

Summary of the Memorandum on Common Costs Expenditures For the Fiscal Year 2018

Common costs budget, one of the most important components of the general budget, comprises all the expenditures that cannot be attributed to ministerial departments or institutions budget. This component contributes to the effort made by the State in order to ensure the economic, social and spacial development.

The amounts of credits scheduled in 2017 for the components of operation and investment of Common Costs budget amount, respectively, to MAD 39,790 million and MAD 20,176 million against MAD 38,182 million and MAD 20,288 million in 2016, thus registering a decrease of 3.65% and 3.32% respectively due to continuing the compensation reform as well as to transferring some expenditures, that are usually scheduled as part of said components, to budgets of ministerial departments.

COMMON COSTS OPERATION BUDGET: SUPPORT TO SOCIAL POLICIES

The credits of the operation component of common costs budget are essentially composed of social costs such as compensation cost, State contribution to retirement and social security systems, as well as allowances, annuities and various pensions.

The amount of credits open for operation budget of Common Costs for 2016 amounts to MAD 38,182.00 million.

During the year, this amount has been increased by an amount of MAD 442,449 million as deductions made on the component of unexpected expenditures and provisional allocations.

In this way, the total amount of credits open for operation budget of Common Costs for 2016 reached MAD 38.624,449 million.

At the end of the budgetary year, the completion rate of the above budget reached about 88.75%. This rate is explained by the achievement of expenditures savings amounting to MAD 4,296,516.

Regarding the amount of the credits relating to the component of Operation of Common Costs for 2017, it registered a decrease of MAD 1,392 million or 3.65% compared to 2016.

This decrease is mainly attributed to the decline of the forecasts related to the compensation costs, particularly those appertaining to the direct support offered to ONEE after the fall of the average price of fuel used in producing electrical energy.

At the end of August 2017, the credits invested for the operation budget of Common Costs reached MAD 29,940,329 million, taking into account the allocation of MAD 150 million to deductions made on the component of unexpected expenditures and provisional allocations, i.e. a completion rate of about 81%.

INVESTMENT BUDGET OF COMMON COSTS: AN INSTRUMENT SUPPORTING THE IMPLEMENTATION OF SECTORAL STRATEGIES AND STRUCTURING PROJECTS

The credits scheduled for the component of investment of Common Costs are mainly intended for covering the expenditures related to the participation of the Ministry of Economy and Finance in the financing of some structuring projects, the conventional support of the implementation of several sectoral projects, the restructuring of public businesses and institutions and in the settlement of their debts, as well as in the other transfers.

The amount of credits open for investment budget of Common Costs for 2016 amounts to MAD 20.868,000 million.

On December 31, 2016, the credits invested for said budget amounted to MAD 20,341,522 million in the form of additional credits or private support funds, i.e. a completion rate of 97.48%.

The credits available at the level of said budget, which were subject of expenditure saving, reached at the end of December 2016 MAD 1,556,479 million.

Regarding the credits scheduled for the component of investment of Common Costs for 2017, it registered a decrease of 3.32% compared to the fiscal year 2016 to reach MAD 20,176 million.

At the end of August 2017, the credits invested for the investment budget of Common Costs amount to MAD 14,691,852 million, of which MAD 400,000 million in the form of additional credits, i.e. a completion rate of about 73%.

FORECASTS OF COMMON COSTS FOR THE BUDGETARY YEAR 2018

The credits relating to the operation and investment components of Common Costs budget for the year 2018 amount to MAD 36,623,620 million and MAD 19,443 million, respectively, thus registering a decrease of, respectively, 0.45% and 3.63% compared to the budgetary year 2017.

This decrease mainly resulted from the transfer of several expenditures, allocated in 2017 to the Common Costs budget, to budgets of the concerned ministerial departments for the year 2018 in application of the provisions of the organic law No. 130-13 relating to the finance act.