

## Outline of the Report on SEGMA Appended to Finance Bill 2013

Autonomous Administrative Units (SEGMA<sup>1</sup>), enjoying a management system based on the payment for the services delivered to cover the expenses incurred, play a significant role in meeting the needs of the population in terms of public service.

Unincorporated bodies, these entities contribute, as internal branches of the State, to the mobilization of all available resources to ensure access of the population to appropriate conditions conducive to enjoying the right to health care, social protection, education and physical education as well as sustainable development.

The Report on SEGMA, appended to Finance Bill 2013, aims at outlining different aspects of SEGMA units, focusing on the efforts of reform and modernization for the implementation of good governance principles, as a prerequisite for improving the performance of such entities.

In 2012, the number of SEGMA units rose to 205 as against 202 in 2011 due to the creation of three new services by Finance Act 2012.

Most of these SEGMA units conduct activities in the social sector; that is 78% or 159 services. Their scope of activity particularly relates to health, training, physical education, cultural activities and social assistance. They are as follows:

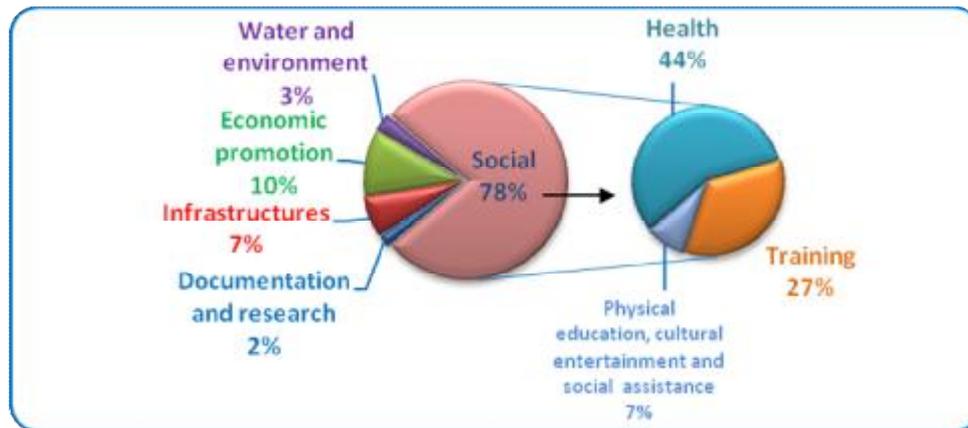
The remaining 22%, that is 46 services, operate in diverse sectors, particularly those related to economic promotion (22), infrastructure (14), water and the environment (6), as well as documentation and research (4).

The breakdown of the number of SEGMA units, by activity sector, is illustrated by the following graph:

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<sup>1</sup> Services de l'Etat Gérés de Manière Autonome (Independently managed State services)

## Distribution of the number of SEGMA units by sector in 2012



Besides, the implementation of SEGMA budgets in 2011 resulted in a revenue surplus over expenditure amounting to 3.660,94 MDH as against 3.344,7 in 2010, up 9.5%.

The overall revenue amounted to 5.408,52 MDH in 2011 as against the forecast amount of about 6.452,2 MDH, a recovery rate of about 84%.

The breakdown by type of revenues is as follows:

- Ø Own-source revenues amounted to 1.855,74 MDH as against a forecast amount of around 2.674,30 MDH; that is a completion rate standing at 69.4%.
- Ø Budget allocations paid to some SEGMA units amounted in 2011 to 482.24 MDH only, as against 926.86 MDH in 2010, a significant decrease by about half (48%).
- Ø Operating and investment surplus achieved at the end of 2010 and carried to the following year, amounted to 3.070,54 MDH.

Concerning the total amount of expenditure conducted by all SEGMA units, it amounts to 1.747,59 MDH in 2011, as against appropriations reaching 4.784,2 MDH, or a completion rate of about 36.53%.

The breakdown by type of expenditure is as follows:

- Ø Staff costs paid to casual agents operating in SEGMA units, for a total of 90.14 MDH against appropriations of approximately 161.63 MDH, or a completion rate of about 55.77%
- Ø Material expenditure and miscellaneous costs for an amount of 1.248,80 MDH, accounting for 45,6% of the appropriations which amount to 2.738,54 MDH;
- Ø Investment expenditure for an amount of 408,65 MDH as against the forecast amount of about 1.884,03 MDH, or a completion rate of approximately 22%.

It should be noted that the expenditure of SEGMA units was conducted at 79%, by the units operating in the social sector (64%) and infrastructures (16%). Therefore, the social sector remains the key focus area for SEGMA units.