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With the view to obtaining an academic Master's in
« Entrepreneurship and Project Management »

**The role of performance and program budget in the
rationalization of public expenditures
Case study: The Directorate of Programming and Monitoring
the Budget Ain Defla**

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ABSTRACT

In light of daily economic, social, and political changes, different countries, including Algeria, started to reform their public financial systems. The release of the organic law 18-15 related to the financial law in 2018 paved the way for the performance and program budget to revolutionize the Algerian budgetary system. This study aims to determine the contribution of the performance and program budget to the rationalization of public expenditures by analyzing the evolution of public expenditures in the Directorate of Programming and Monitoring the Budget and Ain Defla in the period (2016-2022) and analyzing the application of performance and program budget in Ain Defla using quantitative analysis method.

The results of the analyses show that there was a consistent breach of the budget principles, a lack of planning and efficiency in using credits, and a shortage of objectives achievement and obtained results which the performance and program budget came to treat by linking the objectives with performance indicators to promote transparency and accountability that contribute significantly in the rationalization of public expenditures.

Keywords: Program and performance budget, Organic law 18-15 of the financial law, The rationalization of the public expenditures.

RÉSUMÉ

À la lumière des changements économiques, sociaux et politiques quotidiens, différents pays, dont l'Algérie, ont engagés à réformer leurs systèmes Budgétaire. La promulgation de la loi organique 18-15 relative à la loi de finances en 2018 à ouvert la voie à la performance et au budget-programme pour révolutionner le système budgétaire algérien. Cette étude vise à déterminer la contribution de la budget programme et performance à la rationalisation des dépenses publiques en analysant l'évolution des dépenses publiques de la Direction de la programmation et du suivi du budget et Ain Defla sur la période (2016-2022) et en analysant des conditions favorables à l'application de la performance et du budget-programme à Ain Defla En utilisant la méthode d'analyse quantitative.

Les résultats des analyses montrent qu'il y a eu une violation constante des principes budgétaires, un manque de planification et d'efficacité dans l'utilisation des crédits, et un manque de réalisation des objectifs et de résultats obtenus que le budget de performance et de programme en est venu à traiter en liant les objectifs aux indicateurs de performance pour promouvoir la transparence et la responsabilisation qui contribuent de manière significative à la rationalisation des dépenses publiques.

Mots clés : Budget Programme et performance, Loi organique 18-15 du loi financier, La rationalisation des dépenses publiques.

ملخص

في ضوء التغيرات الاقتصادية والاجتماعية والسياسية ، بدأت بلدان مختلفة، بما في ذلك الجزائر، في إصلاح أنظمتها المتعلقة بالمالية العامة. مهد إصدار القانون العضوي 18-15 المتعلق بالقانون المالي في عام 2018 الطريق أمام موازنة الأداء و البرامج لإحداث ثورة في نظام الميزانية الجزائرية. تهدف هذه الدراسة إلى تحديد مساهمة موازنة الأداء و البرامج في ترشيد النفقات العامة من خلال تحليل تطور النفقات العامة في مديرية برمجة و متابعة الميزانية وعين الدفلى في الفترة (2016-2022) وتحليل تطبيق موازنة الأداء و البرامج في عين الدفلى باستخدام الاسلوب الكمي التحليلي.

وتبين نتائج التحليلات أن هناك خرقا مستمرا لمبادئ الموازنة، ونقصا في التخطيط والكفاءة في استخدام الاعتمادات، ونقصا في تحقيق الأهداف والنتائج التي عالجتها موازنة الأداء والبرنامج من خلال ربط الأهداف بمؤشرات الأداء لتعزيز الكفاءة والمساءلة التي تساهم بشكل كبير في ترشيد النفقات العامة.

الكلمات المفتاحية : موازنة الاداء و البرامج, القانون العضوي 18-15 المتعلق بالقانون المالية, ترشيد النفقات العمومية.

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INTRODUCTION

Context and Theme Interest

Many countries around the world faced different social, economic, and political challenges that forced these countries to update their public financial system to adapt to the rapid changes in international standards by reforming their budgetary system. In 2001, France, inspired by the Planning Programming budget system of the United state of America, adopted a new style of budgetary management called « *Rationalisation des Choix Budgétaire.*» to seek the efficiency and effectiveness of its public services. On the other hand, Algeria decided, even late, to reform its budgetary system in 2018.

This reform came as a result of a lack of control over public expenditures and a consistent decrease in the efficiency and effectiveness of Algerian public services. Algeria adopted the program and performance to introduce planning and results-based management to the budgetary system. To improve the interactions between the different elements and actors of the budgeting system, treat the lack of objectives achievement, and develop the process of policymaking and the strategy of the state, Algeria released the organic law 18-15 related to the financial law to best define the legislative framework of the performance and program budget.

Organic law 18-15 related to financial law came as a bridge to move from budgetary management based on objects to the performance and program budget. The performance and program budget was introduced to use the credits efficiently to control public spending by focusing more on objectives that must be achieved in a limited time frame related to performance indicators that can be considered quantitative expressions for measuring the results of programs and also to bring the concept of planning to the Algerian budgetary system (Khan, 2019).

After preparing different legislation to best implement the performance and program budget in the last five years, the year 2023 witnessed the first application of the performance and program by introducing a new budgetary cycle, new documents that serve the modifications that organic law 18-15 related to the financial law brought, and the new roles of the public agents and officials in this budgeting system.

A training program has been launched across the country to ensure the successful application of performance and program budget and give the public employees an idea about the changes brought by the organic law 18-15 related to financial law, introduce

them to their adapted roles in the performance and program budget, and instilling in them the performance culture.

The objectives of the study

The objective of the study is to determine the effect of the performance and program budget on public expenditures. Also, other objectives can be listed as follows:

- Identify the reasons behind the issue of the organic law 18-15 related to financial law and the new modifications that this law brought.
- Study the transition phase from the traditional budget to the performance and program budget.
- The contribution of the performance and program budget in the rationalization of public expenditures
- Analyzing the role of the budget related to law 84-17 of financial law on the growth of public expenditures and the situation of the public projects under the organic law 18-15 related to the financial law.

The problematic

After determining the aim of the study, there is a question that keeps asking itself.

How does the performance and program budget contribute to the rationalization of public expenditures?

This question yields a number of sub-questions that come to mind.

- What is the concept of the budget?
- What motivated the state to release the organic law 18-15 of the financial law?
- What are the changes that the organic law 18-15 of the financial law brought to the Algerian budgetary system?

Method

A quantitative analysis method has been adopted to analyze the evolution of public expenditures in the period (2016-2022) and the application of the performance and program in 2023.

Through analyzing the public expenditures and performance and program budget, we identify any change in expenses and determine the reason behind it. Also, by analyzing the performance and program budget, we can spot how this budget help in the control of public expenditures.

The study framework

This study took place in the Directorate of Programming and Monitoring the Budget Ain Defla.

During my time as an intern in the Directorate of Programming and Monitoring the Budget Ain Defla, I benefited from training on how to prepare and execute the state budget in the light of the organic law 18-15 related to financial law from February 26 to March 9.

Study interest

This study contributes by shedding light on the first application of performance and program budget and the procedures taken by the state to make sure the success of the transition phase.

Introduce the new budgetary cycle, interactions between different actors and officials, and the new changes in accounting in the public sector.

The study also covers the implementation of the performance and program budget on the operational level in the Directorate of Programming and Monitoring the Budget and Ain Defla to analyze the transition phase from the traditional budget to the performance and program budget.

Plan announcement

this document has been divided into different parts to answer the study problem of the study, which are listed as follows:

The part of the introduction contains the context and theme interest, the objectives of the study, the problem of the study, the method, and the study framework.

Chapter I represents the theoretical framework, involves a literature review, performance, and program budget as a tool of budget reform related to organic law 18-15 of financial law dated September 2, 2018, the rationalization of public expenditures, and The performance and program budget: the rationalization of public expenditures.

Chapter II represents a methodological and organizational framework that covers the methodological approach and method selection, and organizational framework.

Chapter III represents the analysis of the result that consists of the evolution of public expenditures from 2016 to 2022 and The performance and program budget of Ain Defla.

Finally, the conclusion that the results of the analysis of the evolution of public expenditures from 2016 to 2022, the results of the analysis of The performance and program budget of Ain Defla, and the limit of the study.

CHAPTER I: THE THEORETICAL FRAMEWORK

Section 1: literature review

The previous studies dealt with the budget in the public sector, specifically the program budget and the environment, mechanism, policies, preparation, and requirements for implementation to achieve efficiency and effectiveness in the budget of the state, and how exactly contributes to the control of spending and affect the rationalization of expenditures that plays a vital role in increasing efficiency and effectiveness.

1.1. previous studies

- The study of (Magni & Chabaki, 2016) aims to determine the motivations and requirements to rationalize expenditures in Algeria and the environment the program budget requires for implementation in Algeria. The contribution of the program budget in the rationalization of expenditures, the results show that the goals of the program budget are, on the one hand, to connect the mission and objectives of the government with expected results and, on the other hand, use performance indicators to measure this results, also involves the strategic planning and presents solutions to the limitations in line-item in Algeria.

- The study titled « *Rationality as a basic condition for public finance reform.* » done by (SZOŁNO-KOGUC, 2018) aims to analyze and determine the aspects of rationality in public finance and define the necessary efforts to achieve rationality in public finance. The study's finding resolves that to achieve rationality in public finance, the vision of public organizations must be defined clearly and plainly.

- The study of (Ahmed & Moktsi, 2019) intends to highlight the output of higher education and its importance in fulfilling the requirements of the Libyan labour market and examine policies to rationalize spending and the extent of its impacts on the quality of education output and suitability to the needs and requirements of the labour market in the future using the method of descriptive statistical analysis to shed light on University of Sirte. The outcomes of the study clarify that Spending is not an objective judgment on efficiency due to the limited range of models and methods that are included in the plans to meet the requirements of the Libyan labour market and the quality of accounting information to find a property in decisions making to contribute to the policy of fiscal spending on higher education as reflected positively on the economic return.

- The vision is an essential part of any organization's strategy and strategic planning; the program budget is also an element of strategic planning. The study of (SABA & HARROUCHE, 2019) aims to define the extent of implementation of strategic planning in the public sector, specifically in the Ministry of higher education in Algeria, through the approach of the program budget and the outcomes of the study show that strategic planning is one of the essential elements of strategic management research and one of the methods that found its way into the public sector and, on top of it higher education sector; Algeria is working on facing the challenges in the internal and external environment in the situation of higher education sector which considers a strategic sector in required level and working on assuring quality in it on all levels; working on putting required measures to applicate budget management founded on programs.

- A program budget is a tool for strategic planning which surely can improve the control of public spending, and that is where the study of (Abdelghani & Benouaret, 2020) comes to shed light on the content of budgetary reform in Algeria and establish the relationship between program budgeting and Public spending rationalization policy in Algeria using analysis and descriptive method. The results illustrate that the new form of the budget gives the formers of public policies an extent about the feasibility of followed policies; there is a bureaucratic obstruction undisclosed from some of the administrators on different levels to carry on with the project application.

- After issuing the organic law 18-15 related to financial law in Algeria, a budgetary reform movement started, and with it, a partial implementation of the program budget, which was mentioned in the study (Hirech & Torchi, 2020) that explores the possibility of developing the project of modernizing the general budget in Algeria within Law 18-15 related to financial laws by the gradual transition to implement the program and performance budgeting, taking into account Privacy of the public financial environment in Algeria, and the study yields that there is a need in issuing legislation that requires the adoption of the accrual basis as a basis for accounting measurement and preparing the budget in light of the application of program and performance budget which correspond to international standards IPSAS. The program budget is more efficient in controlling financial performance and rationalization public expenditure.

- Preparing the public budget according to the organic law 18-15 related to financial law in Algeria is a complicated process that the study (Aliane, 2021) touched how to prepare a

budget according to the organic law 18-15 related to financial law in Algeria using descriptive and analytical methods. In conclusion, only the executive authority can prepare and execute the budget. All its needs are the parliament's approval of financial law and modifying what it sees fit and the limitation of parliament authority in relation to financial control.

- The implementation of any new system must pass by a transitional period which is the case in the transition that Algeria known from the line-item budget to the program budget that the study (Hinda, 2022) covered in delving into aspects of reform contained in organic law 18-15 of financial law in Algeria and clarify the problems that others countries faced in the process of implementing a program budget and the results indicate that there is corruption in the public fund in Algeria which the organic law 18-15 related to financial law in Algeria is trying to fix through focusing on transparency and accountability.

1.2. Comparison between the current study and previous studies

Since issuing organic laws, 18-15 related to financial law on September 2, 2018, it's been understudied to determine the best way to its implementation and also to fit Algeria's legal and economic environment. 2023 is the first year the state will use the program budget as a system for the budgeting process. This study will take place in the direction of budget programming and monitoring in Ain Defla to determine and evaluate the mechanism of the program budget at the operational level.

- The most important results that can be extracted from previous studies :

Organic law 18-15 related to financial law reinforces governance principles by focusing on transparency and accountability.

Accrual accounting is necessary in light of the application of the program budget to increase efficiency and effectiveness.

The program budget aims to connect public funds with objectives and use performance indicators for evaluation.

The vision must be defined clearly and plainly to achieve rationalization of public expenditures.

Executive authority plan and prepare the public budget without any intervention from parliament.

Strategic planning plays an important role in preparing a budget and increasing the efficiency and effectiveness of decision-making.

Section 02: The fundamentals of the budget and budgeting systems in the public sector

Budgeting is a part of everyone's daily life, from small decisions such as budgeting for groceries and utilities to budgeting for buying a home or a car; it is a mechanism intended for setting objectives and allocating resources to achieve these goals that can be social, political, or economic. Budgeting expresses an organization's strategies; even if it were prepared randomly or after extensive planning, it is still considered budgeting, and it will result in the making of a budget (LEE, JOHNSON, & JOYCE, 2013). To achieve efficiency and effectiveness in the budgeting process, a budgetary system must be implemented to determine how much resources to spend, where to spend it, and how to raise it.

2.1. The definition of the public budget and budgeting systems

The budget and budgeting systems concept seems simple but can manifest differently.

2.1.1. Budget

Budget as a document: «A budget is a document or a collection of documents that refers to the financial condition and future plans of an organization (family, corporation, government), including information on revenues, expenditures, activities, and purposes or goals» (LEE, JOHNSON, & JOYCE, 2013).

Budget as Description: budget is an essential source of information that reflects consumed resources and work done; the more detailed it is, the more accountability can be held in the organization. «Budgets provide a discrete picture of an organization at a point or points in time, in terms of resources consumed, work performed, and external effects» (LEE, JOHNSON, & JOYCE, 2013).

Budget as a preference: «Budgets are statements of preferences» (LEE, JOHNSON, & JOYCE, 2013). The budget reveals the priorities of decision-makers through allocated resources across different functions, agencies, and sectors through extensive planning, especially with expenditure ceilings that force decision-makers to set priorities to ensure the efficient and effective execution of the budget.

The Algerian finance ministry defines the budget as. «A document that acknowledges and authorizes the revenues and expenditures for the title of the year» (Glossary related to organic law 18-15, 2021).

2.1.2. Budgeting systems

A budget system is a «set of units with relationships among them.» (Miller, 1965). the relationship between different actors, officials, and organizations defines the budgetary system that creates a complex social system. Interactions between different system elements generate results that are also a network of interactions that yield outcomes in patterns. (K & K, 2010)

- **Roles of budget systems in the budgeting process**

Bring consistency to the budgeting process and help build a database that allows the comparison of information across multiple years.

A budget system ameliorates the efficiency and effectiveness of the budget process by evolving efficiency measurement and results indicators.

Enhance the relationship between different organizations, units, and managers by developing coordination and achieving compatibility between their programs and objectives.

A budgetary system gives assimilation about the allocation decisions, parties and actors associated budget process, and the results of those decisions.

2.2. The concept of public budget governance

The budget in Algeria knew many changes, which shaped it to become what it is today.

2.2.1. Public budget from the financial independence phase to Algeria's independence

This phase knew two kinds of budget: Algeria's full budget and Algeria's limited budget.

Three presidential decrees were issued by the president of France (Félix Faure), which expanded the authority of the general governor in Algeria and gave birth to Algerian financial delegations to express their opinion to establish an Algerian budget (Belaalam, 2018).

On December 19, 1900, the parliament's final vote on the law gave Algeria its own budget and, therefore, financial independence (Belaalam, 2018)

However, the full budget system did not give Algeria political independence, and financial independence was always covered with colonial characteristics (Dendi, 2010).

From the financial year 1956-1957 until the financial year 1958-1959, changes occurred that led to the limitation of the Algerian budget, and it was divided into the North Algeria budget and the Algerian desert budget, and then the progressive participation of the France budget in the Algeria budget (Belaalam, 2018)

2.2.2. Financial laws after Algeria's independence

The first legislative elections took place on September 20, 1962, and the first legislative council appeared represented in the national constituent association; one of its missions was preparing the constitution. After that, the council term was extended by one year according to article 77 of the same constitution; at the same time, the national constituent association certified the financial law and corrective financial law of the year 1963 while waiting for the election of the legislative council according to the new constitution (Belaalam, 2018).

The elected council certified the financial law of 1964 and then three financial laws of the year 1965; the first law included the opening of temporary appropriation of the year 1965 while waiting for the budget preparation, and the second law determined fiscal texts of the 1965 cycle, and the third law contained financial law (Belaalam, 2018).

After the overthrow of the elected Republican president Ahmed Ben Bella on June 19, 1965, the revolution council replaced the national association. The legislative function was partially assigned to the revolution council. During this period, the government prepared the financial law, certified by the revolution council, and issued by the republic's president as an order (Belaalam, 2018).

Until 1977, all legislative texts were issued in the form of orders after the certification of the revolution council on them (Belaalam, 2018).

2.2.3. Financial laws after the appearance of the first parliament in 1977

The Algerian constitution of 1977 assured the existence of a legislature represented by the national people's assembly, and one of its terms of reference is voting on the state's public budget (Belaalam, 2018).

The first parliament was elected on February 25, 1977. The parliament was responsible for the study and certification of the first financial law of the year 1978 and continued its work until 1991 (Belaalam, 2018).

2.2.4. The financial laws after issuing the law 84-17 and until the issuing of the organic law 18-15

- **the financial laws after the issuing the law 84-17**

The issuing of law 84-17 came as a statement to refuse the acknowledgement of the order issued on January 02, 1959, considering it was the vestiges of colonialism, and also as a document to state the liberal orientation taken by Algeria (Belaalam, 2018).

Law 84-17 was considered to be a revolution in financial laws, where the legislator tried to determine the foundation of public finance in modern Algeria, and through the different amendments that occurred on law 84-17 in 1988 and 1989, which were a turning point of Algeria from socialism to a market-based economy (Belaalam, 2018).

The budget was prepared by the executive authority represented by the finance minister, which was composed of the operating budget partitioned by the ministerial departments and the equipment budget that is by sector. The management style was heavily based on resources (Belaalam, 2018).

- **The issuing of organic law 18-15 related to financial law dated in dated September 2, 2018.**

Under law 84-17 related to financial law, the management style revolved around resources-based management instead of objectives, which led to increased public expenditures and a lack of objectives achievement set by the government.

The organic law 18-15 related to the financial laws came to life to change this reality and implement results-based management to link public spending with the results and objectives determined. It also gave more flexibility to the managers, the legislative authority, and the ability to control the government financially and reinforced the authority of parliament.

2.3. budgeting in the public sector

The budget of the state aims to achieve the public interest, which gives it the unique characteristics

2.3.1. Differences between public and private budgeting

All kinds of organizations have strategies that are translated into objectives that can be achieved through the budgeting process and can differ in public and private organizations. In the private sector, profit is one of the driving forces in budget decisions and is used to measure long-term or short-term results. In contrast, in the public sector, the measurement of results is not liable on profit-and-loss measurement; of course, there are exceptions of the public organizations that have revenues, like public research centres in Algeria that charge a price for their services, but the rest depend on outputs (efficiency) and outcome (effectiveness) to measure its results. (LEE, JOHNSON, & JOYCE, 2013)

The spending limits in the private sector depend more on resources that can be generated or borrowed, while the public sector expenditures ceiling is enforced by financial law.

Public goods and services are not necessarily for profit but more to achieve public interests; unlike private goods and services, also what distinguishes public goods and activities that are non-rivalry, which means that the price does not depend on how many consumers use it and its non-excludability; it is for all, and anyone can benefit from it. (Willoughby, 2014)

The budget in the private sector is more flexible and can be changed depending on the economic situation, whereas the public budget is more regulated and harder to change.

The interactions between parties and actors involved in the public budgeting process are way more compared to the budgeting process in the private sector.

Most public sector revenues come from tax collection, unlike the private sector, which comes from profits.

2.3.2. Accounting in the public sector

All transactions must be recorded comprehensively and accurately, unified by the state. One of the used systems is a cash basis system that the revenue is only recorded when the fund is received and expenditures only when they are spent, which means an obligation must be made, and the service is performed. Advantages of cash accounting: recording is easier, more basic, and less complex. Furthermore, the list of disadvantages: does not reflect income, lacks accuracy in the accounting because it is not time-based, and leaves room for manipulation, eventually reducing the quality of the financial reports. Accrual accounting, on the other hand, is quite different from cash accounting, and there are two

types: full accrual accounting and modified accrual accounting (Tudor & Alexandra, 2006). A full accrual system records revenues and expenditures when the obligation is made, regardless of the performed service; it is more time-based, which can increase efficiency in public management (Menfield, 2021)

A modified accrual system combines a cash basis system and an accrual basis system. It records revenues when they are available and measurable, while expenditures are recorded when they are spent. The non-profit organization mostly uses this system (Menfield, 2021).

2.4. Types of budget systems and their strengths and limitations

The evaluation of the budgeting system knew different phases due to economic, social, and political changes.

2.4.1. Line-item budget

The line-item budget is the foundation of all other systems considering that it is simple, easy to use, and does not take much time to develop. The core of a line-item budget is line itemization which means the allocating of funds by cost objects that gives decision-makers the ability to keep track of funds across the budget. It is fair to say that the line-item budget is a system that allocates funds across a line of items without mention of the purpose or objectives of the allocated funds (Khan, 2019)

The preparation of a line-item budget involves establishing a list of line items for each department or function and then specifying the money that needs to be spent on each item (Khan, 2019). The line-item budget can be presented in a table and also as a matrix where the total budget is the total of columns and rows. One of the benefits of the matrix structure is the bird's eye view which means that one can understand the budget and expenditures direction precisely in the process.

- **Strengths and limitations**

The advantages of the line-item budget can be listed: it is easy to use and understand, and line itemization helps to keep track of funds, but there is a lack of focus on objectives that leads to a decrease in efficiency which affect the performance of the department or agency, shortage of information that makes the planning hard and impacts the quality of decisions, and not much flexibility is given to decision-makers.

2.4.2. Program budget

The funds in the program budget are allocated to programs, while the line itemization is still part of the budget, and the programs can be divided into sub-programs, actions, and sub-actions if necessary. The program budget, unlike the line-item budget, focuses more on the activities instead of the cost object, which leads to linking the allocation decision with the program's objectives (Khan, 2019)

The preparation of the program budget must include the following: determine the program objectives for each establishment that should be set with respect to SMART criteria (specific, measurable, attainable, realistic, and time-bound), the plans to achieve the objectives of the program in a limited time, and the resources needed to achieve the program's objectives. To prepare the program budget on the operational level, the objectives must be communicated in a clear manner, and establish a list of cost items must be compatible with the program's objectives.

- **Strengths and limitations**

The strengths of the program budget can appear in the rationalization of expenditures due to the focus on the objectives. Comparing the objectives with the results achieved can improve the effectiveness of the evaluation by determining the deviation and reasons behind them, and also gives the decision-makers more flexibility because the budget is tied to objectives instead of objects. The main problem with the program budget is that it is tough to measure the efficiency of a particular service (Khan, 2019).

2.4.3. Performance budget

The performance budget came as a reform in 1912, and in 1949, the Hoover Commission suggested its adoption by the government (Lederle, 1949). In the performance budget, the funds are allocated based on the level of service performance in programs instead of line items which means that the core of the performance budget is how the fund can achieve the intended level of service, defined by performance indicators compatible with the program's objectives, in simple terms, what the government will get back for its money in measurable terms (Khan, 2019).

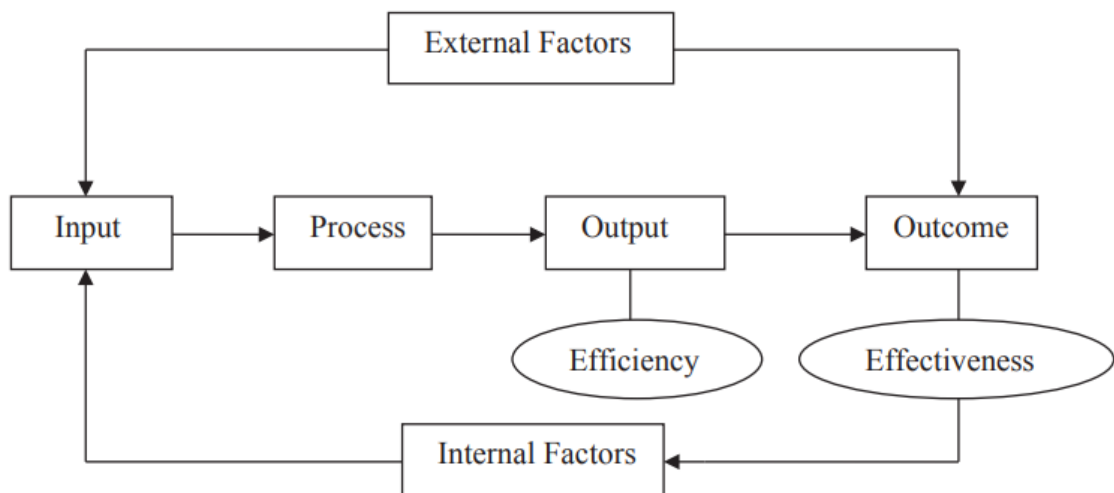
The performance indicators are an essential part of the performance budget, so to ensure efficiency in the budget, they must be built well according to the following guidelines: they can show the progress being made in the program or activity, they must be consistent with

the standard framework used in gathering and reporting data, they must simplify complex notions so they can be understandable on the operational level, must be built in way to evaluate objectives and policies also decision-makers, and finally must concentrate on the strategies to give a better look on the level of service (Khan, 2019).

The construction of the performance budget contains the following: the workload, which means the work done in a specific time frame; inputs are resources needed to generate outputs that are measurable results (Khan, 2019).

There are external factors that represent the effect of the environment on the budget, which, most of the time, is out of control, and internal factors that are any change in procedures and structure that directly affect the budget (Khan, 2019)

Figure 1:The structure of the performance budgeting system



Source: (Khan, 2019)

Figure 1 shows The structure of the performance budgeting system. The external factors have a significant effect on the input of the budget and the entire process, and the government has little control over it. The internal factors represented in organizational or procedural changes can also affect the budget, but the main difference is that the state can anticipate the effects of these changes, which gives more control over the outputs and the outcomes of the budget (Khan, 2019).

- **Strengths and limitations**

The performance budget has many advantages, but what makes it stand out is that it holds the decision-makers accountable, which ensures performance in the program and increases the achievement of objectives. Improve governance by tying resources and objectives and also policy making and evaluation.

However, the problem with the performance budget is a lack of focus on quality and effectiveness because outcomes are much harder to measure in the environment with social, political, and other dimensions.

2.4.4. Zero-based budget

The zero-based budget was first brought to light in the early 1960s by the US Department of Agriculture. Then in 1973, Peter Pyhrr implemented it successfully in Texas as a tool for controlling costs, where it gained a name. In 1976 the president of the USA adopted it in the federal government, and it became more famous; now, it is used by private and public organizations (Khan, 2019)

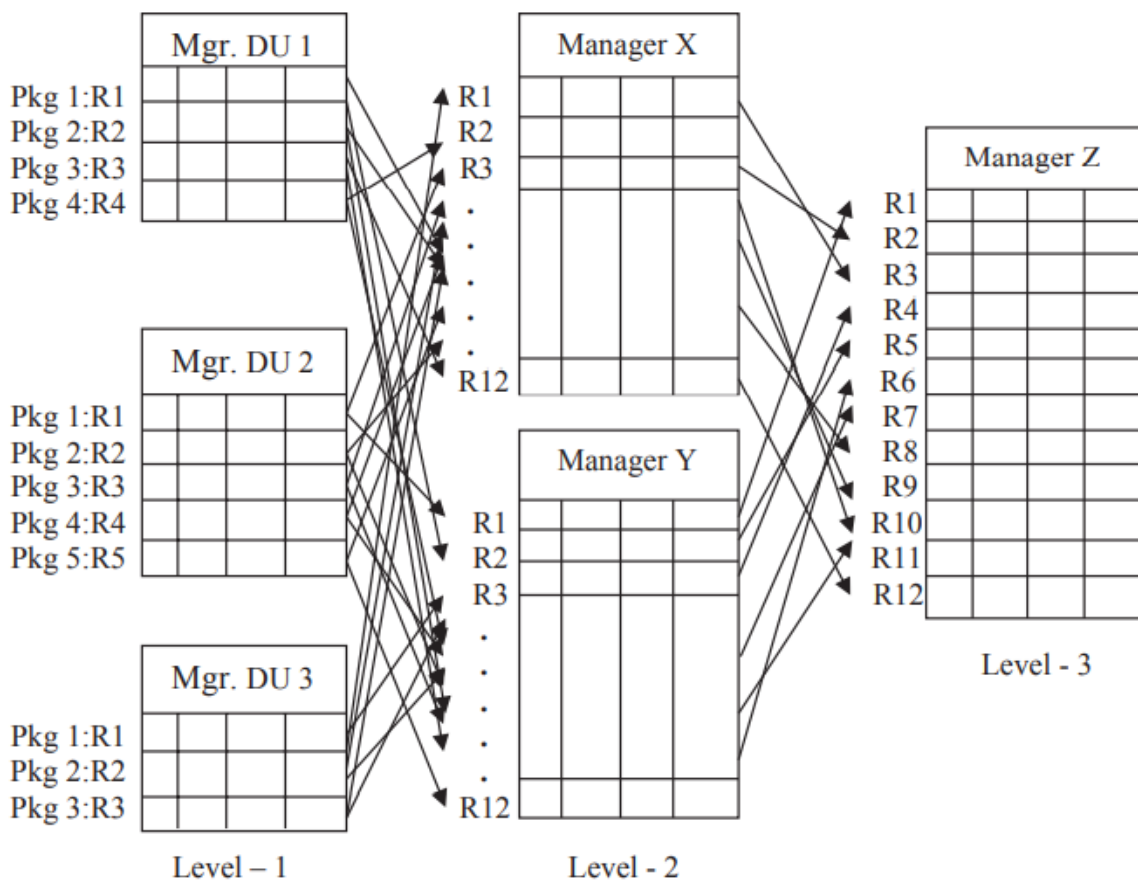
The zero-based budget is defined as a budget built from nothing without using any historical information on the organization's objectives, methods, and resources (Taylor, 1977).

The zero-based budget has a unique structure that is different from other budget systems in the process of preparing and includes the following steps: determine the decision units, elaborate the decision package, and rank the decision package according to the priority. These steps create blocks of a zero-based budget (Khan, 2019)

Decision units are where the operating managers make allocation decisions and what kind of work needs to be performed (Khan, 2019)

Decision packages require determining the objectives of the program or activity and then making funding levels that show incremental cost and can help decision-makers with elimination decisions. The prioritization of the packages helps managers when they face constraints, as shown in Figure 2 (Khan, 2019).

Figure 2: Ranking of decision packages and consolidation process



Source: (Khan, 2019)

Figure 02 illustrates the ranking of decision packages. The first level column represents last year's budget, the second column shows the current year's budget, and the third column for the proposed budget. The number of packages must not exceed seven, so the managers can consolidate the packages and give the decision-makers more control over a mix of activities and programs (Khan, 2019).

- **Strengths and limitations**

The zero-based budget has a unique structure that gives the managers more flexibility due to using decision units and packages. However, too many can cause a lack of coordination because of the paperwork (Khan, 2019).

The main problem with a zero-based budget is that it does not take into consideration last year's budget and reset every year (Khan, 2019).

2.4.5. The contract budget

The first attempt to applicate the contract budget was made by the New Zealand Finance Ministry in the year 1996. The contract budget is an interrelation between the public budget as an annual plan and long-term economic planning and objectives on a national level by prioritizing the projects that are more important to society and then proposing these projects to the executive parties for contracting with them and taking in consideration the time and cost factors. (Yassin, 2018)

This budget contributes to achieving economic, social, and political stability because the projects are proposed and discussed in based on their importance and feasibility, which helps in promoting accountability, controlling public expenditures, and improving the quality of the outcomes. (Yassin, 2018)

2.5. Principals and Importance of public budget governance

All budgets are made with respecting a set of principles, and that is what gives the budget its importance.

2.5.1. Classic principals of the public budget governance

Every budget must be subjected to a list of principles to make the budget readable and comparable.

- **The annuality principale**

The preparation of the budget is done by the executive authority and certified by the legislative authority, and also the execution of the budget must be within a matter of one year (Miftah, 2016).

The annual execution is where the managers must estimate the appropriations to cover the expenditures of the whole year, and any appropriation that is not consumed is not allowed to be spent in the next year (Boudjelal, Meftah, & Beneya, 2022)

The same goes for accounting; the books must be closed on December 31, and the reference date must be 31/12 to 01/01/N+1, but there is an exception where the books can be until 31/01/N+1 if the obligations are made but not the accounting procedures related to these obligations (Boudjelal, Meftah, & Beneya, 2022).

The rule has an exception. The special funds, which are called in Algerian financial law (CAS), do not fall under the annuality principle and can be transferred from one year to another (Meghni, 2018)

- **The unity principle**

The principle has a double meaning: the unity of budget documents and the unity of the kinds of information presented.

The budget is presented in the form of a document that includes all expenditures and revenues without multiple documents (Boudjelal, Meftah, & Beneya, 2022).

The kind of information presented in the budget must be in unity, which makes the comparison between multiple years easy, the estimation of expenditures and revenues evaluation does not require much effort, and the possibility to compare between sectors. Multiple documents of the budget can obscure the vision and make extracting information difficult (Boudjelal, Meftah, & Beneya, 2022).

Putting all revenues and expenditures in one document is not easy due to the multiple components of the budget, and the only way to keep the unity of the budget is by separating the revenues and expenditures that do not have the exact nature (Boudjelal, Meftah, & Beneya, 2022).

- **The comprehensiveness principle**

The principal dictated that all expenditures and revenues must appear on the budget without any offsetting between them (Fouzi, 1981). The revenues and expenditures are separated and can not apportion a specific revenue to an expenditure because there is no legal bond between the collection of tax and its apportion (Boudjelal, Meftah, & Beneya, 2022).

Also, offsetting is not desirable in the public fund, and any subtraction or hiding is not allowed and only records the net result (Boudjelal, Meftah, & Beneya, 2022).

The special funds (CAS) break the comprehensiveness principle because they are for a specific cause; for example, if a country donates to another to help it in a natural disaster, those funds are only for this cause.

- **The specification of appropriations principle**

This principle only focuses on appropriations (expenditures), unlike other principles, which focus on revenues and expenditures. This principle determines the allocation of appropriations and the ceiling of expenditures (Boudjelal, Meftah, & Beneya, 2022).

The principle is too strict, and to ensure flexibility, a set of exceptions to ease the changes in appropriations determined by procedures mentioned in the financial law can be listed: transfer and movements (Boudjelal, Meftah, & Beneya, 2022)

- **The balance principle**

The sum of the budget sides must be equal, which means that the public revenues and public expenditures must be built to achieve balance, and not one will be bigger than the other (Khalifa, 2021). The concept of balance expanded from accounting balance to economic balance, which means that the state provokes an intentional budget deficit to restore the economic balance and, therefore, financial balance. (Gareaini & naoi, 2017)

2.5.2. Importance of the budget in the public sector

The budget has a significant role in the public sector can be shown (Merzougi, 2018):

The budget has political importance because it includes financial resources and reveals the state's public policy. The parliament can come during the budget discussion to control the executive authority's work. Declining particular appropriations in government projects can force it to adjust an economic and social policy or execute a particular program.

The budget has a vital role in achieving economic balance. In the recession period, the state intervenes to increase demand by increasing expenditures to lift the purchasing power, which leads to an increase in demand and economic recovery. In the inflation phase, the demand is more significant than the supply, and the state decreases its expenditures and increases taxes to absorb the purchasing power, which leads to a decline in prices.

The budget reflects the philosophy of the system through its revenues and expenditures. The expansion of expenditures reflects the following of the command economy. If the tax contribution in revenues is high, the policy depends on the market economy.

The budget in social concept is related to social justice and must try to eliminate inequality, and that can be shown through the tax policy that the state follows.

Section 03: Performance and program budget as a tool of budget reform related to organic law 18-15 of financial law dated September 2, 2018.

Many countries, to improve the efficiency and effectiveness of their services, fled to budgetary reform to adapt to the changes in the political, social, and economic environment. In France, many reasons were behind the release of LOLF (*La loi organique relative aux lois de finances*). Socially, by creating a new social contract by redefining the relationship between parliament and the government and reinforcing control culture, the citizens became more aware and interested in controlling expenditures. Politically, to achieve more transparency and legibility in the budget, increase the accountability of the elected officials. Economic, to transfer to more result and performance-based management, to increase efficiency and rationalization of public expenditures (Barilari & Bouvier, 2010). In 2018, Algeria released the organic law 18-15 of the financial law that came to define the state financial management framework to determine the principles, the public finance rules, state accounts, the execution of the financial law, and its control (Glossary related to organic law 18-15, 2021). This law aims to reform the budgetary system to increase the efficiency and effectiveness of public services.

3.1. Reasons behind the issuing the organic law 18-15 related to Algerian financial law

The budgetary reform and abandonment of law 84-17 did not come out of nowhere, but they were reasons behind it.

3.1.1. Deficiencies of law 84-17 related to Algerian financial laws

The budgeting system in law 84-17 depends on itemization, which means allocating funds by cost object that does not achieve efficiency and effectiveness in public fund management and is not constructed on programs and result achievement (Hourri, 2016).

There is no strategic planning because the budget is made on an annual basis, and this led to the budget not responding to the economic, social, and political changes in the environment (Hourri, 2016).

There is no harmony in the classifications and a mismatch between the operating budget and equipment budget, which leads to bad allocation of expenditures and also a lack of outputs concerning providing information about the budget (Hourri, 2016).

A lack of control is exercised by parliament and also by the accounting council because the outputs of the budgetary system do not allow for an actual evaluation. The reports prepared by the accounting council are discussed 03 years after closing the budget, which does not allow the detection and correction of deviations (Tabti, 2015).

Frequent modification in the appropriations and repetitive resort to complementary financial laws indicate poor control and estimation of expenditures. (Mansouri & Benlahcene, 2022).

The duality of the budget to the operating budget and equipment budget, in addition, there is a difference between the operating budget and equipment budget in the allocation of expenditures. In the operating budget, the expenditures are structured by ministerial departments, chapters, articles, and paragraphs. In the equipment budget, the expenditures are structured by sector, sub-sector, chapter, and article (Mansouri & Benlahcene, 2022). This structure of expenditures caused confusion among public accountants because of the differences, which led to the obstruction of interest (Amohamed, 2022).

The accounting system in law 84-17 is dependent on cash accounting instead of accrual accounting (Mansouri & Benlahcene, 2022).

The frequent control between the public accountant and budgetary controller led to the complexity of procedures and a lack of flexibility in the budgetary procedures (Mansouri & Benlahcene, 2022).

A lack of transparency appears in the financial and accountancy documents and especially in the budget of common charges in table C of financial law, where transfer happened from it to other sectors without clarification or determining the direction of the expenditure. (SADOUDI, 2017). Also, in the special funds (CAS), there is no actual information and only the number of financial envelopes, which decreases the authority of parliament even more (BenAza, 2012).

The insufficiency of information systems and lack of efficiency affect the effectiveness of state services (Mouloud, 2010). The information systems do not give access to accurate financial information and accounting data of the state budget to control and determine the efficiency and effectiveness of the budget (SADOUDI, 2017).

3.1.2. Changes brought by the organic law 18-15 of Algerian financial law

The organic law 18-15 of financial law shed light on new concepts of budget.

- **Budget based on results and programs**

Organic law 18-15 adopted result-based management by setting objectives according to SMART criteria and performance indicators related to those objectives. This process is done across the budget, which is the allocation of appropriations by programs (Boudjelal, Meftah, & Beneya, 2022). The program includes objectives and performance indicators, and every program is divided into sub-programs, actions, and, if necessary, sub-actions. The program is the expression of public policy in the form of a strategy that includes measures and devices to serve this strategy and also objectives measured by performance indicators put under the responsibility of state agents with enough resources. (Organic law 18-15, 2018).

- **Medium-term budgetary framework**

The medium-term budgetary framework is prepared yearly at the start of financial law preparation. It determines the estimations of expenditures, revenues, budget balance, and the state's debt, if necessary, in the current year and the following two years. The preparation, certification, and execution of the state budget must fall under the financial sustainability objective in line with the medium-term budgetary framework (Executive decree 20-335, 2020). It also helps in preventing budgetary risks.

- **Unifying the budget**

The operating budget and investment budget become one and are represented in one document to make the budget easy to read, understand, and use through new classifications brought to light by organic law 18-15 to tie the economic nature of the expenditures with the determined objectives which make it easier to evaluate the performance using performance indicators. The economic nature-based classification is essential in the budget of organic law 18-15 of the financial law (Organic law 18-15, 2018).

- **Accountability and flexibility**

This law gives managers new qualities where they can be the authorizing officer and program officer, which gives them more flexibility in management and decision-making. However, they take on more responsibilities to achieve the objectives and prepare reports attached to performance indicators (SADOUDI, 2017).

- **Reinforcement of Parliament's authority**

Organic law 18-15 of the financial brought new documents to improve the control of the parliament on the public fund by preparing reports at the end of the financial year to evaluate the performance. It can include a report like the general account containing the data and information that increases transparency and gives the parliament a clear image of the officials' performance.

- **Accounting in the organic law 18-15 of financial law**

Accounting plays a vital role in providing the data necessary to get information about the financial situation and performance. According to article 65 of the organic law 18-15 related to financial law, the state must hold budgetary accounting divided into accrual accounting to increase accuracy and reflect the actual income because it is time-based, revenue and expenditures accounting based on the principle of cash accounting, general accounting, and cost accounting to determine the costs accurately (Organic law 18-15, 2018).

- **Updating the information systems**

The main problem with budget related to law 84-17 of financial law is the lack of efficiency in the information system. The organic law 18-15 of financial law came to solve this problem by creating an information system (SIGBUD) to prepare and edit budget documents and monitor the budget, an information system (SIGB) that allows the actors involved in the expenditures to execute the budget (authorizing officers, financial controller, and public accountant (Glossary related to organic law 18-15, 2021).

3.2. Program and performance budget: principles and classifications of expenditures and revenues according to organic law 18-15 of the financial law dated September 2, 2018.

The new budgeting system brought new principles and classifications to improve the efficiency and effectiveness of the budget.

3.2.1. The modern principles of program and performance budget according to organic law 18-15 of the financial law.

- **Performance principle**

The new budget is more focused on linking the objectives with the results by introducing performance indicators to evaluate the results and inserting a performance culture that

leads to achieving efficiency in the budget, which can improve the effectiveness of the public services.

- **Stability principle**

The budgeting system related to law 84-17 of the financial law knew frequent modifications in appropriations and repetitive issuing of complementary financial laws, which can cause instability. The program and performance budget came to create a more stable environment through strategic planning by setting objectives and using the medium-term budgetary framework to take into account the current year and the next 02 following years, which can help prevent budgetary risks and create stability.

- **Transparency principle**

The new documents brought by the organic law 18-15 of the financial law make the budget easy to read and understand by the parliament, which can lead to better control by giving an idea about the direction of the expenditure. Establishing information systems (SIGBUD) and (SIGB) can help provide the information necessary to managers in the decision-making process, leading to achieving efficiency in public service.

- **Responsibility principle**

The result-based management gives managers flexibility in the decision-making process but holds them accountable for the achievement of the objectives by using performance indicators. This help creates accountability and leads to improving the effectiveness of state functions.

- **Budget sincerity principle**

This principle is for the validity of the hypotheses depended on to prepare the financial law project, confirm the quality of resources and expenses estimations, and must present complimentary financial law in the case of big changes in the priority of financial law hypotheses. (Akehal M. , 2021). The declarations must be real and far away from hiding, lying, and deceit. The organic law 18-15 related to financial adopted this principle shown in articles 65, 70, and 88. (Gaoui, 2022).

3.2.2. Classifications of expenditures and revenues according to the organic law 18-15 of financial law

The organic law 18-15 of the financial law brought new classifications to the budget

- **Classification of revenues according to the organic law 18-15 of financial law**

According to Article 15 from organic law 18-15 of the financial law, the revenues can be listed as:

- a)- Icomes obtained from impositions, whatever their nature, and proceeds from fines.
- b)- Revenues from state domains.
- c)- Revenues from financial contributions and also other assets.
- d)- Payment in exchange for the services provided by the state and license fees.
- e)- Miscellaneous income of the budget.
- f)- Miscellaneous exceptional incomes.
- g)- The funds for contributions, endowments, and wills
- h)- Interests and products from loans, advances, and placement of state funds.

- **The classification of expenditures according to the organic law of financial law**

According to Article 05 of Executive Decree 20-354, the expenditures are divided by activity :

- Portfolio of programs
- program
- sub-program
- Action
- Sub-action, if necessary

According to Article 29 of organic law 18-15 of the financial law, the expenditures are divided by economic nature :

- employees expenditures
- operating services expenditures
- Investment expenditures
- Transfer expenditures

- Public Debt charges
- Financial operations expenditures
- Unexpected expenditures

According to Articles 14 and 15 of Executive Decree 20-354, the expenditures are divided by ministries and/or the centre of responsibility which receives the appropriations, and the classification of administrative entities' expenditures is done according to organizational structure and activity and can be listed :

- Central services
- Concentrated services
- Supervised organizations
- Territorial organs

According to Article 11 of Executive Decree 20-354, the expenditures are divided by major functions:

- **Sector:** to determine the general needs and benefits.
- **Principale function:** the level that includes activities and functions of the state that contribute to achieving the same objectives.
- **Secondary function:** to determine the level that includes activities and functions of the state that contribute to achieving the same intermediate objectives.

According to Article 12 of Executive Decree 20-354, the classification of expenditures by major functions is through determining sectors to undertake the execution of objectives, and principals' sectors can be listed:

- General services of public administration.
- Defence.
- Order and public security.
- Economic Affairs.
- Environment protection.
- Accommodation and collective equipment.

- Health.
- Entertainment, culture, and worship.
- Education.
- Social Security.

3.3. The budgetary cycle of the program and performance budget according to the organic law 18-15 of financial law dated September 2, 2018.

The budgetary cycle starts with the planning and elaboration phase to estimate the resources needed and determine the budgetary risks, then move to the budget execution where apportion decrees, « *Décrets de repartition* » in Algerian financial law, are distributed on different ministries, and finally rendering of the accounts phase to review and evaluate.

3.3.1. Planning and elaboration of the budget

- **Medium-term budgetary framework**

The first step in planning is determining the medium-term budgetary framework, which is called CDMT in Algerian financial law, to financially program the revenues and expenditures, state budget balance, and the debt of the state in 03 years, the current year and the next 02 following years, according to article 03 of the executive decree 20-335.

In Article 06 of executive decree 20-335, the CDMT is determined in a government meeting based on the report of the minister of finance to indicate the budgetary ceiling. Then an orientation note is sent to every ministry to set the expenditures ceilings to prepare financial law projects and the state budget.

- **Priorities and planning report**

The report is prepared by the minister and everyone in charge of a public institution tasked with managing the portfolio of programs distributed by the central administration and decentralized services when tasked with the execution of the whole program or a part of it. Every program includes the apportion of the expenditures by titles, specific objectives, and the awaited results (Glossary related to organic law 18-15, 2021).

The elements in the priorities and planning report can be listed as follows:

- The appointment that includes the name of the minister, the name of the program, the ministerial official, and the program officer.

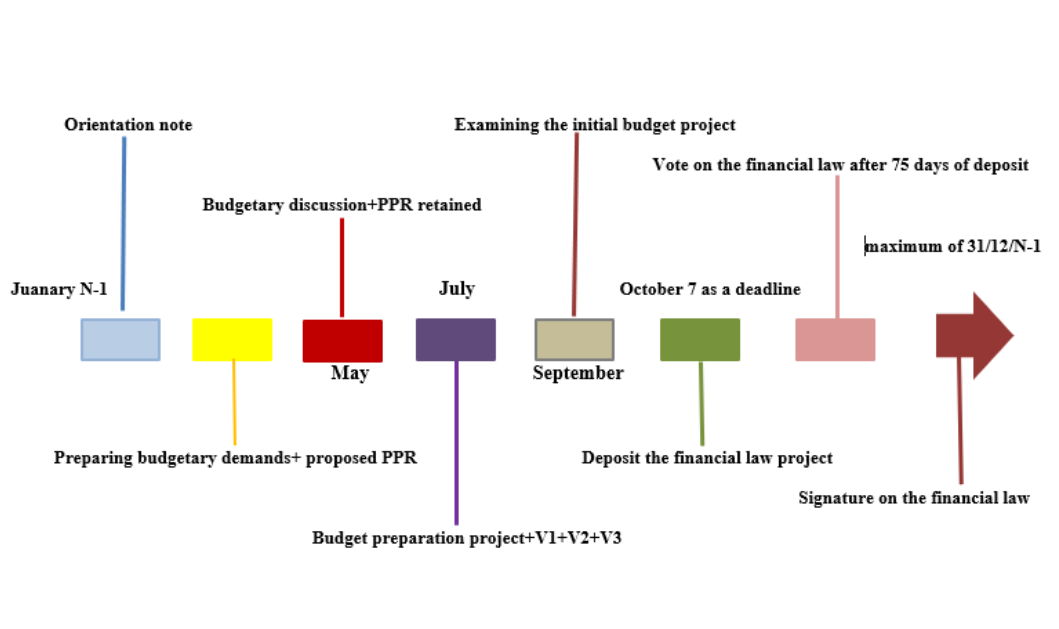
- Also include the strategy of the program, objectives, and performance indicators; a brief presentation of appropriation of the program by sub-program and title, framing the public establishment, a list of large projects, and internal apportion by central administration and decentralized services.

- **The documents attached to the financial law projects**

Volume 01 is represented in the state budget project prepared by the general direction of the budget. Contains the total expenditures divided by ministries or public establishments, programs, and titles of expenditures that last 03 years.

Volume 02 is the priorities and planning report, and volume 03 is the territorial apportion of the state budget prepared by the general direction of the budget. It shows the geographical apportion of the expenditures and includes the budgets by Wilayas and the projects by Wilayas. Figure 03 shows the timeline of the planning and elaboration phase.

Figure 3: The cycle of planning and elaboration phase



Source: (Directorate of Programming and Monitoring the Budget Ain Defla, 2022)

3.3.2. The execution phase

Article 79 of organic law 18-15 related to financial law, shows that credits are divided by allocation decrees, « *Décrets de répartition,*» and allocated by program, sub-program, and titles. These appropriations are put in the hand of programs managers that are responsible for the following: central service and decentralized service, public establishment and entities under guardianship tasked with executing the whole program or part of it, and territorial entities when it is tasked with executing the whole program or part of it.

- **The document of initial credits programming (Article 8 of executive decree 20-404).**

The document is prepared according to the portfolio of programs. It contains the allocation of credits between sub-programs and titles, the estimated sum of credits programmed to be opened, and the allocation of program credit by actions.

- **Redeployment, transfer, and movement of credits**

According to Article 33 of organic law 18-15 related to financial law, the redeployment of credits from one program to another in the same ministry or public establishment is done by a decree based on a conjoint report between the finance minister and the responsible of the public establishment concerned.

According to the same article, the transfer of credits between programs of ministries or public establishments is done by a presidential decree based on a conjoint report between the finance minister and the ministers of sectors or responsables of public establishments.

The movement of credits is defined in Article 02 of executive decree 20-383 as every operation of modification that happens in the fiscal year on the apportion of budgetary credits inside the program. This movement concerns the titles, sub-programs, actions, and sub-actions. The movement of credit can not be done from evaluative credit to exclusive credit. Also, employees' expenditures can not be subject to the movement of credits according to Article 04 of executive decree 20-383.

According to Articles 8, 9, and 11 of the same decree, the movement of credit from one sub-program to another of the same program must be done based on interministerial order between the minister charged with the budget and the concerned minister or by a conjoint

decision between the minister charged with the budget and responsible of the concerned public establishment. The movement of credits from one action to another of the same sub-program must be done based on the program officer's decision and after the financial controller's opinion. The movement of credits from one sub-action to another of the same action must be done based on the action officer's decision and after the financial controller's opinion.

3.3.3. Rendering of the accounts phase

According to Articles 86 and 87 of organic law 18-15 of financial law, the law of budget reconciliation defines the final sum of revenues collected and the expenditures executed through the fiscal year. There are documents attached to a law project involving budget reconciliation and include explicative appendixes that contain the results of budgetary operations, special accounts of the treasury, and the treasury operation. The general account of the state contains the general balance of the accounts, results account, balance sheet, appendix or appendixes, and the evaluation of obligations outside the balance sheet. Also, the ministerial report on profitability shows the extent of objectives achievement, measured using related performance indicators, and the achieved result and explanation of deviations. According to article 03 of executive decree 20-384, the complementary period must not exceed January 31, and it is not for making obligations but only for completing the accounting procedures such as paying the expenditures.

3.4. Authorizing officers and actors involved in the program and performance budget

Through the budgetary cycle, different actors are involved in the planning, execution, and rendering of accounts phase.

3.4.1. Financial function officer (Article 22 of executive decree 20-404)

- Gather budgetary and accounting information and data and summarize it
- Suggest to the minister or the responsible of the public establishment the project of priorities and planning report in coordination with the program officer.
- In communication with the program officer, prepare the document of initial credit programming available to every program of the program's portfolio.

- Validate the credits programming that program officers do.
- Suggest to the minister or the public establishment responsible for the programs' portfolio the project of the ministerial report of profitability, which is prepared in coordination with program officers.

3.4.2. Program officer (Article 23 of executive decree 20-404)

The program officer is appointed by the minister or the public establishment responsible, and his responsibilities are as follows:

- Prepare the priorities and planning report; this document contains the strategic orientations and program objectives and justifies the credit demanded.
- defines the perimeter of the actions and appoints who is responsible for them.
- Decline the performance objectives on the action level.
- Study with action officers the reports related to execution they present.
- Prepare the ministerial report on profitability related to the program.
- Prepare the attestation of services performed.

3.4.3. Action officer (Article 24 of executive decree 20-404)

- Suggest the perimeter of sub-actions and the appointment of sub-action officers.
- Decline the performance objective on the level of sub-action.
- Study the reports related to the execution with the sub-action officer.
- Report to the program officer about the action execution and the obtained results.
- Prepare the attestation of services performed.

3.4.4. Sub-action officer (Article 25 of executive decree 20-404)

- Determine the prior needs related to the expenditures of operating or investment, or transfer titles.
- Prepare the attestation of services performed.

Section 04: Rationalization of the public expenditures

The main objective of the public budget is to achieve public interest through public services and merit goods and increase their efficiency and effectiveness. However, many economic, social, and political factors can stand between the state and its objectives. The constant growth of expenditures due to many reasons forced the government to adopt different policies and budgeting systems to control expenditures and rationalize public spending.

4.1. Notions

There are different concepts that must be defined to get a fair idea about public expenditures and rationalization.

4.1.1. The public expenditures

«A sum of money that a public person spend to get the resources necessary, which aim to fulfil the public needs and achieve the public interest under a law defined by the organizer of this entity.» (Hamaza & Draji, 2021)

4.1.2. The rationalization of the public expenditures

«The relative scarcity of resources available to society and the increase in public expenditure is linked to factors that are difficult to avoid, the efficiency of resource allocation and the efficiency of its use between the State and the private sector. The allocation of resources within the sectors of the state maximizes the welfare of society by satisfying their preferences for goods and services.» (Hambli, 2018).

Algeria adopted different approaches to rationalize public expenditures. One of these approaches is the expenditures ceiling that Algeria depends on in the preparation of the budget and must take into consideration the ineluctable expenditures that include employees' expenditures and the necessary expenses for the activities of the service and then the mandatory expenditures that can be represented in the certificated performed services that have not been paid at the end of the complementary period. These two are a priority to achieve efficiency in the budget.

4.2. Principles for the rationalization of the public expenditures

The policy must be built on a set of principles to reach the proper level of rationalization of public expenditures.

4.2.1. Public Interest access

Public expenditures must always aim to fulfil the public interest and achieve effectiveness in public services, and that only can be accomplished by spending with the objective of increasing efficiency, which cannot be justified by the interest that the society gets but by the availability and access capacity (Hanich, 2017).

4.2.2. Saving costs

There is an inverse relationship between the costs and public expenditures, and it does not mean being skimpy but implies effective management and planning ahead, which can come a long way in the rationalization of expenditures. Avoiding unnecessary expenditures come by setting priorities and determining reasonable expenditures ceiling, and leaving room for continuous development of efficiency and effectiveness related to public services (Hanich, 2017).

4.2.3. Developing profitability and quality assurance

The public services must display the value of funds by implementing quality in these public services that lead to the increase in efficiency and outputs and allow for evolution in effectiveness and outcome of the public expenditures that manifest in public goods and services, reflecting social and economic profitability (Hanich, 2017).

4.3. Reasons and objectives behind the rationalization of expenditures

There are many causes for the consistent increase in public expenditures, leading the state to adopt policies and strategies with a set of goals to rationalize public expenditures.

4.3.1. Reasons for the continuing rise in public expenditures

The reasons can manifest socially, politically, and economically and are listed as follows (Hamaza & Draji, 2021):

- The consistent expending of public sector activities caused the increase in development requirements, leading to much higher investment spending.

- The growth of inflation at a rapid pace plays a role in the deterioration of purchasing power that leads to an augmentation of goods and services cost needed by the government to function and also to cover the expenses of its employees affected by inflation which only escalate the public expenditures.
- Increase in the burden of public debt, dependence on bonds, and a lack of debt transparency and management indicate that the funds are used for consumption instead of investment.
- The dependent on deficit financing increases demand, level of borrowing, and interest rate and means printing money that leads to price escalation, which results in a higher ratio of inflation.
- Widespread governmental corruption comes with a lack of efficiency and effectiveness in public services. It affects public projects' quality, leading to wasting public funds without achieving determined objectives and desired results.

4.3.2. Objectives of the rationalization of public expenditures

A set of goals must be achieved to take the first step in rationalizing public expenditures (Hamaza & Draji, 2021).

- Increase the efficiency of the resources used to attain better outputs that eventually can evolve the level of outcomes and enhance the effectiveness of public services.
- Improve the ways of local production, evolve administration and control systems, and focus on studying impulses and directions.
- lowering the budget deficit and decreasing the gap between revenues and expenditures, controlling inflation and public debt.
- reviewing the cost structure by reducing the expenses that do not have significant profitability, fighting the extravagance of funds, and taking precautions for difficult financial situations.
- Improve the development of the state, help solve the economic and social problems that face the state, and keep the balance between resources and citizens in the long and short term.

4.4. The requirements for the rationalization of public expenditures

The state's primary goal is to enhance the efficiency and effectiveness of public services, and to accomplish this goal, a set of requisites must be implemented (Hambli, 2018).

- determine the objectives that serve the public interest as a priority and accompany them with performance indicators to detect and correct deviations.
- prepare different programs that align with the objectives and help achieve them in a timely and accurate manner.
- The structure of the program must align with the apportioning of funds to achieve the objectives and re-establishment of the administrative structure of the state to execute the programs.
- Any changes in the program's expenditures must coordinate with any changes in the priority of the objectives.
- Set up an operational framework that guarantees the effective execution of the programs and reflects the objectives at the operational level.
- Implementing a regulatory system to align the execution of programs with the planning and improve the review and evaluation of the budget and the transparency of the budgetary information.
- The development of budget classification to improve the planning and execution at all levels.

Section 05: The performance and program budget: the rationalization of public expenditures

The performance and program came as budgetary reform to insert transparency and the availability of information that is easy to read and understand, and that is why it is called (the citizens budget). To ensure accountability between officials and managers and take responsibility for achieving results, creating a more stable environment by decreasing the number of credits modification and issuing corrective financial laws. Switch from resources-based management to performance-based management by setting objectives and performance indicators to measure the results achieved. All of this is to have a grip on

public expenditures and control public spending, which the budget of law 84-17 related to financial law failed to do.

5.1. The performance and program budget as a tool of strategic planning

Planning is an effective tool for controlling expenses by allocating resources based on desired results. The performance and program budget link the annual budget with a long-term plan by focusing on the objectives and results, unlike the budget of 84-17 related to financial law, which does not help the decision-makers to obtain the necessary information to determine the spending priorities and therefore creates a lack in the use of the public fund and neglecting the planning element (Hamlaoui, Melkhatib, & Djaadi, 2022).

- **Medium-term budgetary framework**

A medium-term budgetary framework is a tool for financial programming for 03 years that include the current year and two next following years and is prepared every year at the beginning of preparing financial law project. It allows managing the budget over multi years aspects by assessing the current situation and establishing the strategic orientations for the next years that ensure the efficiency and effectiveness in allocating resources (Hamlaoui, Melkhatib, & Djaadi, 2022).

The medium-term budgetary budget is executed according to the medium-term expenditures framework that allows the apportion of available resources based on the defined priorities in the limits of the expenditures ceiling determined in the orientation note that contains the essential orientations to prepare budgetary suggestions for the following years (Executive decree 20-335, 2020). Also, the expenditures obligation plan reflects the evaluation of budgetary expenditures in one year prepared by the minister. It shows the obligation level of every program every one or months. Then a copy is sent to the finance minister at the end of the complementary phase as max to compare this document and the state budget plan (Executive decree 20-335, 2020).

- **Budgetary risks evaluation framework**

To manage budgetary risks that come with the public budget, a committee called (The Supreme Committee) is headed by the finance minister or his representative to identify and prioritize possible budgetary risks that may affect the public funds, evaluate the financial mechanisms that aim to control it, exchange data with different public administrations through a digital platform, and prepare a report titled (budgetary risks declaration) by the members of the Committee includes suggestions to limit the effects of the different possible budgetary risk to take into consideration in the preparing financial law project. (Hamlaoui, Melkhatib, & Djaadi, 2022). The budgetary risk evaluation framework allows the risk management of public funds and the allocation of resources from a strategic perspective (Hamlaoui, Melkhatib, & Djaadi, 2022).

5.2. Management dialogue as a tool of communication in performance and program budget

Organic law 18-15 related to financial law came to fix a lack of communication between different levels of public administration.

The management dialogue can be defined as an exchange process between the level of budgetary responsibility and the levels attached to it related to the objectives assigned to them and the resources at their disposal (Directorate of Programming and Monitoring the Budget Ain Defla, 2022).

The management dialogue contains the programming and management reports, and it is prepared by the program officer to inform action officers about the geographical parameter of the program, operational objectives, program elements framework, and framework related to financial envelopes (Directorate of Programming and Monitoring the Budget Ain Defla, 2022).

Then, the action officer prepares the action plan, and he suggests operations programming, which includes the objectives, performance indicators, targeted values, and estimated budget. After that, the action officer studies the general project with all actors involved and ensures that the objectives suit the chosen programming of the action with the defined framework by the program officers (Directorate of Programming and Monitoring the Budget Ain Defla, 2022).

The program office approves the work of the action officer, and the action officer must submit to the program officer a report about his management and his contribution to the program results (Directorate of Programming and Monitoring the Budget Ain Defla, 2022).

There is a timeline for the management dialogue between different actors. In October of n-1, after the budgetary arbitration phase, the action officers started to prepare the action that they were responsible for and send it to program officers. The program officers sent the action officer a prior notice of financial envelopes. After that, the official apportion of financial envelopes occurred after the adoption of the financial law in January. Finally, through the year, 02 or 03 reports are prepared to evaluate the current management and consumption forecasting with the mention of the situation relating to the possible balance. At the of the year, a final report of the management is presented. (Directorate of Programming and Monitoring the Budget Ain Defla, 2022).

5.3. Budgetary control in organic law 18-15 related to financial law and its effect on the financial performance

Budgetary control is essential to the rationalization of public expenditures and the reserve of public funds. In Law 84-17 of financial law, the control of parliament knew a lack of effectiveness due to the complexity and shortage of information. The organic 18-15 of the financial law came with many changes to improve the quality of budgetary control.

5.3.1. The parliament under the organic law 18-15 of financial law

The organic law came with new authorities and responsibilities introduced to the parliament to improve its control of public spending.

- **The parliament control in certification of the financial law**

The budget documents now are more transparent and include much information that helps the parliament and increases the quality of control by presenting all expenses of the programs in the budget documents that include a funding table and debt ceiling, and also the direction of the expenditure presented in the programs and actions. All of this will be in the essential discussion instead of the nature of the expenditures or chapters, which can improve the quality of the budgetary estimations and give the parliament the authority to develop the efficiency and effectiveness of public services (Akehal, 2021).

- **The parliament control in the execution phase**

The organic law 18-15 of the financial law gave the Finance and budget committee related to the national people's Assembly and the Financial and economic affairs committee the authority and access to information and documents that could help them in their work; also, the members of these committees have the authority for an immediate control to verify the ministries credits because they have the responsibility of presenting a report and ask the ministers for justifications about the execution of the budget (Akehal, 2021).

- **The parliament control in the rendering accounts phase**

In this phase, the results are presented through the administrative accounts of the state and concluded with the law involving budget reconciliation, which controls the final sum of revenues collected and expenditures executed, and the ministerial report of profitability that gives an idea of the achievement of the objectives, performance indicators related to it, results achieved and justification for any deviation. This information can develop the parliament's control of public funds and come a long way in the rationalization of public expenditures (Sakhraoui & Bellatrech, 2022).

**CHAPTER II: METHODOLOGICAL
AND ORGANIZATIONAL
FRAMEWORK**

Section 01: The methodological approach and method selection

This section is based on information from previous studies and the literature on the subject. This study is going to test the effect that the budget related to law 84-17 of the financial law on public spending and the contribution of the performance and program budget to the rationalization of public expenditures, and the method used to collect data and tool used in the analysis of documents to determine the relationship between these variables.

1.1. The methods of data collection

To answer the research question, we adopted the quantitative method to track public expenditures to determine the role of performance and program budget in the control of public spending by studying the evolution of public expenditures from 2016 to 2022 in Ain Defla by collecting data using observations and analyzing different documents using various tools.

1.2. Documentary research

There are different pieces of information needed to define the relationship between the rationalization of public expenditures and performance and program budget. To determine this relationship, we must study the evolution of expenditures from 2016 to 2022, and to do this study, different documents are needed can be presented in the management budget for the years (2016-2022) of the Directorate of Programming and Monitoring the Budget Ain Defla that contains four titles and the expenditures are divided to parts, sections, articles, and paragraphs. Also, the investment budget from 2016 to 2022, the direction of programming and monitoring the budget according to law 84-17 of the financial law, is divided into sectors like agriculture, finance, industry, culture, and environment to cover the investment expenses throughout the year.

The annual reports of the operating expenditures of the state from 2016 to 2020 contain information about the consumption of credits, the problems faced in the execution of the budget, transgressions that have been recorded, the procedures that have been taken to rationalize expenditures, and suggestions to avoid these problems in the future.

The priorities and planning report contains the partition of programs by central services, decentralized services, the public establishment under guardianship, and territorial establishment. The distribution is done by the titles and also contains defined objectives,

awaited results, and projects list To determine the objectives, programs, and performance indicators.

The financial law of 2023 consists of Table A includes different revenues, and Table B, which finds the apportion of the obligations authorization and credits by the portfolio of programs and programs. And Table C involves the special revenues funds (CAS) To determine the credits of every program.

Extract of initial programming of credits and budgetary employment document that involves the budget according to the classification of expenditures and form mentioned in the organic law 18-15 of financial law.

Document of action credit programming that is prepared at the operational level to allocate the credits in different projects and operations in a detailed way and goes to the program officer to be approved.

1.3. Observations

In my time in the Directorate of Programming and Monitoring the Budget Ain Defla that the employees get training to read, understand, use, and prepare the performance and program budget and learn about the changes that come with the organic law 18-15 of the financial law. The employees in the budget of law 84-17 of the financial law were separated into those who were responsible for the management budget and those who were responsible for the investment budget, which made the training a bit hard to understand due to the performance and program budget that unified these two budgets.

The content of the training contains the concepts related to the law 18-15 of the financial law and the transfer from resources-based management to results-based management, new procedures for the preparing of the budget, transparency, and accountability held by the managers in the first week.

In the second week, the practical work started with the training on how to fill out the commitment form related to the special revenues funds (CAS), Title 03: investment expenditures. Also, the commitment form for Title 01: employees expenditures, Title 02: services management, and Title 04: transfer expenditures.

At first glance, the documents of the operating budget and investment budget in the former budgeting system were hard to read and understand, cannot compare the two because they are divided differently and lack information related to the direction of the expenditures, unlike the program and performance budget, which was easier to read and determine the end of the expenditures.

1.4. Analysis tools of the documents

The study focuses on the evolution of public expenditures according to the budget of law 84-17 related to financial law and compares the consumption of credits from 2016 to 2022 by breaking down the management budget by section and determining if there is a decrease or increase in the consumption of credits and analyze the data and define the reasons behind the effect of consumption on the rationalization of expenditures.

The same goes for the investment budget, extracting the sum of money that is spent every year on public projects and development for Ain Defla and comparing and analyzing the different amounts to determine if there is efficiency in the use of public funds and effectiveness of the public services.

Defining, in accordance with law 84-17 of the financial law, the evolution of public expenditures and also the transitions in the difference between revenues and expenditures in different stages. The first stage was from 2000 to 2013, before the occurrence of the oil crisis, and the second stage was from 2014 to 2017, after the occurrence of the oil crisis (Hambli, 2018).

The Analysis of the Evolution of public expenditures in Algeria can define the development of this evolution reasons behind it, and the orientation of the state in the allocation of expenditures by the comparison between the management expenditures and the investment expenditures (Hamaza & Draji, 2021).

Analyze the performance and program budget in the first year of application and identify the new features and the deficiencies that the performance and program budget covered. Also, the analysis of the transitional phase from the budget of Law 84-17 related to financial law to the performance and program budget and how to handle the projects and programs that already started under the budget of Law 84-17 of financial law.

Section 02: Organizational Framework

During my time in the Directorate of Programming and Monitoring the Budget Ain Defla, I discovered different aspects of the budget I was not familiar with and developed new concepts about the performance and program budget and the changes in the budget and the management to improve the efficiency and effectiveness of the public services.

2.1. The presentation of the Directorate of Programming and Monitoring the Budget Ain Defla

the Directorate of Programming and Monitoring the Budget in Ain Defla was established according to Executive Decree 11-75 dated February 16, 2011, after it was called the Direction of Planning and urban development until 2010 when executive decree 91-42 dated February 26, 1991, was cancelled which defined the rules to organize the work Direction of Planning and urban development. The Directorate of Programming and Monitoring the Budget Ain Defla was founded to prepare the estimation of the budget and report to the central directorate of the budget. The directorate consists of human development and economic and social activity service, control, and establishments development service, local programs development service, budget summarization service, and means and training service. (Directorate of Programming and Monitoring the Budget Ain Defla, 2022).

2.2. The missions of the Directorate of Programming and Monitoring the Budget Ain Defla

Article 06 of Executive Decree 11-75 determines the attribution, organization, and operation of external services of the General Directorate of the Budget, dated February 16, 2011, determines and defines the missions of the directorate.

2.2.1. The main missions of the Directorate of Programming and Monitoring the Budget Ain Defla

- **In the budget**

- Prepare the necessary budgetary estimations to execute the local program funded by the state budget.

- Monitoring the execution of the decentralized projects and receiving them with preparing the necessary reports every 03 months.

- Create a database that contains evaluative financial, social, and economic standards for different sectors.

- **In management**

- preparing and executing the direction budget, ensuring its evaluation, and managing the employees and means under its disposal.

- Support every inspection mission and external services evaluation of the budget in the program framework defined by the general direction of the budget.

- keeping an archive and also doing an inventory count of every possession.

2.2.2. The Missions of human development and Economic and social activity service, the Control and establishments development service, and local programs development service

- Prepare the semestrial and annual reports about the situation of investment progress.

- Analyze the reasons behind the delays and all the possible differences that could affect the project's costs or public equipment programs

- Contribution to preparing annual and multi-year budget projects for different sectors funded by the state budget.

- Collect the budgetary suggestion related to program and local projects approved by the executive council.

- Monitoring the execution of the projects according to the execution and closing timetable related sector program.

- Ensure the monitoring of the budgetary management related to different decentralized program operations.

- Prepare reports about finishing the projects with entrepreneurs.

- Give recommendations to entrepreneurs about the technical review of their projects.

- Suggest all the necessary measures to achieve the rationalization of public expenditures related to different sectors.
- Collect the necessary information to evaluate the execution of the budget
- Put all the elements of the information under the disposal of the budget summarization service.

2.2.3. The missions of the budget summarization service

- Creating a database for budgetary data.
- Prepares summary reports about the allocation of resources.
- Ensures the monitoring and archiving procedures of the budgetary management related to operations funded by the state budget.
- Suggests measurements to control the budgetary documents.
- Monitoring and analyzing the evolution of social, economic, and environmental indicators.
- Determining the defined objectives in the program and analyzing the degree of its achievement and also the deviations.
- Analyzing the costs using specific measurements and preparing an annual report reflects the difficulties that face the budgetary execution and monitoring.
- **Analyzing and monitoring local budgetary balance and the improvement of local development.**

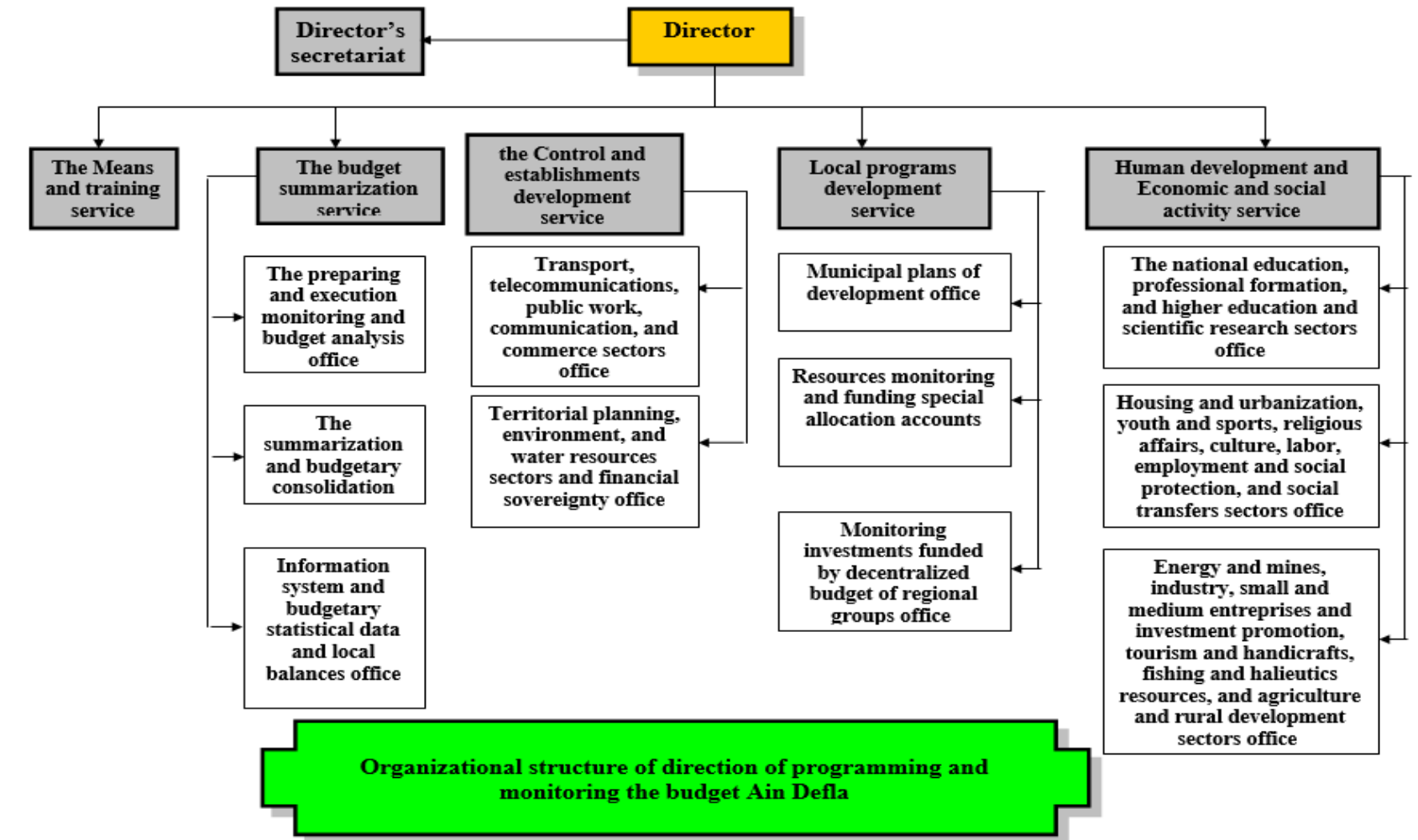
2.2.4. The Missions of the Means and training service

- Prepare and present the project of the direction budget.
- Hold the accounting related to the direction budget.
- Ensure the archive management and reserve it.
- Prepare and execute the multi-year planning of human resources management.

- Manage the disputes and legal cases of the directorate

2.3. The organization chart of the Directorate of Programming and Monitoring the Budget Ain Defla

Figure 4: The organizational structure of the Directorate of Programming and Monitoring The budget Ain Defla



Source: Elaborated by me using information from The Directorate of Programming and Monitoring The Budget Ain Defla

CHAPTER III: RESULTS ANALYSIS

Section 01: Evolution of the public expenditures from 2016 to 2022 in Ain Defla

Through collecting data about operating expenditures from 2016 to 2022, we are about to compare and analyze the changes in expenses and determine the reasons behind them. Also, extract the data about the employees' expenditures and analyze what could affect the changes. And then compare and analyze the investment expenditures and credits consumption to determine the efficiency and effectiveness of the use of public funds. Finally, a comparison study between the operating expenditures and investment expenditures and analyze the results to define if there is a deficiency in the local budget of Ain Defla. Also, examine the contribution of the performance and program budget on the rationalization of the public expenditures.

1.1. The evolution of the operating expenditures from 2016 to 2022 of the Directorate of Programming and Monitoring the Budget Ain Defla

By analyzing the operating budget of the direction of programming and monitoring the budget Ain Defla, we were able to extract the information related to the changes in the management budget from 2016 to 2022.

Table 1: Operation budget of The Directorate of Programming and Monitoring the Budget Ain Defla (2016-2022).

The years	Operating expenditures (DA)	The difference in the expenditures of different years
2016	39,036,000.00	/
2017	41,589,800.00	6.14%
2018	43,631,000.00	4.67%
2019	45,633,000.00	4.38%
2020	47,298,100.00	3.52%
2021	50,445,000.00	6.32%
2022	60,092,500.00	16.05%

Source: Elaborated by me using The operating budget of the Directorate of Programming and Monitoring the Budget Ain Defla

By analyzing the table, we can see that operating expenditures are constantly increasing from 2016 to 2022. From 2016 to 2017, operating expenditures increased by 6.14 %. In 2018 the expenditures improved by 4.67%, with a 1.47% decrease compared to 2017.

The operating expenditures in 2019 knew a rise in contrast with the year 2018, with a 0.29% fall in the growth of the operating expenditures. The year 2020 witnessed a 3.52% increase in management expenditures but a 0.86% drop in the growth of management expenditures.

The period (2016-2020) indicates the growth of operating expenditures, and there is some control in the public operating spending.

The years 2021 and 2022 are different cases. In 2021 the management expenditures knew a surge, unlike the previous years, with a 2.8% increase in the growth in the management expenditures. The management expenditures rocketed in 2022 by 2.54 times compared to 2021 and by 4.56 times in contrast with 2020 in the growth of public expenditures.

The next table represents the operating expenditures of the state, its evolution from 2016 to 2022, and its effect on the operating expenditures of the Directorate of Programming and Monitoring of the Budget.

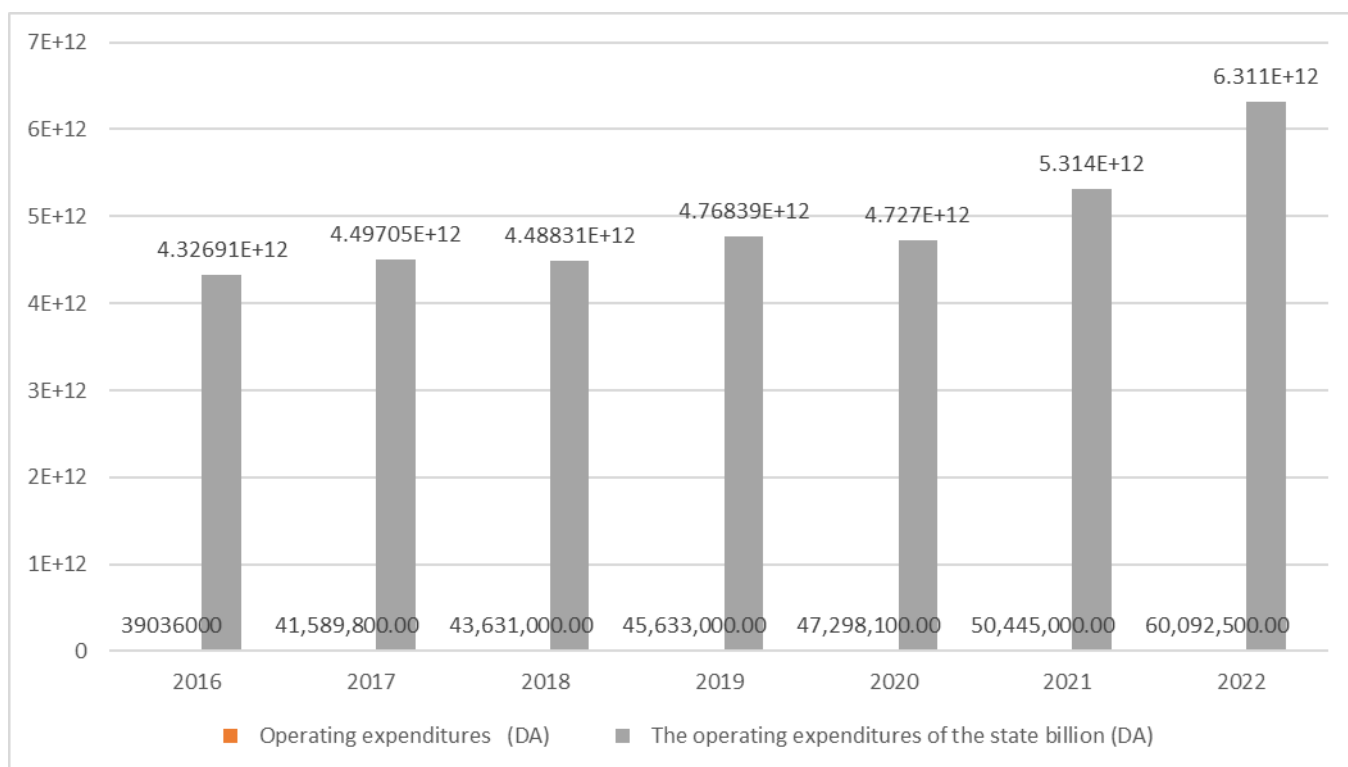
Table 2: The operating expenditures of the state (2016-2022)

The years	The operating expenditures of the state billion (DA)	The difference in the expenditures of different years
2016	4.326,908	/
2017	4.497,046	3.78%
2018	4.488,310	-0.19%
2019	4.768,391	5.87%
2020	4.727	-0.87%
2021	5.314	11%
2022	6311	15.80%

Source: Elaborated by me using the reports of the Court of Accounts and APS

Table 02 shows the operating expenditures of the state in the period (2016-2022). The operating expenditures increased by 3.78% in 2017 from 4.326,908 billion DA in 2016. The operating expenditures witnessed a 0.19% decrease in 2018.

In 2019, the operating expenditures improved by 5.87% to drop again in 2020 by 0.87%. In the year 2020, the operating expenditures rocketed from the previous year by 11%. After that, it kept growing and witnessed the greatest improvement of 15.80% in 2022 compared to the year 2021.

Figure 5: The evolution of operating expenditures of Ain Defla and the state (2016-2022)

Source: Elaborated by me using the operating budget of the Directorate Programming and Monitoring the Budget Ain Defla and the budget of the state.

The bar chart shows the evolution of operating expenditures of the Directorate and the state from 2016 to 2022. In the year 2016, the operating expenditures reached 39,036,000.00 DA, and The operating expenditures of the state in 2016 reached 4.326,908 billion DA due to the increase in debt of the operating expenditures nationwide wide, which arrived at 480,423 billion DA because there was a lack of expectations and planning according to a report from the Court of Accounts. Also, the entering of the state budget contains unexpected expenditures which do not provide enough information and breach the transparency principle. The inflation reached 6.4% in 2016.

In the year 2017, the operating expenditures of the Directorate were 41,589,800.00 DA and grew by 6.14% compared to 2016 because of an increase in employees' expenditures. The operating expenditures of the state reached 4.497,046 billion DA. The national level of expenditures knew a growth of 3.78% compared to 2016. The unexpected expenditures reached 92 billion DA. In 2017 the state increased taxes and fees to cover the decrease in oil prices and used its revenues control fund to treat the budget deficit, which was emptied in February 2017. The inflation ratio decreased to 5.59% in contrast to 2016.

The operating expenditures of the Directorate of Programming and Monitoring Budget in 2018 arrived at 43,631,000.00 DA, an increase of 4.67% in expenditures from 2017, and the reason behind it is the growth of employees' expenditures. The operating expenditures of the state declined by 0.87% compared to 2017 because of unsatisfactory fiscal results, according to the report of Courts of Accounts 2018. The operating expenditures of the state composed 53.17%, and the unexpected expenditures reached 45,594 billion DA. The inflation ratio was 4.3% in 2018.

The year 2019 witnessed an increase in operating expenditures of 45,633,000.00 DA and improved by 4.38% from 2018 due to the rise of employees' expenditures. The operating expenditures of the state knew transgressions in credits by 280,081 billion DA and witnessed an increase of 5.87% compared to 2018 because there was a lack of respect for the specification of the principle of appropriation. The inflation ratio in 2019 was 2.5%.

The operating expenditures in 2020 arrived at 47,298,100.00 DA and grew by 3.52% because of the improvement in employees' expenditures. The operating expenditures of the state reached 4.727 billion DA. COVID-19 affected the allocation of credits. The budget deficit reached 9.27% due to unexpected expenditures. In 2020, inflation was 2.4%.

In 2021, the operating expenditures were 50,445,000.00 DA, by 6.32% improvement from the previous year due to the still ongoing increase of employees' expenditures. The operating expenditures of the state knew an increase of 11% from 2020 and a rise in the budget deficit by 2% from last year. The inflation ratio arrived at 4.9% in 2021. COVID-19 also was one of the reasons that led to this increase.

The operating expenditures grew by 2.54 times in comparison with 2021. The operating expenditures of the state developed by 15.80% compared to 2021. The year 2022 knew a decrease in the taxes on total income according to article 104 of the direct taxes and assimilated fees law. The inflation reached 4.7% in 2022.

1.2. The evolution and effect of employees' expenditures on the operating expenditures

Employee expenditures are one of the most important parts of operating expenditures and cannot be touched by the expenditures ceiling defined by the state. The employees' expenditures are considered to be ineluctable expenditures that are necessary for the continuity of service activities.

Table 3: The employees' expenditures of the Directorate of Programming the Budget Ain Defla (2016-2022)

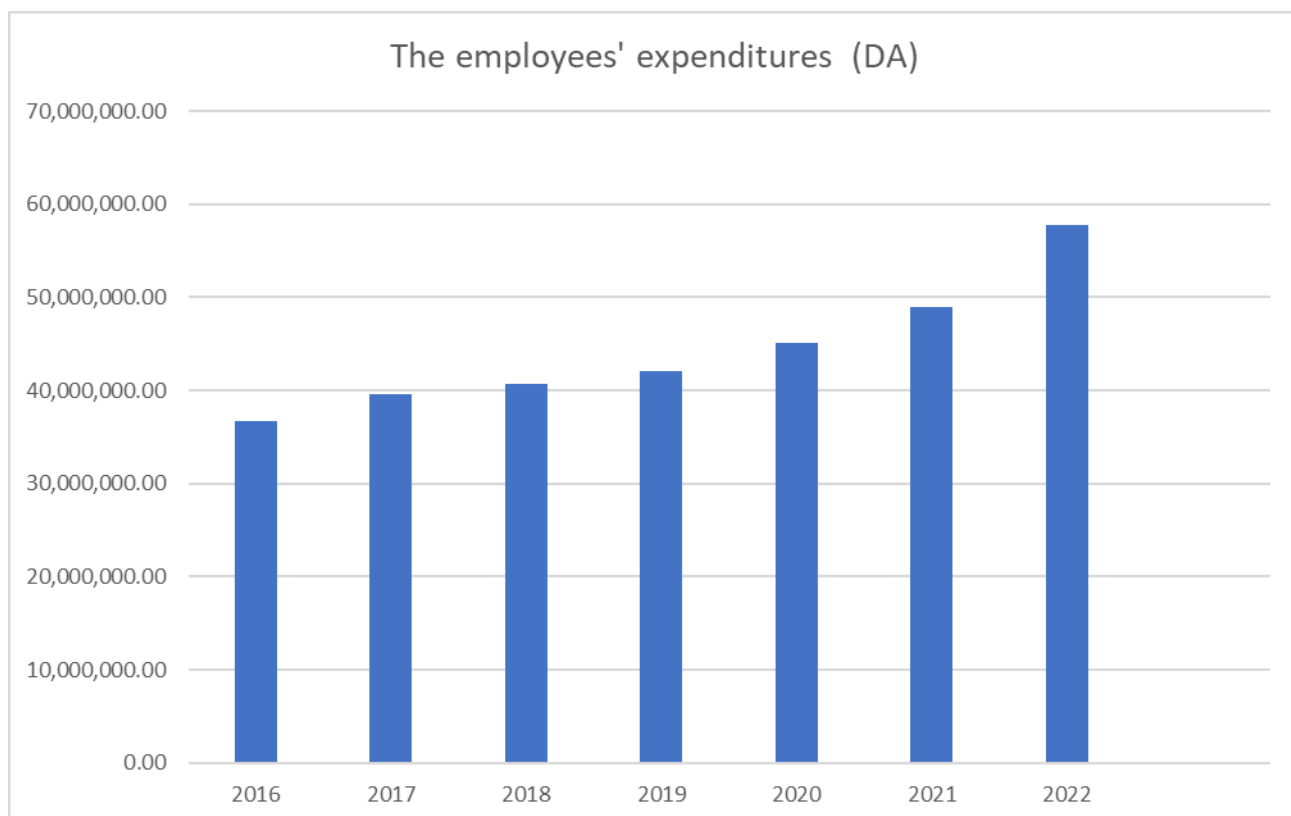
The years	The employees' expenditures (DA)	The difference in employees' expenditures	The employees' expenditures percentage from operating expenditures
2016	36,720,000.00	/	94.07%
2017	39,653,000.00	7.40%	95.34%
2018	40,688,000.00	2.54%	93.25%
2019	42,054,000.00	3.25%	92.16%
2020	45,139,500.00	6.84%	95.44%
2021	48,965,000.00	7.81%	97.05%
2022	57,822,500.00	15.32%	96.22%

Source: Elaborated by me using the operating budget of the Directorate of Programming and Monitoring the Budget Ain Defla

At first glance, we can see from the table that the employees' expenditures represent up to 97.05% and at least 92.16% of operating expenditures, which means that the employees' expenditures control the changes in the operating expenditures.

The employees' expenditures kept increasing from 2016 to 2022. In 2017 they improved by 7.40% and kept growing by 2.54% and 3.25% in both 2018 and 2019. The years 2020, 2021, and 2022 knew a rise of 6.84%, then of 7.81%, and in 2022 the employees' expenditures doubled from 2021, which indicates again that the employees' expenditures control the consistent growth of the operating expenditures.

Figure 6: The evolution of employees' expenditures of the Directorate of Programming and monitoring the budget (2016-2022)



Source: Elaborated by me using the budget obtained from the directorate Programming and Monitoring the Budget Ain Defla

The bar chart represents the evolution of employees' expenditures from 2016 to 2022. The employees' expenditures were 36,720,000.00 DA and represented 94.07% of the management expenditures. The national employees' expenditures express 50.76% of the national operating budget, with an increase of 3.5% from the previous year. To rationalize public expenditures, the state froze public employment, and open positions only improved by 1.30% in the period (2015-2016), according to the Court of Accounts report of 2016.

In 2017, the employees' expenditures grew by 7.40% compared to 2016 and represented 95.34% of the operating budget. The national employees' expenditures arrived at 52.63% of the national operating expenditures, with an improvement of 1.87% from 2016. The freezing of public employment kept going to rationalize public expenditures.

The year 2018 knew an increase of 2.54% from 2017 and accounts for 93.25% of operating expenditures. The national employees' expenditures represent 51.22% of the national

operating budget, with a decrease of 1.41%. The freezing of public employment still was put into place.

The employees' expenditures in 2019 were developed by 3.25% and represented 92.13% of the management expenditures. In 2020, the employees' expenditures improved by 6.84% and portrayed 95.44% of the management expenditures. The increase kept going from 2021 to the last year.

The employees' expenditures in 2022 grew by two times in contrast to 2022 due to the increase in wages that came from the decrease in the income tax, and according to article 104 of the direct taxes and assimilated fees law, the annual net income that does not exceed 240,000 DA (20,000 DA/month) is exempt from paying tax on income.

The annual net income between 240,001 DA and 480,000 DA is subject to an income tax of 23%, and between 480,001 DA and 960,000 DA/year is subject to an income tax of 27%

The income tax is 30% for the annual net income between 960,001 DA and 1,920,000 DA and 33% for the annual net income between 1,920,001 DA and 3,840,000 DA.

The annual net income is more than 3,840,000 DA, and the income tax is 35%.

- According to the Directorate of Programming and Monitoring the Budget Ain Defla, the number of its employees increased only by 10 in the period (2016-2022).
- The social expenditures related to the employees kept increasing in the period (2016-2022).

1.3. The investment expenditures evolution of Ain Defla

The investment budget is necessary and important to achieve local development through making obligations and commitments and then paying.

Table 4: The investment expenditures of Ain Defla (2016-2022)

The years	Investment expenditures (DA)	The difference in the expenditures of different years
2016	8,703,879,819.08	/
2017	8,414,629,520.22	-3.43%
2018	10,110,234,838.95	16.77%
2019	9,982,099,388.68	-1.28%
2020	6,598,879,991.81	-51.27%

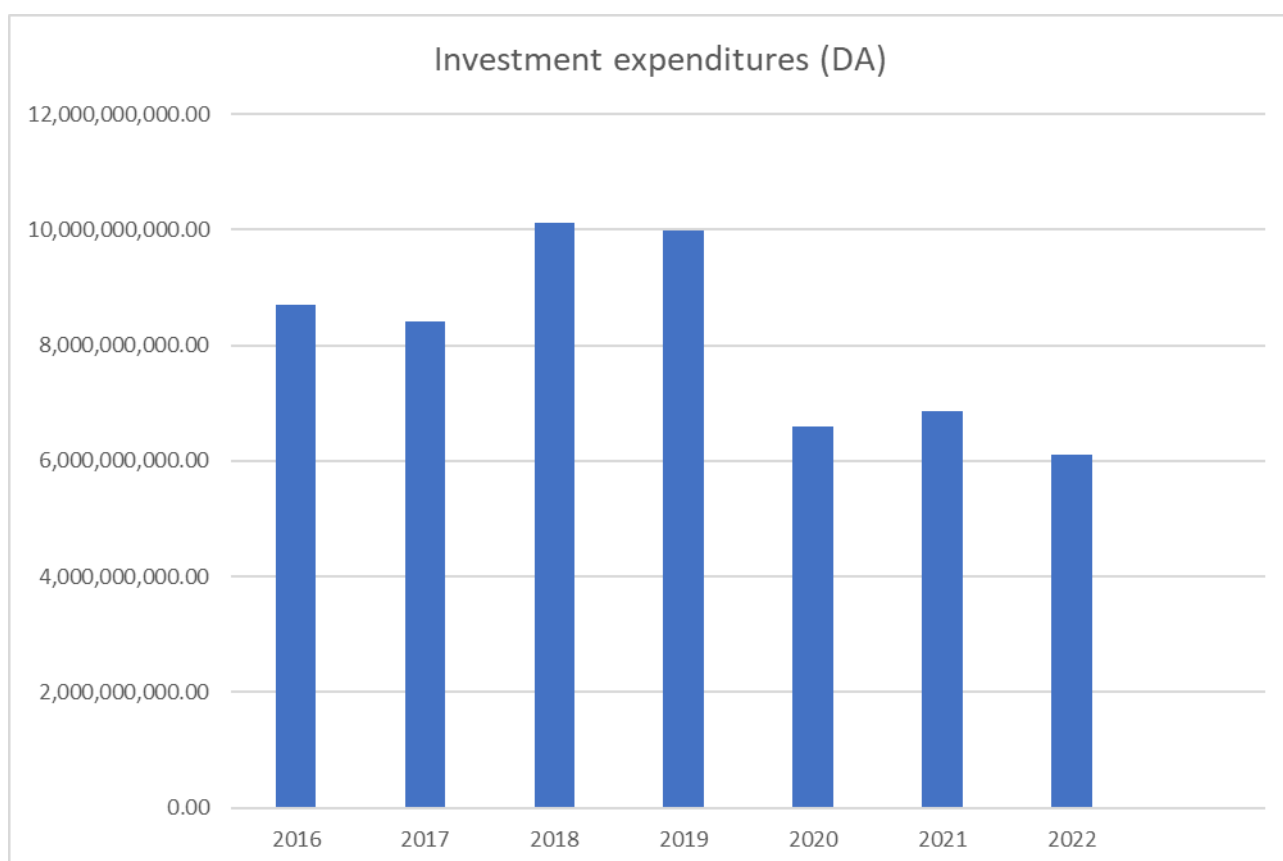
2021	6,857,187,490.87	3.77%
2022	6,107,977,101.11	-12.27%

Source: Elaborated by me using the investment budget of the Directorate of the Programming and Monitoring the Budget Ain Defla

The table analysis shows that the investment expenditures witnessed a significant increase of 16.77% in 2018, which was considered a big change. After that, they declined only by 1.28% in 2019.

Then the investment expenditures knew the biggest decline of 51.27% in 2020, then developed by 3.77%, and after that dropped by 12.17% in 2022.

Figure 7: The evolution of investment expenditures in Ain Defla (2016-2022)



Source: Elaborated by me using the investment budget obtained from the Directorate of Programming and Monitoring the Budget Ain Defla

The bar chart illustrates the evolution of investment expenditures in Ain Defla from 2016 to 2022. In 2016, the investment expenditures were 8,703,879,819.08 DA. The expenditures were put in to rationalize the public expenditures. This year knew a lack of efficiency in using credits and executing and delivering projects. Also, there were up to 27 projects suspended related to the general administration of finance and means due to the

lack of financial envelopes. The absence of annual and multi-year development programs in Ain Defla, according to the report of the Court of Accounts in 2016.

The investment expenditures of Ain Defla in 2017 dropped by 3.43% compared to 2016. There is tardiness in the execution of investment operations and a lack of respect for the budget principles that appear in expenditures estimation and budget information which led to determining an expenditures ceiling of 2.050 billion DA in the period (2018-2019) and freezing non-prioritized projects. Ain Defla recorded a really low level of credit consumption which is only 5%, although the credits were available according to the report of the Court of Accounts in 2017.

In 2018, the investment expenditures grew by 16.77% from the previous year. The expenditures ceiling remained at 2.050 billion DA. The general direction of finance and means recorded 0% of credit consumption in the investment budget. The absence of annual and multi-year development programs, which must be prepared and certificated by the multiplicity people's assembly according to article 07 of law 11-10 dated June 22, 2011, in Ain Defla that must contain the importance of the operation, the awaited results, and its contribution to the local development. There was a lack in the progress of projects execution, and the credits consumption arrived at 34% in Ain Defla. All according to the report of the Court of Accounts in 2018.

The year 2019 witnessed a decrease of 1.28% in investment expenditures compared to 2018. The expenditures ceiling remained at the same level. There was a lack of rigor in project execution and respect for time limits. The annual and multi-year development programs were still absent in Ain Defla. The credit consumption was more than 40% in Ain Defla. All according to the report of the Court of Accounts in 2019.

The investment expenditures in 2020 plunged by 51.27% in contrast to 2019. The year 2020 witnessed the hit of COVID-19, which led to the freezing of more projects to rationalize public expenditures and affected the allocation of credits because the pandemic was a priority, and trying to control it by taking different procedures that require more credits. The same goes for the years 2021 and 2022, where the investment expenditures only increased by 3.77% and then decreased by 12.27% to face the threats that COVID-19 presented.

Section 02: The performance and program budget of Ain Defla

Since issuing the organic law 18-15 of the financial law in 2018, the year 2023 is the first year of performance and program budget application. The procedures changed and became more flexible and less consuming. The management became more results orientated, which improved accountability and held the officials responsible for the achieved results. Also, it enhanced the transparency and availability of information that helped in the decision-making process.

2.1. The financial organization of the performance and program budget

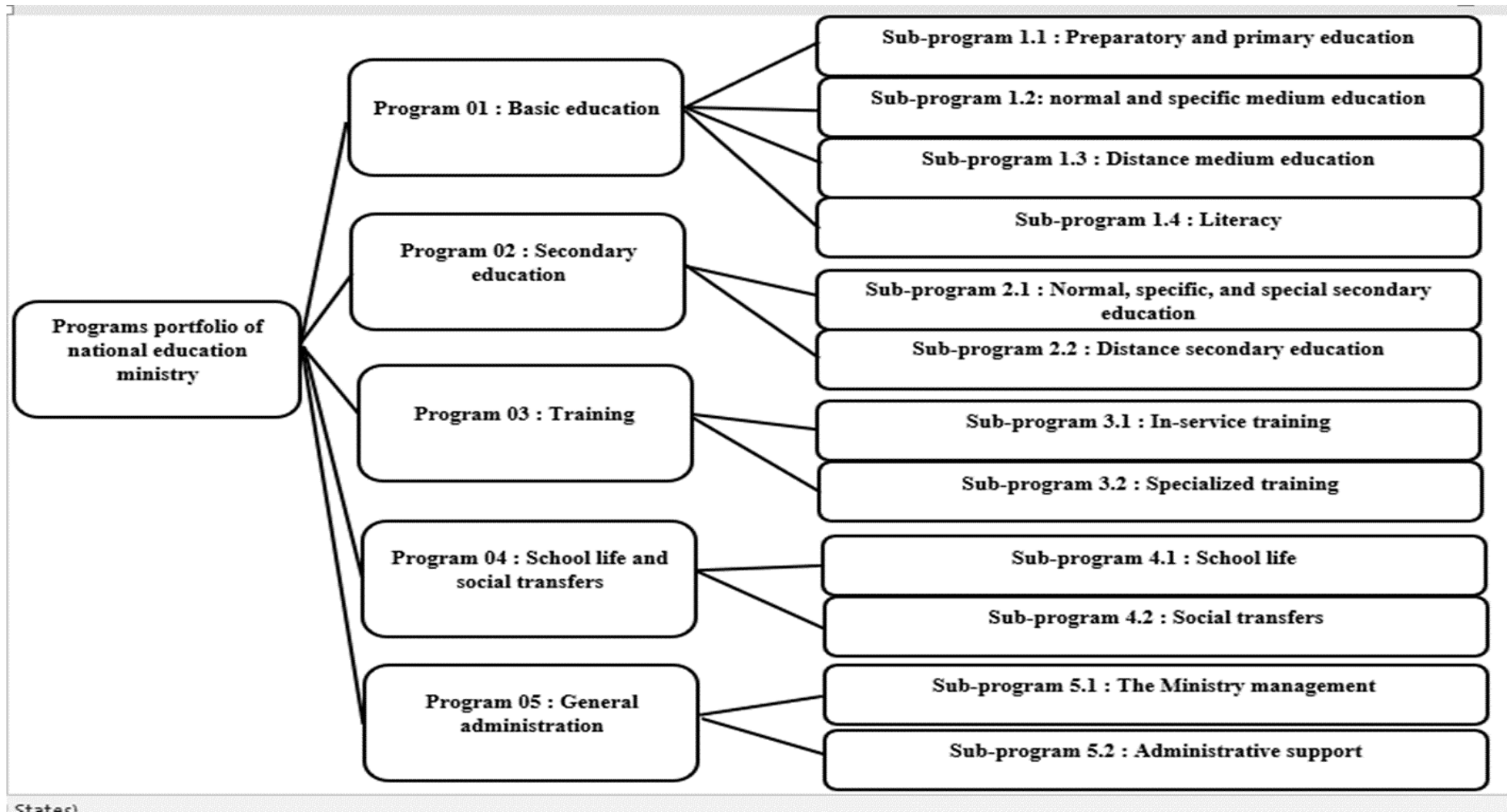
The year 2023 is considered to be a transitional phase that faces the problem of how to handle the programs still in progress under the new budgeting system. Circular 00005959, dated August 07, 2022, explains the conditions and modalities of the current program credits management, titled decentralized sectoral programs, stopped on December 31, 2022, that contains two types. First, the registered investment projects that haven't begun on December 31, 2022, where the Wali must partition according to sectors by defining the local priorities of the investment projects. Second, the registered investment projects that have already begun on December 31, 2022, because it was expenditure subjected. The Wali elaborates on the situation of investment projects and then the partition of the project by the sectors. The wali stays responsible for these projects.

The wali of Ain Defla oversees the investment project still in progress related to the national education ministry, in coordination with the direction of programming and monitoring the budget in Ain Defla

2.1.1. The program's portfolio of the national education ministry

According to the priorities and planning report of the national education ministry 2023, the minister is responsible for the program's portfolio that is aligned with a specific mission that defines the exact strategy of the ministry.

Figure 8: Programs portfolio of the national education ministry



Source: Elaborated by me using the priorities and planning report of the national education ministry

2.1.2. The budget related to the ongoing investment project of Ain Defla

According to Circular 00005959, dated August 07, 2022, the Wali of Ain Defla is responsible for the project still in progress. That includes projects of the national education ministry related to program 01: basic education.

The program officer is the general director of education

- **The responsibilities of the program officer**

- Defines the perimeter of the projects related to the basic education program.
- Study the reports of project execution with the Wali.
- Divide the performance objectives on the level of the project.
- Determine the allocation of credits suggested to Wali to prepare his programming.
- Possible modifications on the allocation of credits.
- Prepare the attestation of service performed.

The mission of The Directorate of Programming and Monitoring The Budget has been adopted to fit the performance and program budget, considering that every other Directorate in Ain Defla receives its budget from the ministry related to it. Now the directorate is more of a control agency, coordinating with The Wali to execute the ongoing projects under the performance and program budget and responsible for training the public employees on how to prepare the budget under the organic law 18-15 of the financial law in Ain Defla.

The responsible for the action «*unique gestion Wali 44 Ain Defla*» is the Wali of Ain Defla

- **The responsibilities of the action officer**

- Prepare reports and present them to the program officer about the execution and results obtained from the action.
- Predetermine the needs of expenditures titles presented in management, investment, or transfer.
- Suggest the possible modifications of action credits allocation.
- Prepare the attestation of service performed.

- **The presentation of the budget related to current programs**

This budget contains only Title 03 of investment expenditures related to the basic education program.

The expenditures are classified by activity and divided according to preparatory and primary education sub-program and normal and specific medium education sub-program. Also, the partition of expenditures by payment credit (CP) and commitment authorizations.

The budget is also divided by titles that can be presented in employees' expenditures (T1), services management expenditures (T2), Investment expenditures (T3), and transfer expenditures (T4).

Figure 9: The performance and program budget related to the basic education program

EXERCICE BUDGETAIRE: 2023

BUDGET
GENERAL PROGRAMME ENSEIGNEMENT DE BASE
DE L'ETAT

ACTION : unique gestion wali 44 Ain Delfa

CREDITS OUVERTS PAR LA LOI DE FINANCES ET REPARTIS PAR LE DECRET DE
REPARTITION

CODE	SOUS PROGRAMMES	T1		T2		T3		T4		TOTAL	
		AE	CP	AE	CP	AE	CP	AE	CP	AE	CP
011.044.01	SOUS PROGRAMME 1: ENSEIGNEMENT PREPARATOIRE ET PRIMAIRE			0	0	92 530 000	92 530 000	0	0	92 530 000	92 530 000
011.044.02	SOUS PROGRAMME2:ENSEIGNEMENT MOYEN NORMAL ET SPECIFIQUE			0	0	168 760 000	159 360 000	0	0	168 760 000	159 360 000
	TOTAL (1) DES CREDITS OUVERTS PAR LA LOI DE FINANCES REPARTIS DU PROGRAMME A L'ACTION					261 290 000	251 890 000			261 290 000	251 890 000
CREDITS ATTENDUS DEVENUS DISPONIBLES EN COURS D'ANNEE 2023											
RATTACHEMENT DES CREDITS ATTENDUS DEVENUS DISPONIBLES, POUR L'ACTION											
011.044.01	SOUS PROGRAMME 1: ENSEIGNEMENT PREPARATOIRE ET PRIMAIRE										
011.044.02	SOUS PROGRAMME2:ENSEIGNEMENT MOYEN NORMAL ET SPECIFIQUE										
	TOTAL (2) DES CREDITS ATTENDUS DEVENUS DISPONIBLES POUR L'ACTION										
TOTAL DES CREDITS DISPONIBLES PAR SOUS PROGRAMME ET PAR TITRE											
011.044.01	SOUS PROGRAMME 1: ENSEIGNEMENT PREPARATOIRE ET PRIMAIRE			0	0	92 530 000	92 530 000	0	0	92 530 000	92 530 000
011.044.02	SOUS PROGRAMME2:ENSEIGNEMENT MOYEN NORMAL ET SPECIFIQUE			0	0	168 760 000	159 360 000	0	0	168 760 000	159 360 000
	TOTAL DES CREDITS DISPONIBLES POUR L'ACTION (1) + (2)					261 290 000	251 890 000			261 290 000	251 890 000

وزارة المالية - المديرية

Le responsable de la fonction financière

Source: Extract of initial programming of credits and budgetary employment 2023

By taking a look at the budget, we can see that the action gets 261,290,000 DA in total divided between preparatory and primary education sub-program with 92,530,000 DA and normal and specific medium education sub-program with 168,760,000 DA in 2023. According to the document of action credit programming, the preparatory and primary education sub-program involves 35 projects in different areas in Ain Defla.

The priorities and planning report of the national education ministry includes the estimation of expenditures by territory related to the basic education program.

Table 5: The estimations of expenditures evolution in Ain Defla

Territory	Expected credits of 2023 (thousands)	Expected credits of 2024 (thousands)	Expected credits of 2025 (thousands)
Ain Defla	18,771,834 DA	21,057,836 DA	23,099,588 DA

Source: The priorities and planning report of the national education ministry

2.2. The performance approach of the performance and program budget

This budget links objectives and results by defining the objectives of every program and determining the performance indicator compatible with the objective. This creates better measurement of results and improves accountability between officials which develops the efficiency and effectiveness of public services.

2.2.1. The Strategic objectives of the national education ministry

The national education ministry has a set of objectives to realize its strategy and determine the connection between governmental orientation and strategy.

- **The Strategic objectives of the program 01: Basic education in the period (2023-2025)**

According to the priorities and planning report of the national education ministry, strategic objectives have been set for the period (2023-2025) and are listed as follows:

- Every student gains the fundamental learning which allows them to continue their education in college.
- To send 95% of the children registered in the first year to the end of the fifth year in primary school without repetition in 2025.

- **The objectives of the basic education program in 2023**

- Decrease the average size of pedagogical classes in the primary cycle by 02 points.
- Decrease the number of schools and pedagogical classes that function under double-shift teaching.
- Increase the number of students that entrant both the first year of primary school and preparatory education by 80%.
- Reduction of the repetition ratio in the primary cycle into half.

2.2.2. The performance indicators related to the objectives of 2023

Every performance indicator measures an objective related to it.

Table 6: The Objectives and performance indicators of the national education ministry 2023

Objectives	The performance indicators	Actual value	Measure	Date	Targeted values	Measure	Date
1 -Decrease the average size of pedagogical classes in the primary cycle by 02 points.	1- The size of pedagogical classes	30 students	Annual statistical survey	2019/2020	28 students	Annual statistical survey	2023/2024
2 - Decrease the number of schools and pedagogical classes that function under double-shift teaching.	2- The ratio of primary school function under double-shift teaching.	6.72%	Annual statistical survey	2019/2020	3.5%	Annual statistical survey	2023/2024
3- Increase the number of students that entrant both the first year of primary school and preparatory education by 80%.	3- The coverage ratio of preschool education	70%	Annual statistical survey	2019/2020	80%	Annual statistical survey	2023/2024
4 – Reduction of the repetition ratio in the primary cycle into half.	4-The repetition ratio	4.48%	Annual statistical survey	2019/2020	2.5%	Annual statistical survey	2023/2024

Source: Elaborated by me using The priorities and planning report of the national education ministry

By reading the table above, we can see that every performance indicator represents the measurement of its objective. The first performance indicator is the size of the pedagogical class that is linked to the first objective, with the actual value of 30 students in 2019/2020 and the targeted value of 28 students in 2023/2024. The ratio of primary school function under double-shift teaching is a performance indicator with a value of 6.72% in 2019/2020, and the objective of decreasing this ratio to 3.5% in 2023/2024. The third objective is to increase the coverage ratio of preschool education from 70% in 2019/2020 to 80% in 2023/2024. The last objective is to reduce the repetition ratio in the primary cycle from 4.48% in 2019/2020 to 2.5% in 2023/2024. All the performance indicators are measured by an annual statistical survey.

The ongoing projects in Ain Defla that fall under the basic education program are subjected to these objectives and performance indicators which create a sense of accountability between officials and improve performance culture. The Wali of Ain Defla as an action office will have more flexibility in achieving these projects but must meet adopted objectives that fit the operational level and are measured by the same performance indicators, which develop the efficiency of the budget and increase the effectiveness of education and contribute to the local development of Ain Defla.

Section 03: Discussion

After the analysis of the evolution of public expenditures in Ain Defla in the period (2016-2022) and the performance and program budget, we are going to discuss the results obtained and compare them with the results of the previous studies.

3.1. Results discussion

The study of the evolution of public expenditures from 2016 to 2022 is divided into three parts. First, The evolution of the operating expenditures from 2016 to 2022 of the Directorate of Programming and Monitoring the Budget Ain Defla and the state which shows that the main reason for the continuous increase of employees' expenditures and on the national level, there was a breach of transparency principle, the specification of appropriations principle, dependency on the revenues control fund to treat the budget deficit, decrease in the oil prices, and COVID-19 that affected the allocation of credits. Second, the rise in employee expenditures affected the operating expenditures due to the

growth of employees number by 10 in the period (2016-2022), the ongoing increase in social expenditures in the period (2016-2022), and the decrease in income tax in 2022.

The analysis of the investment expenditures evolution of Ain Defla showed there was a lack of planning and an absence of annual and multi-year development programs, which must be corrected by introducing budgetary frameworks. A lack of efficiency in the usage of credits and tardiness in the execution of investment operations can be rectified by promoting transparency and accountability among officials. Low levels of credit consumption; as a performance indicator is not enough to reflect the performance of the managers and must present other performance indicators related to the objectives. Breach of budget principles, a lack of respect for the time frame of projects, and freezing different projects to rationalize public expenditures and then freezing more projects due to the pandemic in the period (2020-2022).

The analysis of performance and program budget in the transitional phase in 2023 showed that the state regulates the ongoing programs by issuing Circular 00005959 to manage these projects under this budget. The Wali is the action officer and is responsible for the projects that fall under the basic education program. The performance and program budget defines the responsibilities of both program and action officers, which promotes accountability. The budget is easier to read and understand and clearly determines the direction of expenditures. It improves Transparency and availability of information. There is planning ahead by making credits estimations for the next two years.

The performance and program budget also introduces the performance approach by setting well-defined strategic and operational objectives and performance indicators related to it to determine the objectives' achievement and identify any deviations.

The Directorate of Programming and Monitoring the Budget contributes to the application of performance and program budget by training its employees on how to prepare and execute the budget in the light of the organic law 18-15 related to the financial law.

Coordinate with Wali to manage the ongoing projects that are considered to be in a transition phase.

Provide support to other Directorates in Ain Defla in the implementation of the performance and program budget.

Control the implementation of the performance and program budget to make sure the successful application of this budgeting system.

3.2. Comparison between study results and the results of previous studies

The results of the study showed differences from previous studies because it covered the first year of application performance and program budget.

The results of the study (SZOLNO-KOGUC, 2018) indicate that to achieve rationality in public finance, the vision of public organizations must be defined clearly and plainly, unlike our study found that the budget must also be results-oriented to increase efficiency in the budget to rationalize public expenditures.

Our study found that the application of performance and program budget went smoothly without any obstructions or obstacles, different from the study (Abdelghani & Benouaret, 2020) that indicates there is a bureaucratic obstruction undisclosed from some of the administrators on different levels to carry on with the project application.

The study (Aliane, 2021) found that there is a limitation of parliament authority in relation to financial control in contrast with our study, which indicates there is transparency and availability of information that improves the parliament authority.

CONCLUSION

Algeria witnessed a lot of social, political, and economic changes throughout recent years that led to the replacing the budget of law 84-17 related to financial law, which depends on allocating the fund by cost object, with the budget of organic law 18-15 of financial law that is more based on results by setting objectives and performance indicators related to it.

The year 2023 witnessed this transition through training the employees on how to prepare and execute the budget related to the organic law 18-15 of financial law that the Directorate of Programming and Monitoring the Budget is also prepared for all public services in Ain Defla to spread the performance culture and introduce them to the new results-oriented management.

This study took place in the Directorate of Programming and Monitoring the Budget in Ain Defla to discover more about the budget, how this transition will affect the missions of the direction, and the role that the direction will be adopted to fill in the performance and program budget.

Results of the study

Our study concludes through the analysis of the evolution of public expenditures in the period (2016-2022) and the analysis of the performance and program budget that the performance and program budget came as a tool to control public spending and improve the efficiency and effectiveness of public services.

The analysis result of the evolution of the public expenditures in Ain Defla in the period (2016-2022)

The study yields different results after the analysis of different types of expenditures.

- A lack of planning in different years in the period (2016-2022) and that is shown in the absence of annual and multi-year development according to article 07 of law 11-10 dated June 22, 2011, which creates reactive management instead of proactive management that leads to the increase of public expenditures.
- The breach of the transparency principle and lack of information provided declines the quality of the decisions made and affects the ability of the decision-makers to assess the situations, which leads to a decrease in the efficiency of the budget and effectiveness of the public services.

- The non-respect of specification of appropriations principle that affects the direction of expenditures that can lead to the increase of expenses and problems in budget reconciliation.
- There is a consistent budget deficiency and dependency on the revenues control fund to treat it due to the lack of respect for the budget procedures and the effect that oil prices have on the Algerian economy.
- The employees' expenditures cannot be touched by any rationalization procedures and keep increasing due to the ongoing improvement of the social expenditures and the decrease of income tax in 2022 to develop the purchasing power of the employees but also contribute to the growth of public expenditures.
- The continuous delay in executing and delivering projects because of the lack of efficiency in using the available credits and the bureaucratic procedures related to the law 84-17 of the financial law.
- The effect of the pandemic on the allocation of credits due to the drop in economic transactions worldwide and also was a priority that the state must deal with as an emergency.
- There is a dependency on the credit consumption percentage as an indicator to measure performance which is not enough, even when it is high, to determine that the agency or administration that is doing well. The efficiency and effectiveness of administration cannot be calculated using only this indicator.
- A lack of objectives achievement and obtained results under the budget of law 84-17 of the financial law because there is an absence of focus on the objectives, the results, and how to evolve the local development.

The analysis results of the performance and program budget in Ain Defla

The examination of the performance and program budget in Defla resulted in the following:

- The adaptation of the Wali of Ain Defla responsibilities according to circular 00005959 dated August 07, 2022, to best fit the transition from the traditional budget to the performance and program budget. Also, transitioning the ongoing projects under the

performance and program budget to improve the respect of time, achieve the objectives, and promote accountability which develops the effectiveness of public services.

- The adoption of the program portfolio that is divided into programs, sub-programs, action, and sub-action, if necessary, alongside the mission of the ministry, which helps in understanding the governmental orientations.
- The promotion of accountability and responsibility among officials by assigning officers to every program, action, and sub-action and holding them responsible for objectives achievement and obtained results.
- The improvement of expenditures direction by introducing the new classifications of the organic law 18-15 related to the financial law, which develops the efficiency of the budget and the effectiveness of the public services.
- Development of planning and forecasting in public administration by presenting the medium-term budgetary framework that includes the estimations of future expenditures in the next two years, which improves the stability and complementary financial laws that can be used only for unexpected situations and emergency cases.
- Introducing the performance that includes strategic objectives for the next two years and objectives for the current year that are related to performance indicators to measure the obtained results and identify any deviations which can improve the budget reconciliation phase.
- The performance and program budget promotes budget sincerity as shown in the organic law 18-15 related to the financial law that improves the quality of the information provided, which can increase the efficiency and effectiveness of public services and rationalize the public expenditures
- Enhancing the transparency and information provided by issuing the priorities and planning report that provides all information related to objectives, performance indicators, the allocation of credits, program portfolio, and even projects of every Wilaya and more which shows real improvement in the information availability.

The limits of the study

This study covers only the evolution of operating expenditures in the Directorate of Programming and Monitoring the Budget in Ain Defla, the evolution of investment

expenditures in Ain Defla in the period (2016-2022), and the first year of performance and program budget and the transition phase. There is a need to explore the execution and reconciliation of performance and program budget and how does affect public expenditures and the efficiency and effectiveness of public services.

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45. المرسوم التنفيذي رقم 20-335 المؤرخ في 22 نوفمبر 2020 المحدد لكيفيات تصميم وإعداد الاطار الميزانياتي متوسط المدى ، الجريدة الرسمية رقم 71 مؤرخة في 02 ديسمبر 2020.
46. مرسوم تنفيذي رقم 20-404 مؤرخ في 29 ديسمبر سنة 2020 ، يحدد كيفيات تسيير وتفويض الاعتمادات المالية.
47. المرسوم تنفيذي رقم 20-383 المؤرخ في 19 ديسمبر سنة 2020 الذي يحدد شروط وكيفيات حركة الاعتمادات المالية وكذا كيفيات تنفيذها.
48. وزارة المالية، مديرية العامة للميزانية، المنشور رقم 00005959 المؤرخ في 2022/08/07 بعنوان التسيير الانتقالي البرنامج الجاري الموقوف بتاريخ 31/12/2022، بعنوان البرنامج القطاعي غير الممركز.
49. القانون العضوي رقم 18-15 مؤرخ في 22 ذي الحجة عام 1439 الموافق 02 سبتمبر سنة 2018 ، يتعلق بقوانين المالية.
50. المرسوم التنفيذي رقم 11-75 في 13 ربيع الاول 1432 الموافق 16 فبراير 2011، الذي يحدد صلاحيات المصالح الخارجية للمديرية العامة للميزانية و تنظيمها و تسييرها
51. المرسوم التنفيذي رقم 20-384 مؤرخ في 04 جمادى الاول عام 1442 الموافق 19 ديسمبر سنة 2020 ، يحدد شروط وكيفيات تنفيذ اعتمادات الدفع المتوفرة خلال الفترة التكميلية.

APPENDIXES

Ordonnance n°

du

NOTIFICATION

DE L'EXTRAIT DU DOCUMENT DE PROGRAMMATION INITIALE DES
CREDITS ET DES EMPLOIS BUDGETAIRES

EXERCICE BUDGETAIRE : 2023

PROGRAMME : « ENSEIGNEMENT DE BASE »

CODE 011.044

RESPONSABLE DU PROGRAMME

Directeur Général des Enseignements

ACTION : unique gestion wali 44 Ain Defla

CODE 011 044 01 4030 000 044
011 044 02 4036 000 044

RESPONSABLE DE L'ACTION

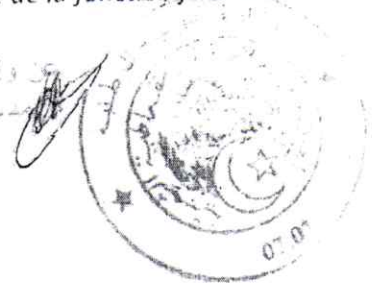
Le Wali

المراقب العام للميزانية
الموافق مع وثيقة البرمجة
الأولية للاحتياجات / مناصب الشغل

Le responsable de la fonction financière



وزارة التربية الوطنية والتكوين المهني
الموارد المالية والمالية
صالح فرغيش



EXERCICE BUDGETAIRE : 2023

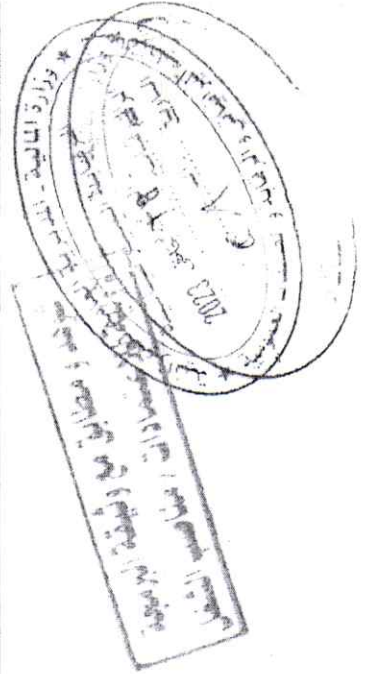
BUDGET
GENERAL PROGRAMME ENSEIGNEMENT DE BASE
DE L'ETAT

ACTION : unique gestion wali 44 Ain Delfia

CREDITS OUVERTS PAR LA LOI DE FINANCES ET REPARTIS PAR LE DECRET DE
REPARTITION

CODE	T1		T2		T3		T4		TOTAL	
	AE	CP	AE	CP	AE	CP	AE	CP	AE	CP
SOUS PROGRAMMES										
011.044.01			0	0	92 530 000	92 530 000	0	0	92 530 000	92 530 000
011.044.02			0	0	168 760 000	159 360 000	0	0	168 760 000	159 360 000
					261 290 000	251 890 000			261 290 000	251 890 000
TOTAL (1) DES CREDITS OUVERTS PAR LA LOI DE FINANCES REPARTIS DU PROGRAMME A L'ACTION										
CREDITS ATTENDUS DEVENUS DISPONIBLES EN COURS D'ANNEE 2023										
RATACHEMENT DES CREDITS ATTENDUS DEVENUS DISPONIBLES POUR L'ACTION										
011.044.01										
011.044.02										
TOTAL (2) DES CREDITS ATTENDUS DEVENUS DISPONIBLES POUR L'ACTION										
TOTAL DES CREDITS DISPONIBLES PAR SOUS PROGRAMME ET PAR TITRE										
011.044.01			0	0	92 530 000	92 530 000	0	0	92 530 000	92 530 000
011.044.02			0	0	168 760 000	159 360 000	0	0	168 760 000	159 360 000
					261 290 000	251 890 000			261 290 000	251 890 000

Le responsable de la fonction financière



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Handwritten signature and date '2023'.

الجمهورية الجزائرية الديمقراطية الشعبية

REPUBLIQUE ALGERIENNE DEMOCRATIQUE ET POPULAIRE



Ministère de l'Education Nationale

WILAYA D'AIN DEFLA

DOCUMENT DE PROGRAMMATION DES CREDITS DE L'ACTION

EXERCICE BUDGETAIRE 2023

- Décret exécutif n° 20-404 du 14 Joumada El Oula 1442 correspondant au 29 décembre 2020 fixant les modalités de gestion et de délégation de crédits.
- Circulaire n° 8162 du 02 novembre 2022 relative à la programmation budgétaire.
- Document de programmation initiale des crédits et des emplois budgétaires de l'année 2023

DOCUMENT DE PROGRAMMATION DES CREDITS DE L'ACTION

EXERCICE BUDGETAIRE 2023

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1^{ERE} PARTIE :

LES CREDITS DU BUDGET GENERAL DE L'ETAT

1. LES CREDITS DE L'ACTION UNIQUE GESTION WALI 44 D'AIN DEFLA

(ENSEIGNEMENT DE BASE) :
(011 044 01 4030 000 044) (011 044 02 4036 000 044)

EXERCICE BUDGETAIRE 2023	T1		T2		T3		T4		TOTAL GENERAL		
	AE	CP	AE	CP	AE	CP	AE	CP	AE	CP	
Programme 1 : Enseignement de Base	011.044										
Sous-Programme 1 : Enseignement préparatoire et primaire	011.044.01	0	0	0	92 530 000	92 530 000	0	0	92 530 000	92 530 000	
Sous-programme 2 : Enseignement moyen normal et spécifique	011.044.02	0	0	0	168 760 000	159 360 000			168 760 000	159 360 000	

1.3.1. LISTE DES OPERATIONS D'INVESTISSEMENT PUBLIC (1/3) :

EXERCICE BUDGETAIRE 2023

Programme 1 : Enseignement de Base CODE 011.044

Sous-Programme 1 : Enseignement préparatoire et primaire CODE 011.044.01

ACTION unique gestion wali 44 Ain Defla CODE 011 044 01 4030 000 044

		T3 DANS LE DPIC				
		AE	CP			
		92 530 000	92 530 000			
CODE	T3. DEPENSES D'INVESTISSEMENT	N° DE DECISION D'INSCRIPTION	INTITULE DE L'OPERATION D'INVESTISSEMENT PUBLIC (PROJET)	ANNEE ANTERIEURE (N-1)		
				AE	CP	
				AE NOTIFIEE	AE ENGAGEE	CP CONSOMMEES
31000	IMMOBILISATIONS CORPORELLES					
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
32000	IMMOBILISATIONS INCORPORELLES					
		N°	OPERATION			
		N°	OPERATION			
		N°	OPERATION			
TOTAL				0	0	0

1.3.1. LISTE DES OPERATIONS D'INVESTISSEMENT PUBLIC (2/3) :

CODE	T3. DEPENSES D'INVESTISSEMENT	N° DE DECISION D'INSCRIPTION	INTITULE DE L'OPERATION D'INVESTISSEMENT PUBLIC (PROJET)	ANNEE EN COURS (N)					
				AE		CP		CP NOTIFIEES	C CONSC
				AE REPORTEE	AE NOTIFIEE	AE ENGAGEE	CP REPORTEES		
31000	IMMOBILISATIONS CORPORELLES			0	0	0	0	0	0
31420	Batiments	NK.5.623.2.262.144.2011.20	Suivi, construction et équipement G.S type B1 Hay souffay nord a Khemis Miliana		5 420 000				5 420 000
31420	Batiments	NE.5.623.3.262.144.2021.01	Etude, suivi, réalisation et équipement d'une cantine scolaire à L'école Kroune Med Commune El Amra		29 400 000				29 400 000
31420	Batiments	NE5.623.3.262.144.2021.07	Etude, suivi, réalisation et équipement d'une cantine scolaire a L'école Chouireb ben Aïssa Commune de Ain Lechiakh		3 800 000				3 800 000
31420	Batiments	NE.5.623.3.262.144.2021.02	Etude, suivi, réalisation et équipement d'une cantine scolaire à L'école Frères Ben Ketib Commune de Djendel		3 800 000				3 800 000
31420	Batiments	NE.5.623.4.262.144.2021.01	Etude, suivi, réalisation et équipement d'une école primaire type B a Douar Ain Louza Commune de Tacheta Zougagha		5 420 000				5 420 000
31420	Batiments	NE.5.623.4.262.144.2021.02	Etude, suivi, réalisation et équipement d'une école primaire type C a Elgrawza Commune de Tacheta Zougagha		6 820 000				6 820 000

31420	Batiments	NE.5.623.4.262.144.2021.03	Etude, suivi, réalisation et équipement d'une école primaire type Ca Karya Ain Bouyahia Commune de Ain Bouyahia	6 820 000	6 820 000	6 820 000
31420	Batiments	NE.5.623.4.262.144.2021.04	Etude, suivi, réalisation et équipement 10 salles de classe en extension au profit du cycle primaire a tracersla wilaya	3 520 000	3 520 000	3 520 000
31420	Batiments	NE.5.623.4.262.144.2021.05	Etude, suivi, réalisation et équipement 06 salles de classe en remplacement au profit du cycle primaire a trovers \a wilaya	2 110 000	2 110 000	2 110 000
31420	Batiments	NE.5.623.4.262.144.2021.06	Etude, suivi, réalisation et équipement d'une école primaire type B a El ghmamza commune de Tacheta Zougagha	5 420 000	5 420 000	5 420 000
31420	Batiments	NE.5.623.4.262.144.2021.07	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Zahar Ahmed commune de DJELIDA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.08	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Mokhtari M'barek commune de DJELIDA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.09	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire dhrif Mohamed commune de DJELIDA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.10	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Azoun Mohammed commune de DJELIDA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.11	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire	800 000	800 000	800 000

31420	Batiments	NE.5.623.4.262.144.2021.20	l'école Primaire Dhaif Mohamed commune de DIENDEL	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.21	Etude, suivi, réalisation et équipement de 02 salles de classe en extension à l'école Primaire Allouche Mohamed commune d'OUED CHORFA.	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.22	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire rouanine ameur commune d'AIN- LECHIAKH	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.23	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Cherfouf M'hamed commune d'AIN- LECHIAKH	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.24	Etude, suivi, réalisation et équipement de 02 salles de classe en extension à l'école Primaire chergui Abdelkader commune de SIDI-LAKHDAR	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.25	Etude, suivi, réalisation et équipement de 02 salles de classe en extension à l'école Primaire Chikhaoui El Bosri commune de BARBOUCHE	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.26	Etude, suivi, réalisation et équipement de 02 salles de classe en extension à l'école Primaire 06 mai 1958 commune de BATHIA	800 000	800 000

31420	Batiments	NE.5.623.4.262.144.2021.27	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Guerouaz Maamar commune TACHETA ZEGAGHA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.28	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Guerouaz Barnouss commune TACHETA ZEGAGHA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.29	Etude, suivi, réalisation et équipement de 02 salles de classe à l'école Primaire Tahni djilali commune de TACHETA ZEGAGHA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.30	Etude, suivi, réalisation et équipement de 02 salles de classe en extension à l'école Primaire Hani, Adjadj commune de TACHETA ZEGAGHA	800 000	800 000	800 000
31420	Batiments	NE.5.623.4.262.144.2021.31	Etude, suivi, réalisation et équipement de 02 salles de classe en extension à l'école Primaire Kaddour Bouhraoua commune AIN BOUYAHIA	800 000	800 000	800 000
32000	IMMOBILISATIONS INCORPORELLES	N°	OPERATION	0	0	0
		N°	OPERATION	0	0	0
		N°	OPERATION	0	0	0
		N°	OPERATION	0	0	0
		N°	OPERATION	0	0	0
TOTAL				92 530 000	92 530 000	92 530 000