

SUMMARY OF THE NOTE ON COMMON EXPENSES FOR 2024

The note on expenses relating to Common Charges accompanying the Finance Bill for 2024 highlights the vital role played by the Common Charges budget in assisting and supporting social policies, and in implementing sectoral strategies and structuring projects.

I- The Common Charges budget: an instrument of assistance and support for social policies

Expenditure on social matters predominates in the "Common expenses" chapter, notably to cover the cost of compensation and the impact of accompanying measures, in particular support for the road transport sector, as well as pension schemes managed by the Moroccan Retirement Fund (CMR), and the contribution to financing the generalization of social protection.

Credits programmed in the above chapter for 2022 amount to MDH 59,570, including MDH 31,000 in additional credits opened by decree and earmarked for consumer price support and accompanying measures (MDH 29,000), and for the Caisse Marocaine des Retraites (MDH 2,000).

At 12/31/2022, expenditure commitments under this chapter totaled MDH 59,021.78, representing an implementation rate of 99.08%.

Furthermore, additional appropriations of MDH 731.93, drawn from the unforeseen expenditure and provisional allocations chapter, were made during the year to the Common expenses operating chapter for 2022. The aim is to cover part of the financing gaps in the water sector (MDH 300), to pay for the transport of students from the southern regions of Morocco (MDH 201.93), and to organize major events in the Kingdom's various prefectures and provinces (MDH 200).

For the year 2023, the amount of credits entered in the chapter of Common Charges - Operating amounts to MDH 42,104.40. This takes into account additional credits of MDH 3,430, opened by decree and intended to face the repercussions of inflation on the purchasing power of citizens (MDH 3,300), as well as the implementation of the strategic roadmap of tourism 2023-2026 (MDH 130).

At June 1, 2023, committed credits under this chapter amounted to MDH 20,095.21, representing an implementation rate of 47.73%.

In addition, appropriations under the chapter of Common Charges - Operating for the year 2023 have been increased, over the period from January 1 to June 1, 2023, by an amount of

MDH 4.000 following the opening of additional credits corresponding to payments made from the "Insurance Solidarity Fund" (MDH 1,500), "State Reallocation Fund" (MDH 1,500) and "Special Fund for the management of the "Covid-19" Coronavirus pandemic" (MDH 1,000). These appropriations were earmarked to finance the generalization of social protection.

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.

Appropriations for this chapter for 2022 amount to MDH 38,359, taking into account additional appropriations of MDH 7,500 allocated by decree to support certain public establishments and companies.

At the end of the 2022 financial year, committed appropriations under the above chapter amounted to MDH 37,299.50, representing an implementation rate of around 97.24%.

In addition, appropriations for the Common Charges capital budget for 2022 have been increased by MDH 4,584.68. These funding followed the opening of supplementary appropriations corresponding to payments made from the "Fonds de emploi domanial" (land reallocation fund) (MDH 2,584.68), "Fonds de solidarité des assurances" (insurance solidarity fund) (MDH 1,000) and "Part des collectivités territoriales dans le produit de la T.V.A" (local authorities' share of VAT proceeds) (MDH 1,000) earmarked accounts.

These additional appropriations were intended, in particular, to finance operations relating to the funding of the special appropriation account entitled "Special fund for the management of the "Covid-19" Coronavirus pandemic" (MDH 2,000) and the acquisition, by the Bouregreg Valley Development Agency, of shares in the company Wessal Bouregreg S. A. (MDH 997.86), as well as payment of the Ministry of the Economy and Finance's contribution for 2022, intended to finance the rehousing program for households living in shantytowns in the Skhirate-Temara prefecture (MDH 566.82).

For 2023, appropriations for the Common Charges investment chapter amount to MDH 40,374.37, including MDH 6,570 in additional appropriations for ONEE in the form of an endowment fund (MDH 4.000), to finance the national drinking water supply and irrigation program for the period 2020-2027 (MDH 1,500), and to cover expenditure relating to the implementation of the 2023-2026 strategic tourism roadmap (MDH 1,070).

As at June 1, 2023, the credits committed under this chapter amounted to MDH 20,842.17, representing an implementation rate of 51.62%.

In addition, supplementary appropriations totalling MDH 472 have been opened for the period from January 1 to June 1, 2023, corresponding to payments from the "Local authorities' share of VAT" and "Land reallocation fund" earmarked accounts.

III- Common expenses budget forecasts for 2024

The appropriations provided for in the Finance Bill for 2024 for the operating and investment chapters of the Common Charges budget amount to MDH 34,820 and MDH 36,412 respectively, down -9.97% and up +7.71% compared with the appropriations provided for in the Finance Bill for 2023.