



## SUMMARY OF THE NOTE ON EXPENSES RELATED TO COMMON COSTS FOR THE YEAR 2019

As part of the strengthening of the transparency of budgetary management, the note on expenses related to common costs accompanying the finance bill for the year 2019, highlights the role of the common costs budget as an instrument of assistance and support for social policies, as well as the implementation of sectorial strategies and structuring projects.

### **The Common Costs budget: instrument of assistance and support for social policies**

The appropriations for the operating section of the Common Costs budget consist mainly of expenses of a social nature such as the compensation expense, the State's contribution to the pension and social security schemes, and allowances, annuities and various pensions.

The amount of the appropriations available under the operating section for the year 2017 amounts to 36,790,000 million dirhams. This amount was increased, during the year, by 438,363 million dirhams corresponding to the deductions made in the Contingencies and Provisional Allowances section.

Thus, the total amount of the appropriations available under the section of the Common Costs - Operation for the year 2017, reached 37.228,363 million dirhams.

As of December 31, 2017, the achievement rate of the above-mentioned section was 97.56%, taking into account the deductions from the section on Contingencies and Provisional Allowances.

As for the year 2018, the amount of appropriations recorded in the operating budget of the Common Costs, has decreased by 166.380 million dirhams or 0.45% compared to the year 2017, to reach 36.623.620 million of dirhams.

At the end of July 2018, the appropriations recorded under the operating budget amounted to 27,226.069 million dirhams, taking into account an allocation of

360.026 million dirhams corresponding to the deductions made in the section on Contingencies and Provisional Allowances; an achievement rate of 73.62%.

### **The Common Costs budget: instrument of support for the implementation of sectoral strategies and structuring projects**

*The* appropriations in the investment section of the Common Costs are intended, essentially, to cover the expenses related to the participation of the Ministry of the Economy and Finance in the funding of certain structuring projects, in the support, within a conventional framework, of the implementation of several sectoral strategies, the restructuring of public institutions and the settlement of their debts, as well as other transfers.

*The* amount of appropriations available under this section for the year 2017 amounts to 20,176,000 million dirhams.

*As* of December 31, 2017, the appropriations recorded under the above-mentioned section amounted to 20,620.059 million dirhams, of which 1,000,000 million dirhams in payments made from the special purpose account entitled “Share of local and regional authorities in VAT”, representing an achievement rate of 97.37%.

*For* the year 2018, the amount of appropriations planned under the investment section of the Common Costs, showed a decrease of 3.63% compared to the 2017 fiscal year, to reach 19.443 million of dirhams.

*At* the end of July 2018, the appropriations recorded under the investment budget of Common Costs amounted to 14,038.706 million dirhams, representing a completion rate of 72.20%.

### **Presentation of the Common Costs budget under the finance act for the fiscal year 2019:**

*The* appropriations recorded under the operating and investment sections of the Common Costs budget for the year 2019 amount, respectively, to 44,095,142 million dirhams and 20,419,956 million dirhams, against 36,623,620 million dirhams and 19,443 million dirhams in 2018, thus recording an increase of 20,40% and 5,02%.