

SUMMARY OF THE NOTE ON COMMON EXPENDITURE FOR THE YEAR 2021

The note on expenses relating to the Common Expenses accompanying the draft Finance Bill for the year 2021 highlights the role of the budget of the Common Expenses as an instrument of assistance and support for social policies, and of implementation of sectoral strategies and structuring projects.

I- The budget of the Common Expenses: instrument for assistance and support for social policies

The appropriations in the operating chapter of the budget of the Common Expenses consist, essentially, of expenditure of a social character such as the compensation charge, certain expenditure relating to pension schemes and social security, and allowances, annuities and other pensions.

The amount of opened credits under the operating budget of the Communes for the year 2019 amounts to 44,095.14 MDH.

This amount was increased, during the year, by a sum of MAD 250 million corresponding to the deductions made on the chapter of unforeseen expenses and provisional allocations.

Thus, the total amount of opened credits within the framework of the said budget amounts to 44,345.14 MDH.

At the end of 2019, the execution rate of the aforementioned budget reached 98.04%.

As for the year 2020, the appropriations programmed under the operating chapter of the Common Charges, as set by the finance law for the year 2020, amount to MAD 24,651.21 million, thus recording, a decrease of MAD 19,443.93 or 44.10% compared to 2019.

These credits were increased, during the first half of 2020, through the opening of additional credits from withdrawals from the chapter of unforeseen expenses and provisional allocations (200 million dirhams), and payments from the trust account entitled "Land re-employment fund" (MAD 1,000 million).

At the end of June 2020, the appropriations committed under the operating chapter of the Common Charges, reached MAD 14,181.04, or an execution rate of approximately 55%.

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

The appropriations of the investment chapter of the Common Charges are intended, in particular, to cover expenditure relating to the participation of the Ministry of the Economy, Finance and the Reform of the Administration in the financing of certain structuring projects, support, within a conventional framework, for the implementation of several sectoral strategies, the restructuring of certain public establishments and the clearance of their debts, as well as other transfers.

The amount of opened credits under the investment budget of the Communes for the year 2019 amounted to 20,419.96 MDH.

At the end of 2019, the appropriations committed from the said budget amounted to MDH 21,226.49 following the provision of additional appropriations corresponding to payments made from certain trust accounts (MDH 1,020), i.e. an implementation rate of 103.95%.

With regard to the year 2020, the amount of credits programmed under the investment chapter of the Communes Charges, as fixed by the finance law for the year 2020, amounts to 23,200.76 MDH, up 13.62% compared to the 2019 budget year.

At the end of June 2020, the appropriations committed under this chapter reached 21,533.38 MDH, including an amount of 5,410 MDH in the form of additional credits corresponding to payments made from certain trust accounts, as well as an allocation of 1,000 MDH through a support fund from the company TAQA MOROCCO, i.e. an execution rate of nearly 93%.

III- Presentation of the draft budget of the Common Charges under the finance bill for the year 2021

The appropriations entered under the operating and investment chapters of the budget of the Communes for the year 2021 amount, respectively, to 24,546.52 MDH and 28,332.13 MDH, against 24,651.21 MDH and 39,602.64 MDH corresponding to the appropriations opened by the amending finance law for the year 2020.

The significant decrease in investment credits in the budget of the Communes in 2021, is explained, mainly, by the programming, at the level of the aforementioned amending finance law, of an allocation of 15 billion DH, to be paid to " Strategic investment fund", intended to finance the recovery plan of the national economy during the year 2020.