

SUMMARY OF THE NOTE ON EXPENDITURE RELATING TO COMMON CHARGES FOR THE YEAR 2022

The note on expenditure relating to Common Charges accompanying the finance bill for the year 2022 highlights the decisive role of the Common Charges budget in terms of assistance and support for social policies, and the implementation of sectoral strategies and structuring projects.

I- The Common Charges budget: an instrument of assistance and support for social policies

The appropriations in the operating chapter of the Common Services' budget consist mainly of social expenditure, such as the compensation charge, certain expenditure relating to retirement and social security schemes, and various allowances, annuities and pensions.

The amount of credits approved under the said chapter by the rectifying finance law for the year 2020, was maintained at the same level foreseen by the finance act for the year 2020, that is MAD 24.651,21 million. However, it recorded a decrease of MAD 19.443,93 million or of 44,10% compared to the year 2019.

These credits were increased, during the year, through the opening of additional credits resulting from levies on the chapter of unforeseen expenditure and provisional allocations (374.96 million dirhams), and payment from the special allocation account entitled (State reinvestment fund) "Fonds de remploi domanial" (MAD 1 000 million).

Consequently, the total amount of appropriations opened under the chapter on the operation of Common Charges for the year 2020 amounts to MAD 26,026.17 million.

At the end of 2020, the credits committed under this chapter reached MAD 23.296,29 million, i.e. an execution rate of about 90%.

As for the year 2021, the amount of credits programmed in the operating chapter of Common Expenditure amounts to MAD 24,546.52 million, thus recording a decrease of MAD 104.69 million or 0.42%, compared to the credits provided for by the rectifying finance law for the year 2020

These credits increased during the first half of the year 2021, through the opening of additional credits amounting to MAD 200 million , resulting from withdrawals from the chapter of unforeseen expenditures and provisional allocations.

At the end of June 2021, the credits committed under the operating chapter of Common Expenditures totaled MAD 12,187.26 million, i.e. an execution rate of nearly 49%.

II- The budget of the Common Charges: an instrument to support the implementation of sectoral strategies and structuring projects

The appropriations in the investment chapter of the common charges' budget are used mainly to cover the expenditure of the participation of the Ministry of Economy and Finance in the financing of certain structural projects. They are also available to support, through a contractual framework, the implementation of several sectoral strategies, the restructuring of certain public establishments and the settlement of their debts, as well as to other transfers.

The amount of credits provided for by the finance act for the year 2020 within the framework of the said chapter, amounts to MAD 23,200.76 million, up by MAD 2,780.80 million or 13.62% compared to the budget year 2019.

In order to face the repercussions of the Coronavirus pandemic on our country, the credits provided by the amending finance law for the year 2020, within the framework of the aforementioned chapter, were increased by MAD 16.401,89 million compared to the forecasts of the finance act for the year 2020, to amount to MAD 39.602,64 million.

During the year, this amount increased by MAD 7,030 million following the opening of additional credits corresponding to payments from the "Insurance Solidarity Fund" (MAD 2,500 million), "Land Reallocation Fund" (MAD 1,530 million), "Inter-regional Solidarity Fund" (MAD 1,000 million) and "Local Authorities' Share of Tax Proceeds" (MAD 1,000 million) special accounts. This increase was due to the opening of additional credits corresponding to payments from the "Insurance Solidarity Fund" (MAD 2,500 million), the "State Reallocation Fund" (MAD 1,530 million), the "Interregional Solidarity Fund" (MAD 1,000 million) and the "Local Authorities' Share of VAT Proceeds" (MAD 1,000 million), as well as a contribution from TAQA MOROCCO (MAD 1,000 million).

At the end of 2020, the credits committed under the Common Expenditures investment budget amounted to MAD 45,482.80 million, i.e. an execution rate of approximately 98%.

With regard to the year 2021, the amount of appropriations opened under the said chapter amounts to MAD 28,332.13million, down 28.46% compared to the forecasts of the amending finance law for the year 2020.

At the end of June 2021, the appropriations committed under the aforementioned chapter reached MAD 15,764.53 million. This included an amount of 251.25 MDH in the form of additional appropriations corresponding to the payment made from the special appropriation account entitled « Fonds de remploi domanial » and an endowment of MAD 500 million through a competition fund from the company TAQA MOROCCO, ie an execution rate of nearly 54%.

I- Estimates of the Common Expenditures budget for the year 2022

The amounts of credits programmed under the operating and investment chapters of the Common Charges' budget for the year 2022 amount, respectively, to MAD 28,570 million and MAD 30,859 million, thus recording an increase of 16.39% and 8 92% compared to the forecasts of the finance act for the year 2021.