

DB3/DEB/SSEB

Outline of the report on autonomously managed State institutions accompanying the 2016 Finance Act

With a total of 205, the autonomously managed State institutions (SEGMA) registered in 2014 a rate of revenues of 91,6%, and an implementation rate of expenditure at around 47,4%.

The report on SEGMA accompanying the Finance Act (LF) **2016** falls within the scope of the implementation of the new provisions of the new Organic Law related to the Finance Act (LOF) aiming at streamlining the creation and the use of SEGMA through the removal of services whose own resources do not represent, as of the third fiscal year following their creation, at least **30%** of all the resources authorized under the finance act, non-attribution of staff costs in the budgets of SEGMA and the prohibition of payments from SEGMA to a CST (Special Treasury Accounts)or another SEGMA institution. Thus, from January **2019**, and after **three years** of entry into force of the provisions of the new LOF, the SEGMA institutions, newly created in **2016**, will be reviewed for compliance with the conditions of eligibility.

Indeed, this report tries to spotlight analysis elements regarding the activities of these Services, both in terms of achievements and perspectives. It also puts the light on the performance of SEGMA whether in terms of achieving their own revenues or in terms of the quality of services provided to citizens.

The first part of this report is dedicated to the comparison of the financial performance of SEGMA for **2014** and **2013**, especially regarding the achievement of own revenues and the rhythm of expenditure, while focusing on SEGMA's contribution according to their areas of action. It should be noted in this context that in **2015** the number of SEGMA rose to **205** Services after the creation of a new SEGMA entitled "**Central Establishment for equipment Storage and Management** ", attached to the Administration of National Defense. These SEGMA are distributed among eight areas of action by major State functions, namely: health with **90** services, the field of education, vocational training and management training with **55** services, transport, water and other economic infrastructures with **16** services, the field of other economic activities with **19** Services, public authorities with **9** services, recreation activities with **7** services, the field of other social actions with **5** services and agriculture, fisheries and forestry with **4** Services.

The split of SEGMA per industry indicates the predominance of social SEGMA with **73%** of the total SEGMA (i.e. **150** SEGMA of **205**), including the health sector (with **90** SEGMA) and training (with **55** SEGMA).

Regarding SEGMA's revenues, they totaled **6908.76 MDH** in **2014** against estimations of **7542.79 MDH**, or an achievement rate of approximately **91.6%**, of which **2105.9 million dirham** in terms of own revenues with a recovery rate of **69.7%**, **945.52 million dirham** in terms of State subsidies granted to certain SEGMA (especially those operating in the field of health and education and professional training, up to 88% of total subsidies) and **3857.37 DH** in terms of operating and investment surpluses last year, that is to say, **2013**.

As for SEGMA's expenditures for 2014, they reached 2856.60 million dirhams compared with forecasts of around **6.021.14 MDH**, or an emission rate of **47.4%**, including **1.917, 99 MDH** in terms of operating expenses with an emission rate of **57.8%**, and **938.61 million dirhams** in terms of capital expenditure with an emission rate of about **34.7%**.

Thus, the average rate of coverage of expenditure by own revenues reaches **73.7%**, up to **28.1%** achieved by the Services operating in the field of transport, water and other economic infrastructure, and **27.3%** achieved by the SEGMA working in health sector. This coverage rate registered a decrease of 8.13% compared to 2013 when it was about 81.85%; the decrease can mainly be explained by the behavior of SEGMA involved in the fields of transport, water and other infrastructure, public authorities and general services and education and vocational training, which registered decrease rates amounting respectively to 35.5%, 12.7% and 11.8%.

It is noteworthy that SEGMA working in the field of agriculture, fisheries and forestry, and those working in the field of recreational activities registered the highest performance in terms of achieving their own revenue, with rates recovery amounting to **281.2%** and **115.6%** respectively. Similarly, SEGMA working in the fields of health and recreational activities conducted emission rates of the highest expenses were **64.2%** and **58.8%** respectively.

The second part of this report is dedicated to the physical achievements of SEGMA during **2014**, to the progress of the implementation of their **2015** action plans and their plans for the Finance Bill for **2016**. The objective is to understand the degree of improvement of services provided to users, based on the development of indicators that are in most cases of production or activity.

Thus, and as an illustration, SEGMA operating in **health sector** have achieved significant performances for the year 2014, such as the increase in hospital visits by 11% and the increase of external specialized consultations of **21.2%** compared to **2012**, the extension of the hospital reform through the involvement of **three** new hospitals (Larache, Tetuan and Tan-Tan), the achievement of a coverage rate of **RAMED** reaching **99%** of the population, with an average period for card issuing inferior to **15** days

Similarly, SEGMA operating in the **fields of transport, water and other economic infrastructure** managed to implement a set of actions in **2014**, including a heavy development of **300** km of roads through **26180** working days of routine maintenance, the establishment of an information system for the monitoring of air transport activity in Morocco, the establishment of a tracking service of dangerous goods in ports of Morocco and improving weather services in agriculture, marine and environmental fields through the

implementation of **51** interventions within the framework of the rainy program dubbed "Al Ghait," the acquisition of two marine radars and the exploitation of **20** fixed automatic stations for measuring air quality.