,003,614	224,457,858	146,741,289	370,980,531	916,231,797	1,103,690,234	7,318,563,385
04 Wardak		371,051,194	3,213,451	339,389,376	631,916,571	1,042,051,770	930,759,445
05 Logar	2,690,105	2,717,639	1,561,695	401,175,489	208,469,473	664,122,540	803,596,061
06 Nangarhar	10,823,065	935,934,480	221,752,097	610,649,330	1,344,177,450	928,605,977	936,411,140
07 Laghman	3,653,890		11,914,748	233,892,974	248,453,364	177,885,884	527,185,222
08 Panjsher	26,217,317	11,743,775	76,871,916	151,819,596	274,257,955	186,598,171	177,638,587
09 Baghlan	147,177,871	703,461,840	1,024,735,265	1,363,852,558	3,549,672,685	3,745,237,555	2,852,680,091
10 Bamyán	1,113,816,487	1,045,797,452	686,261,716	1,143,068,173	586,960,783	1,772,263,965	1,279,904,976
11 Ghazni	2,442,776	585,399,953	36,251,400	334,554,248	443,262,554	410,822,884	294,876,222
12 Paktika	20,718,765		330,543,000	257,300,453	943,526,348	1,098,944,699	1,277,287,972
13 Paktya	4,315,933	80,337,940	16,227,089	219,489,356	281,171,147	606,299,007	584,056,033
14 Khost		72,034,108	84,915,525	334,093,970	734,390,942	271,758,961	449,975,262
15 Kunarha	2,401,809	112,160,184	24,943,147	373,108,286	259,153,907	630,565,049	447,212,608
16 Nooristan	64,925,267	220,406,249	80,869,027	309,806,382	338,037,829	152,748,608	121,725,729
17 Badakhshan	805,413,103	1,245,626,742	423,680,418	1,075,992,381	2,539,333,471	2,083,376,502	2,714,868,820
18 Takhar	127,993,158	995,304,907	341,673,356	870,566,014	1,163,313,564	1,439,622,501	821,492,251
19 Kunduz	20,368,668	583,525,528	7,730,399	1,354,705,915	1,012,341,908	580,266,180	275,032,797
20 Samangan	7,821,763	886,162,286	204,792,818	599,185,891	936,636,399	514,841,576	1,450,687,770
21 Balkh	2,896,061,191	2,506,503,870	1,225,051,591	1,277,748,882	1,348,689,226	1,746,306,585	633,485,140
22 Sar-E- Pul	12,828,112	33,097,416	25,087,743	40,110,618	286,518,339	319,662,074	405,460,163
23 Ghor	538,256,367	268,666,096	203,445,970	653,607,316	806,161,313	620,340,405	355,998,747
24 Daykundi	26,861,220	65,317,746	16,971,662	316,050,525	459,600,494	493,000,752	882,518,880
25 Urozgan	5,341,452	206,315,909	19,285,533	337,426,925	80,628,748	48,748,553	32,676,660
26 Zabul	27,721,901	19,272,353	26,969,470	74,675,974	166,966,934	209,302,817	56,038,443
27 Kandahar	63,470,065	101,809,983	165,276,477	693,032,694	1,391,909,893	1,672,233,453	1,658,410,452
28 Jawzjan	38,116,304	89,845,813	35,986,735	122,904,926	494,820,072	2,057,737,617	5,196,794,279
29 Faryab	4,713,828,330	249,124,494	342,843,353	216,645,938	1,161,233,378	1,326,261,941	1,244,441,834
30 Helmand	47,278,908	270,678,004	990,129,965	2,455,482,138	2,846,686,185	1,455,240,785	923,933,595
31 Badghis	316,949,609	2,391,509,578	1,562,433,934	581,481,031	400,783,226	863,519,821	1,822,375,670
32 Herat	1,616,921,536	1,464,071,560	1,355,631,756	1,404,107,900	1,591,312,315	1,983,277,043	3,938,492,821
33 Farah	103,006,801	137,071,653	4,040,902	762,035,826	623,902,888	581,633,714	226,534,647
34 Nimroz	558,054,294	566,368,877	371,242,267	1,188,333,356	705,788,572	1,520,993,309	1,005,129,899
90 Central Ministries	2,911,975,030	5,454,439,397	8,439,288,568	1,908,927,178	3,523,275,605	5,243,978,541	5,481,666,964
95 Offshore Payments	1,144,463,947	223,289,700	29,515,855				

In Afghanis	2012	2013	2014	2015	2016	2017	2018
Skills Enhancement	2,128,515,143	2,812,618,559	2,742,486,962	3,648,071,847	4,360,635,542	3,474,125,838	1,481,325,919
01 Kabul	627,358,540	1,021,816,540	369,498,470	202,465,031	265,582,616	223,791,230	59,597,473
02 Kapisa	49,180,023	37,917,668	18,848,627	31,228,983	63,904,867	38,573,959	18,635,896
03 Parwan	488,340	12,227,299	10,721,339	31,463,015	33,030,986	11,560,724	13,097,971
04 Wardak	3,308,740	20,145,239	6,340,300	33,804,894	26,075,021	26,236,490	12,713,949
05 Logar	192,598	408,393	917,465	10,155,124	62,709,902	66,530,312	7,031,572
06 Nangarhar	61,543,010	87,412,301	61,362,635	170,615,000	159,154,649	126,858,890	46,646,193
07 Laghman	11,646,911	71,571,090	26,492,998	61,428,798	38,240,355	17,548,633	8,823,047
08 Panjsher	10,920,171	27,802,250	8,129,387	7,695,909	5,465,833	14,095,999	13,635,886
09 Baghlan	20,516,980	21,303,133	4,947,385	60,479,370	32,461,944	20,053,333	20,297,569
10 Bamyan	20,444,022	13,437,855	2,041,626	48,128,358	61,540,477	51,560,827	21,331,093
11 Ghazni	22,784,066	61,773,124	20,770,276	78,641,222	54,762,989	12,899,880	14,581,445
12 Paktika	1,569,430	4,287,443	13,031,965	46,396,723	15,291,424	28,749,786	16,723,796
13 Paktya	25,421,818	63,950,320	5,871,202	88,418,881	99,962,818	52,066,505	18,421,404
14 Khost	16,663,617	35,668,741	5,716,867	39,828,459	89,412,246	43,022,835	16,982,962
15 Kunarha	47,523,940	63,718,096	9,712,007	52,096,449	55,862,661	49,100,701	20,998,930
16 Nooristan	997,970	3,889,796	1,345,565	3,551,199	9,768,294	6,784,447	8,085,146
17 Badakhshan	13,925,565	33,780,558	4,952,144	33,258,682	66,476,332	55,890,275	20,099,691
18 Takhar	21,630,951	41,645,164	21,752,159	11,645,013	45,462,748	19,910,135	38,052,009
19 Kunduz	15,573,083	47,911,345	16,400,249	26,109,855	31,587,906	36,937,779	17,966,844
20 Samangan	13,888,807	33,754,962	16,573,075	13,274,371	5,311,562	20,406,278	9,653,954
21 Balkh	23,692,194	50,712,831	38,674,054	81,266,517	59,224,579	58,089,956	28,575,147
22 Sar-E- Pul	33,063,000	21,036,735	872,464	1,877,864	11,087,559	6,756,846	17,757,783
23 Ghor	10,169,701	36,825,231	2,496,713	8,050,420	34,134,254	61,230,291	21,375,634
24 Daykundi	50,514,473	10,234,708	2,270,619	8,033,149	21,424,493	46,115,606	22,774,248
25 Urozgan	12,675,555	8,746,236	994,796	42,390	5,276,100	4,040,365	10,816,627
26 Zabul	2,709,475	19,536,278	3,114,237	3,583,176	7,829,426	16,015,096	16,596,922
27 Kandahar	62,898,317	15,041,757	17,210,979	49,124,194	80,472,696	54,671,336	7,905,114
28 Jawzjan	34,158,607	10,796,450	7,213,818	31,445,125	27,714,710	15,249,907	16,661,181
29 Faryab	33,005,501	37,395,103	7,839,750	23,010,180	59,145,903	48,392,447	19,413,800
30 Helmand	17,170,941	22,692,911	14,223,211	33,427,094	19,306,161	10,478,700	3,649,332
31 Badghis	10,198,189	20,304,849	10,640,127	11,518,980	10,649,632	4,913,218	6,498,909
32 Herat	70,753,255	126,101,343	66,217,545	471,992,905	54,691,546	20,778,650	20,662,745
33 Farah	7,466,974	5,260,627	4,880,160	16,147,823	40,632,218	69,571,155	8,039,779
34 Nimroz	4,535,447	19,457,216	1,947,284	7,047,715	9,399,756	7,592,997	10,487,616
90 Central Ministries	593,175,689	355,885,699	1,073,062,401	963,133,889	1,564,540,410	1,466,753,613	617,411,139
95 Offshore Payments	176,749,244	348,169,267	865,403,063	887,685,090	1,133,040,468	660,896,637	249,323,113



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