

SUMMARY OF THE NOTE ON COMMON EXPENSES FOR 2025

The note on expenses relating to Common Charges accompanying the Finance Bill for the year 2025 highlights the importance of the Common Charges budget as an instrument 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

Appropriations in the “Common expenses - Operating” chapter are characterized by the preponderance of social expenditure, which mainly concerns the coverage of compensation costs, including accompanying and support measures for the road transport sector, pension schemes managed by the Caisse Marocaine des Retraites (CMR), and the contribution to the financing of the project to generalize social protection.

Appropriations for this chapter for 2023 totalled 42,104.40 MDH, taking into account an additional 3,430 MDH in credits opened by decree and intended to cope with the repercussions of inflation on citizens' purchasing power (3,300 MDH) and to implement the strategic roadmap for tourism 2023-2026 in its operating section (130 MDH).

In addition, additional appropriations totalling 17,000 MDH, opened by order of the Minister of Finance during the year under the same chapter, were used to cover part of the compensation cost for 2023 (13,000 MDH) and to finance the generalization of social protection (4,000 MDH).

A further 416.55 MDH in supplementary appropriations from the contingency and provisional appropriations (DI) chapter were also opened by decree.

At 12/31/2023, expenditure commitments in the Common expenses - Operating chapter amounted to 59,230.07 MDH, taking into account additional appropriations, representing an implementation rate of 99.51%.

For the year 2024, the amount allocated to the Common - operating chapter is 34,820 MDH.

As at June 1, 2024, credits committed under this chapter amounted to 12,189.47 MDH, representing an implementation rate of 35.01%.

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

The appropriations in the “Common expenses” investment chapter are mainly intended for transfers to certain special Treasury accounts and public establishments and companies, as well as for payment of the Ministry of Economy and Finance's contribution to the financing of various economic and social development projects.

The amount of credits programmed under the aforementioned chapter for the year 2023, amounts to 40,374.37 MDH, taking into account the additional credits of a total amount of 6,570 MDH opened by decree for ONEE in the form of an endowment fund (4,000 MDH), to finance the national drinking water supply and irrigation program for the period 2020-2027 (1,500 MDH), and to cover expenditure relating to the implementation of the investment component of the 2023-2026 strategic roadmap for tourism (1,070 MDH).

In addition, appropriations for 2023 under the “Common charges - Investment” chapter were increased by a total of 12,622.92 MDH, following the opening, by order of the Minister of Finance, of supplementary appropriations. The latter were used essentially to fund the following CAS: “Fonds spécial pour la gestion des effets du tremblement de terre” that hit the kingdom (5. 900 MDH) and “Fonds national du développement du sport” (2,000 MDH), to pay the ONCF the 3rd instalment of the State's capital endowment for 2023 (1,000 MDH), as well as to finance projects to boost drinking water supplies in the Casablanca - Settat region (1,000 MDH).

At the end of the 2023 financial year, the credits committed under this chapter amount to 52,974.08 MDH, taking into account the additional credits opened, representing an implementation rate of approximately 99.96%.

For the year 2024, the amount of credits opened under the investment chapter of Common Charges stands at 43,912 MDH, taking into account the sum of 7,500 MDH representing additional credits opened by decree and intended to support certain public establishments and companies with a view to improving their financial situation and contributing to the financing of their strategic projects.

In addition, additional credits totalling 2,500 MDH were opened, by order of the Minister of Finance, over the period from January 1 to June 1, 2024. These credits were mainly used to finance the CAS: “National Sports Development Fund”.

As at June 1, 2024, commitments under the Common expenses investment chapter had reached 17,132.43 MDH, representing an implementation rate of around 37%.

III- Budget forecasts for Shared Services for 2025

The operating and investment appropriations for the Shared Services budget in the Finance Bill for 2025 amount to 48,112 MDH and 43,602 MDH, an increase of around 38% and 20% respectively compared with the credits allocated by the Finance Act for 2024.