



SEGMA 2019 REPORT: OVERVIEW

The report on Independently Managed State Services (SEGMA), which accompanies the 2019 Finance Act, highlights the role of these entities, deemed as a major budgetary means for the implementation of public policies and the provision of quality services for the benefit of citizens at a devolved level. Through their financial autonomy and their management method based on domestic resource mobilization from public services provided to users, in fact, these Services play a leading role in improving community service and public access to areas of social significance, including care, social security, education and sports.

The 2019 edition of this report is part of the implementation of the provisions of Organic Law No. 130.13 relating to the finance Act (LOF). These provisions tend, in particular, to replace the spending approach with the results approach, mainly through the adoption of a new nomenclature based on programs with well-defined objectives and performance indicators. They are also aimed at streamlining the creation of SEGMA by eliminating Services that have not entailed costs for 3 years and that have not been able to achieve, starting from the 3rd budget year following the date of their creation, revenues of at least 30% of their total resources.

First of all, this report highlights the evolution of the total number of SEGMA and their breakdown by field of activity for the 2018 budget year. In fact, the number of SEGMA has decreased slightly, from 208 to 204 Services, between 2017 and 2018, following the removal of 4 SEGMA, namely "the organization of the twenty-second United Nations Conference on Climate Change", "Prince Moulay Abdellah-Rabat Sports Complex", "Fez Sports Complex" and "Youth Cultural Tourism Service". The breakdown of SEGMA by field of activity for the year 2018 indicates the predominance of social SEGMA with 75% of the total number of SEGMA (153 SEGMA out of 204), particularly the field of health (with 89 SEGMA) and the field of education and vocational training (with 60 SEGMA).

The second part of the report presents the financial achievements of the SEGMA for the year 2017, under which the execution of the budgets of the SEGMA presents a positive balance of about 4,344.43 million dirhams at the end of the year. This surplus is recorded mainly by entities operating in the field of transport and water amounting to 59.90% and to a lesser extent by the SEGMA operating in

the field of health amounting to 15.89%.

In terms of SEGMA receipts, their total amount reached 7,293.82 million dirhams in 2017, against forecasts of around 8,103.56 million dirhams, ie an achievement rate of 90.01%, of which 2,167.92 million dirhams under their own revenues with an achievement rate of 81.54%. The equilibrium allocations granted by the State budget to certain SEGMA amounted to 792.99 million dirhams, while operating and investment surpluses, realized at the end of 2016 and carried over to appropriations of year 2017, amount to 4,332.91 million dirhams. Regarding the costs of the SEGMA for the year 2017, they reached 2,949.39 million dirhams compared to appropriations of 6.470,53 million dirhams, an issue rate of 45.58%, of which 1,868.40 million dirhams for operating expenses with an issue rate of 53.21%, and 1,080.99 million dirhams for investment costs with an issue rate of approximately 36.53%. The SEGMA operating in the field of recreational activities, the field of other social actions and in the field of health achieved the highest issue rates, respectively 72,55%, 67,96% and 63,12%. Overall, the rate of coverage of costs by own revenues amounts to 73.50% for the year 2017, against 63.54% in 2016, an increase of nearly 10 percentage points.

The third part of the report is dedicated to the physical progress of the SEGMA during the year 2017 and the progress of their plans of action in 2018, as well as their planned action programs under the Finance Bill of the year 2019. The focus is on objectives and indicators that can assess the effort made by these Services in terms of improving the quality of services provided to users.

For instance, the SEGMA operating in the health field delivered significant results for the year 2017, by increasing the number of emergency department consultations, external specialized consultations and outpatient consultations by 10.1%, 8% and 14.9%, respectively, compared to 2015. The SEGMA action plan for 2019 provides, essentially, for the continuation of the hospital reform, the improvement of access to care for the underprivileged women in labor and patients with renal insufficiency, the reinforcement of the implementation of the emergency medical services (EMS), particularly in the areas of difficult access, the establishment of 4 training institutes for ambulance technicians, the strengthening of the legislative and regulatory framework of the pharmaceutical sector as well as the development of services and care related to blood transfusion.

In the same regard, and with the aim of ensuring a better continuity of traffic on the road network, the SEGMA operating in the field of transport, water and other economic infrastructures involve, in the years 2018-2019, the acquisition, installation, commissioning and maintenance of fixed speed radar, reinforcement of road control units by the necessary equipment, maintenance of 370 km of rural roads by regional units and improving the management and operating performance of the Public Works equipment park according to a computerized system and geolocation system. It is also worth mentioning, for the same field, the strengthening and modernization of the means, ship inspection and control equipment and materials for the Mercantile Marine Department, as well as the improvement of the weather alert

system as to ensure a quality public service for the National Directorate of Meteorology.

In addition, the year 2018 was strongly marked by the launch of the implementation of the comprehensive reform of the regional investment centers (CRI) in accordance with the instructions of HIS MAJESTY THE KING, through the adoption of the bill on the reorganization of the CRI, the redevelopment of the human resources of these centers and the provision of CRI services for the Investor's Home Sector. On the other hand, and on the account of the orientations and actions in the CRI reform project, there is a change in the legal status, the missions and the organizational structure, the CRI will be transformed into public institutions. Thus, their missions will be reconfigured and expanded. The action plans will be defined and decided by the boards of directors of these institutions once appointed to their new positions.