

## ARTF SY1385 Highlights (as of March 20, 2007)

### DONORS

- Eighteen Donors (14 Donors in 1384)
- New Zealand, Poland new ARTF Donors

### CONTRIBUTIONS

- SYs 1381-85: US\$ 1.71 billion
- SY 1385: \$453.93 m
- SY 1385 total contributions represent a 12% increase over 1384 total contributions of US\$ 404 million

### ALLOCATIONS

- Recurrent cost financing: US\$299 m (recurrent and topping up cushion)
- Investments: US\$106.5 m (or 25% of ARTF SY1385 contributions directed to national programs/projects).
- Of the US\$106.5 m to investments, US\$ 58.5 m was for the NSP.

#### ARTF Projected Cashflow SY1386 (2007/08) (in US\$ million)

Sources of Fund	
Balance carried-forward from SY1385	65.8
Expected Donor Contribution	<b>699.5</b>
Projected IDA Income (estimate)	16.9
<b>Total Sources of Fund</b>	<b>782.2</b>

Expected Uses of Fund (to be approved by ARTF MC)	
<i>Recurrent Cost Financing Requirement</i>	
Opening Balance	-75.0
Disbursements (balance of SY1385 + SY1386)	291.0
Cushion	<u>70.0</u>
	286.0
<i>Investment Projects approved by the MC - year end estimate</i>	
National Solidarity Program	184.6
Microfinance	47.0
National Rural Access Program	35.0
Horticulture & Livestock Project	11.0
Kabul Roads	18.0
MCP	10.0
Power Sector	57.0
Education Quality Improvement Program	27.0
National Justice Program	30.0
KURP	5.6
Private Sector Development	<u>3.2</u>
	428.4
Monitoring Agent	3.5
<b>Total Uses of Fund</b>	<b>717.9</b>

<b>Projected year end unallocated balance for SY1386</b>	<b>64.3</b>
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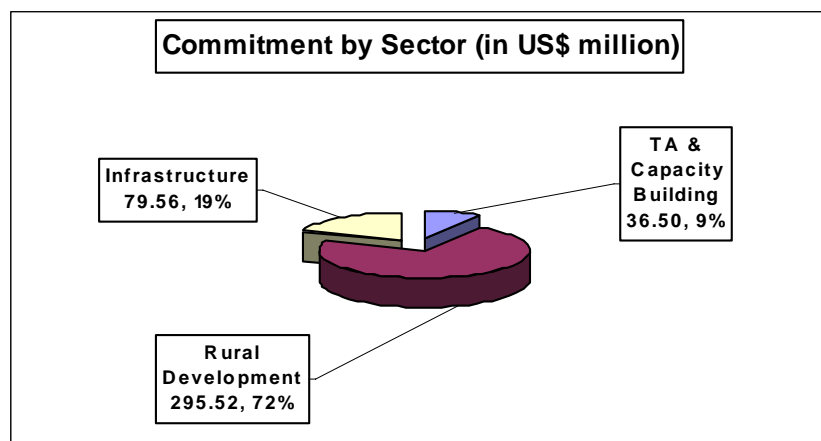
Cash balance net of unmet preferences	15.0
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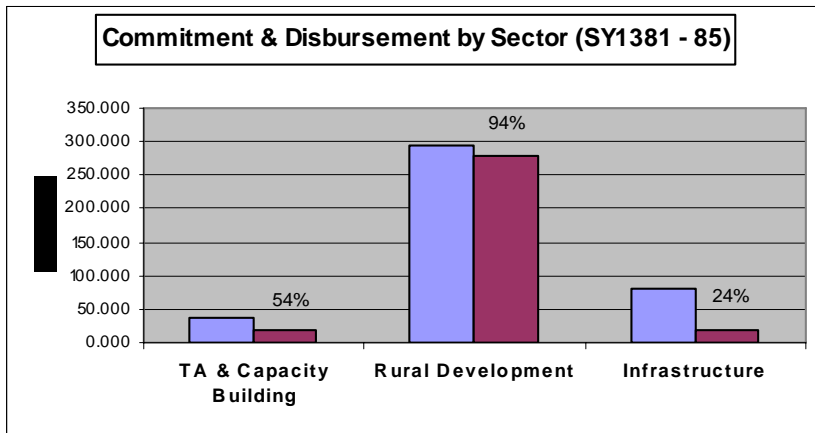
**DISBURSEMENTS (investments)**

- 1384 – US\$ 82 m; **1385 – US\$ 166 m.**

**Distribution by Sector (in US\$ million)**

Project	Commitment	Disbursed
<b>TA &amp; Capacity Building</b>		
TF050970 - Technical Assistance Feasibility Studies	18.50	12.59
TF053940 - Civil Service Capacity Building	13.00	6.63
TF054730 - Education Quality Improvement	5.00	0.49
	<b>36.50</b>	<b>19.71</b>
<b>Rural Development</b>		
TF050973 - National Rural Access Program	52.82	36.82
TF052452 - Microfinance Program	86.30	84.52
TF053939 - National Solidarity Program	156.40	156.24
	<b>295.52</b>	<b>277.58</b>
<b>Infrastructure</b>		
TF052475 - Telecom & Microwave Link	6.13	5.77
TF052541 - Kabul Power Supply	7.44	5.81
TF054718 - Rehabilitation of Naghlu Hydropower Plant	20.00	0.16
TF054729 - Urban Water Supply and Sanitation	41.00	7.10
TF055447 - Rural Water Supply & Sanitation	5.00	0.59
	<b>79.57</b>	<b>19.43</b>





## FIDUCIARY COMPLIANCE

### *1384 Financial Statement Audit Observations*

- Reports all late but relative improvement over prior year; Observations as expected
- Generally satisfactory; Quality improvements over 1384

### **SY1386 PROJECTIONS**

## ARTF Annual Donors Meeting – May 1, 2007

<b>ARTF Projected Cashflow SY1386 (2007/08) (in US\$ million)</b>		
<b>Sources of Fund</b>		
Balance carried-forward from SY1385		65.62
Expected Donor Contribution		485.10
Projected IDA Income (estimate)		1.25
<b>Total Sources of Fund</b>		<b>551.97</b>
<b>Expected Uses of Fund (to be approved by ARTF MC)</b>		
<i>Management Committee Approvals</i>		
National Solidarity Program (approved in SY1385)		13.10
Management Capacity Program (approved in SY1385)		10.00
<i>Recurrent Cost Financing Requirement</i>		
Opening Balance	(75.00)	
Disbursements (balance of SY1385 + SY1386)	284.50	
Cushion	70.00	
		279.50
<i>Investment Projects likely to be proposed by the Government to ARTF MC</i>		
National Solidarity Program		
Microfinance		
National Rural Access Program		
Horticulture & Livestock Project		
Kabul Roads		
Power Sector		
Education Quality Improvement Program		
Private Sector Development		
		223.20
<b>Total Uses of Fund</b>		<b>525.80</b>
<b>Projected year end unallocated balance for SY1386</b>		<b>26.17</b>

- Expected Donor contribution likely to be upwardly revised as Donor's intentions firm-up through out the year.
- Investment financing likely to double.