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**Special allocation accounts as a mechanism for financial and accounting
management of public investment operations in Algeria during the
period 2001-2019**

-An analytical study-

**حسابات التخصيص الخاص كآلية للتسيير المالي والمحاسبي لعمليات الإستثمار
العمومي في الجزائر خلال الفترة 2001-2019.**

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Abstract

The objective of this research paper is to analyzing the rationality of the decision of the public authorities in algeria to adopt special allocation accounts as a mechanism for financial managemen of public investment operations registered in the development programs implemented during the period 2001-2019.

The study found that the special allocation accounts in algerian practice suffers from many imbalances, related to operations of opening, financing, managing and controlling them ; this has weakned the efficiency of the financial management of public investment operations, and contributed to limiting the effeciveness of the policy of public spending in algeria during the study period.

Keywords : special allocation accounts, public investment programs, Algeria.

الملخص:

الهدف من هذه الورقة البحثية هو تحليل قرار السلطات العمومية أو بالأحرى السلطات المالية في الجزائر، اعتماد حسابات التخصيص الخاص كآلية للتسيير المالي والمحاسبي لعمليات الإستثمار العمومي المسجلة بعنوان برامج الإستثمار العمومي خلال الفترة 2001-2019.

الدراسة بينت أنّ المخالفات العديدة للقاعدة القانونية الحاكمة لحسابات التخصيص الخاص، وكذا الممارسات السلبية المتعلقة أساساً بعمليات فتح، تمويل، تسيير والرقابة عليها، حدّت من فعالية التسيير المالي والمحاسبي للإستثمارات العمومية المنقّذة خلال الفترة 2001-2019. الأمر الذي أسهم -إضافة إلى عوامل أخرى- في تواضع نتائج سياسة التوسع في الإنفاق العام الإستثماري خلال نفس الفترة.

كلمات مفتاحية: حسابات التخصيص الخاص، برامج الإستثمار العمومي، الجزائر.

1. INTRODUCTION

In search of effectiveness and flexibility in the management of public investment programs, and in order to avoid the complexities of the general budget, and the rigidity of the rules framing their preparation and implementation, public authorities in Algeria found in the private allocation accounts a flexible accounting haven for the financial and accounting management of public investments programmed during the period 2001-2019.

The adoption of the public authorities the special allocation accounts in order to frame the financial and accounting operations related to public investments during this period, comes after the promulgation of Law No. 11-11 of December 23, 1999 containing the Finance Law for the year 2000, that redefined special allocation accounts, and linking them with the concepts of specific programs and objectives that must be reached within specific deadlines. In this regard, the text of Article 89 of this law, comes as follows: "The special allocation accounts are the

subject of a work program prepared by the authorizing officer concerned ; with specific objectives to be achieved... ".

This new perception formulated by the legislator for special allocation accounts, in addition to the approval of Organic Law 84-17 related to financial laws, especially in its articles 56 and 57 of the flexibility to manage these accounts, makes it the most effective mechanism for financing public investment operations; but In facing for this effectiveness, the fact that these accounts constitute an exception from the general principles on which the general budget of the state is based (especially the principle of annuality, and the principle of non-allocation) on the one hand, and its enjoyment of a high degree of flexibility that makes it immune to many control patterns approved by The legislator, raises serious questions about the transparency of the financial operations that are managed and executed within the framework of the private allocation accounts.

Through this research paper, we will analyze the rationality of the decision of the public authorities in Algeria to resort to special allocation accounts as a mechanism for financial management of public investment operations during the period 2001-2019 ; for this purpose this paper is organized as follows:

I.the special allocation accounts in Algeria: concepts and rules framin them;

2. Analysis of the rationality of the decision to resort to private allocation accounts as a

And due to its specificity, and to the technical considerations associated with it (the possibility of posting Balances for subsequent years) cannot be included in general budget lines, for example, well-executed guarantees that contractors are obligated to pay to the interests of their contracting parties, as a guarantee of full and satisfactory implementation of the project; The operations, licensing and implementation of their own operations are carried out according to the same conditions

mechanism for managing the financial operations of public investment programs during the period 2001-2019

2. Special allocation Accounts in Algeria: concepts and rules framing them:

special allocation accounts are one of the special accounts of the treasury, which is opened according to the provisions included in the Finance Law of the year, and records the financial operations of the country (the expenses and the corresponding revenues) of a temporary nature¹.

applied to the state's general ².budget operations

Organic Law No. 84-17 modified and complemented, of July 7, 1984, relating to the financial laws of Algeria, did not contain a specific definition of special allocation accounts, but in contrast, Articles No. 56 and 57 thereof included the general rules framing the functioning of special allocation accounts, which we summarize Below:

2.1 The special character of the resources of the special allocation accounts:

Special allocation accounts are created according to provisions included in the finance law for the year in question, for financing and accounting management of operations financed with special resources, meaning that the expenses recorded within the special allocation accounts should be funded and covered by revenue collected specifically for this purpose; unlike the general budget that is based on - among other principles - the principle of “not allocating revenue”, which means that no revenue can be allocated to cover a special expense, but rather that the resources of the state should be used to cover expenditures of the state’s general budget without discrimination.

One of the basic rules on which special allocation accounts are based, is that their expenditures are financed with resources allocated for this purpose; for example, the special allocation account No. 083-302

entitled “Resources arising from the privatization process”, these resources were allocated for Internal and external public debt repayment, and financing demobilization compensation and financial restructuring operations for public economic enterprises; an other example, the special allocation account No. 084-302 entitled “The Special Fund for Export Promotion” whose revenues are allocated to cover burdens related to the study of foreign markets, and provide promotion . subsidies for exports

financing the special allocation accounts through their own revenues (or in accordance with them according to the second paragraph of Article 6 bis 4 of Ordinance 65-320), does not deny the possibility of financing these accounts, even partially through the regular resources of general budget; in this the context, The legislator approved, through the second paragraph of Article 56 of Law 84-17, that it is able to finance special allocation accounts through the general budget resources of the state, but within the limits set by the

Finance Law of the year in question.

2.2 Multi-year nature of special allocation accounts:

Among the basic rules of the preparation and execution of the state's general budget, the annual rule, and this rule is viewed from several angles ; On one hand, the annual budget indicates that the amounts mentioned in the state's general budget, represent estimates of public revenues and expenditures for the coming year, and this is what the article 3 of Law 90-21 stipulated: "The budget is the document that estimates for the civil year the sum of revenues and expenditures, including capital expenditures"; and on the other hand, and within the framework of the oversight authority that the legislator has granted to the legislature, over the executive authority, the latter (the executive authority) is required every year to refer to the representatives of the people in order to obtain a license to collect revenues and pay the estimated expenses included in the general budget of the state.

In this regard, Article 03 of Law 84-17 stipulates that The Finance Law for the year, for each civil year, includes all the state's resources and expenses, as well as other financial means for the management of public facilities ... ”.

However, this annual rule may be an obstacle to the implementation of some multi-year operations, such as public investment programs that exceed the period of implementation in most cases one year; for this reason, the legislator has created some mechanisms that provide the possibility of ensuring the execution of multi-year operations, including "program licenses" and " Payment Credits ", where Article 06 of Law 90-21 related to public accounting stipulates that “ Public expenditures, investment and capital expenditures are recorded in the state's general budget in the form of program licenses, and are executed with payment credits; program licenses represent the upper limit for expenditures that are authorized for the authorizing officer to use in the implementation of the

planned investments, and remain valid without any limitation of the duration, until it is canceled, and Payment Credits represent annual allocations of payment credits that can be financed or it has been transferred or paid to cover the obligations related to the applicable programs licenses.

On the other hand, special allocation accounts constitute an exception to the principle of annualization, and taking into consideration the specificity of the operations that it includes, the legislator authorized that these accounts maybe multi-year, as stated in Article 57 of Law 84-17: "the differences observed at the end of the year between the resources and expenditures in the special allocation account are the subject of a new transfer in this same account for the following .fiscal year"

It should be noted here, that in the event of a surplus or deficit in the balance of the special allocation account during the fiscal year, the legislator has made it possible to remedy this imbalance with one of the two mechanisms:

- In the case of a surplus, credits may be raised within the limits of this surplus of revenue;
- In the case of deficit, it is possible to authorize to cover this deficit within the limits stipulated in the Finance Law, and according to the modalities specified by regulation.

It is worth noting here that the fact that special allocation accounts are multi-year, this presents serious challenges related to the subject of these for accounts to the oversight, example, the legislative authority's control of special allocation accounts is limited only to the stage of opening these accounts within the Finance Law, while the depreciation of the approved credits within these accounts and their transfer from one year to another, remains to the prerogative of the executive authority.

3. Analysis of the rationality of the decision to adopt special allocation accounts as a mechanism for managing the financial operations of public investment programs during the period 2001-2019:

With a license from the legislature, the executive authority in Algeria, represented by the Ministry of Finance, found in the special accounts of the treasury (specifically the special allocation accounts) a flexible accounting haven for financial and accounting management of economic recovery programs for the period 2001-2019, we recall here that Article 230 of the Finance Law of 2002 approved a special allocation account No. 108-302 for the financial management of public investment operations registered under the title of the Economic Recovery Support Program during the period 2001-2004 ; the Article No. 27 of the complementary Finance Law of 2005 stipulated the opening of a special allocation account under No. 120-302 in order to manage Public investments operations Registered within the Supplementary Program to Support Economic Growth. while Law 09-09 of December 30, 2009, which includes the Finance law of 2010 in Article 70, authorized the opening of a special allocation account No. 134-302 for the financial and

accounting management of public investment operations public registered within the investment Program entitled « Consolidation of Economic Growth 2010-2014 » ; Finally, the text of Article 121 of Law No. 14-10 of December 30, 2014, which includes the Finance Law of 2015, opened a special allocation account No. 143-302 entitled "Fund for the Management of Registered Public Investment Operations entitled the Growth Consolidation Program 2015-2019 "

The public authorities justified their reliance on special allocation accounts, for the accounting and financial management of public investments registered in the title of economic recovery programs during the period 2001-2019, by searching for effectiveness and flexibility in the management and avoiding the rigidity of the rules that frame the preparation and implementation of the general budget of the state, especially the annual principal that It does not fit the multi-year nature of public investment programs.

However, the many imbalances that still exist in the mechanisms of opening, managing and controlling the special accounts of the treasury in Algeria, and special allocation accounts of specifically, raise serious questions about the rationalization of the decision of reliance these accounts for the financial and accounting management of the public investments during the period 2001-2019. Below we review the most important of these imbalances:

3.1 violations of the provisions of organic Law No. 84-17 modified and complemented, related to financial laws:

The special allocation accounts in Algeria shall be managed in accordance with the provisions of Articles 56 and 57 of Law No. 84-17 of July 7, 1984 relating to the financial laws, and also in accordance with the provisions of Article 89 of Law No. 99-11 of December 23, 1999 containing the Finance Law of 2000, Which (as previously mentioned) reformulated the concept of special allocation

accounts and linked them to the concept of programs with specific objectives, which are subject to follow-up and evaluation processes.

Article 56 of Law 84-17, states that special allocation accounts include operations that are financed from special resources, and this represents a fear of the principle of non-allocation that underpinning the state's general budget; therefore, the principle in the allocation accounts is to be funded with resources directly related to operations Registered within it, such as financing road maintenance operations through the revenue of car coupons, or financing layoffs through the returns of privatization operations, for example; noting that this does not negate the possibility that the resources of the special allocation accounts could be supported by shares registered in the general budget of the state; however, and contrary to the provisions of Article 56 above, special allocation accounts in Algeria depend primarily on their financing on other sources - other

than their own resources - specifically general budget and petroleum taxation surpluses, while the contribution of resources for special allocation accounts to financing these accounts is very small when compared to the other sources.

In its report on the evaluation project of the budget adjustment law for 2015, the Accounting Council stated that during the 2012-2015 time period, funding for special allocation accounts in Algeria was limited to three main

sources: the state's general budget (current credits, equipment credits and special allocation accounts funded), with an average rate of 59.2%, the resource of revenue adjustment fund by 32.5%, while the share of special resources contribution to special allocation accounts did not exceed 8.2% (see Table 1), which raises serious questions about the matching financing operations Registered with the special allocation accounts in Algeria for the Applicable legislation.

Table (1): Resources for the special allocation accounts in Algeria during the period 2012-2015.(Unity = one billion dinars)

	Resources 2012	Struct ure	Resource s 2013	Struct ure	Resourse s 2015	structure
S.A.A financed from the current budget	451.257	7.8	204.403	3.8	219.384	5.6
A.A.S financed from equipment	956.138	10.3	71.249	13.3	339.224	8.7

.budget						
S.A.A "programs" financed from equipment credits	1916.088	33.0	1906.042	35.6	2253.265	56.0
revunue adjustmant fund	2535.308	43.7	2062.231	38.5	552.192	14.21
Special financing from S.A.A resources.	296.341	5.11	470.582	8.8	523.088	13.46
Total	5795	100	5353.507	100	3887.153	100

Source : Cour des comptes, rapport d’appréciation de la cour des comptes sur l’avant-projet de loi portant règlement budgétaire de l’exercice 2015, p 103.

In a related context, and as another violation of the provisions of Article 56 of Law 84-17, which affirms the necessity of correlation between the nature of the operations registered in the framework of special allocation accounts and its sources of financing, we find that many special allocation

accounts operations that are not conform with the suspended code within the provisions of the Finance Law; in this context, the evaluation report of the Court of Auditors related to the preliminary draft of the budget control law for 2014 revealed a sample of the operations funded by the special allocation

accounts, and that do not coincide with the nomenclature of expenditures registred within these accounts, among them³:

- Account No. 302-079, entitled "The National Water Fund," where an amount of 1.392 billion A D has been allocated to "Algerian for Water" in order to acquire 514,000 meters ; This process is not in conformity with the provisions of Article 143 of the Finance law of 2011, which specifies the conditions for support for investments in Drinking water;

- Account No. 128-302, entitled "Ownership and Development of Information and Communication Technologies", this account is designated to cover the operating expenses for the central administration of the Ministry of Post and Information and Communication Technologies, related to automated media devices, office furniture, presses...;

- Account No. 065-302, entitled "The National Fund for the Environment and Decontamination", and Account No. 081-302 "entitled" The

National Fund for the Territory development ", whereby the subsidies granted were used to finance the regular activities of the trusteeship bodies, through mutual consent deals at high price ;

3.2 The special allocation accounts are transferred from an exception to the state's general budget to parallel budgets:

In Algerian practice, the special allocation accounts, became a flexible haven for many sectors in order to execute some of their public policies away from the complexities of the public budget, but also away from the annual oversight of the people's representatives.

in recent years, the number of private allocation accounts has increased, which made them form more than two-thirds of the special accounts of the treasury in Algeria, and made the annual financial laws allocate for them a special chapter (Chapter III of the second section), which made them (special allocaion accounts) leave the circle of exceptions, to

turn into a basis within the Algerian budget system.

special allocation accounts in Algeria during the period 2001-2014.

The table below shows the evolution of the number of

Table (2): The number of special allocation accounts in Algeria during the period 2001-2014.

Year	2001	2005	2007	2009	2010	2011	2012	2013	2014
Number of accounts	57	64	66	70	77	75	77	71	68

Source :

Court of Auditors, assessment report of the Court of Auditors on the draft law - on the budgetary regulation for the financial year 2015, p 60.

Court of Auditors, assessment report of the Court of Auditors on the draft law - on the budgetary regulation for the financial year 2016, p 154.

This steady growth in the number of special allocation accounts, in addition to the multiplicity of its sources of funding, made it as budgets parallel to the general budget of the state, rather, the accumulated financial credits within these accounts have become greater than the allocations within the general budget of the state.

In this context, the available data indicate that the

expenditures related to the special allocation accounts formed during the years 2012, 2013 and 2014 by 242.48%, 227.16% and 209.84%, respectively, compared to equipment expenditures, and 123.52%, 128.80% and 120.57% Compared to the operating expenses⁴; in a clear indication of the growing importance of special allocation accounts within the Algerian budget system.

In a related context, and against the inflation in the financial allocations accumulated in the special allocation accounts in Algeria, the credits of many of these accounts remained without consumption, which means that the public treasury is charged an alternative opportunity cost. as an example of suspended special allocation accounts until the end of the year 2015, we mention : account No. 093-302 entitled "Press Support Fund", which has not been moved since 2005 with a credit of 390 million dinars, account No. 106-302 entitled "Partnership Fund" with a credit of 5.209 million dinars; account No. 081-302 entitled "The National Fund for Urban Development" with a balance of 0.983 billion Algerian dinars, and account No. 133-302 entitled "The National Social Security Fund" with a balance of 21.105 billion dinars⁵. This situation contributed to the slow pace of execution of many public investment programs. We note in this regard⁶:

- Projects related to the development of aquaculture in plateaus and southern the high

regions, funded by the National Fund for the Development of Fishing and Aquaculture;

- Projects related to works funded by the National way and Highway Fund;

- Program for the rehabilitation of industrial zones and activity areas, funded by the Industrial Competitiveness Fund;

- The Triple National Energy Control Program (2011-2013) ;

- the program for mechanization of agriculture funded by the National Fund for Agricultural Development.

3.3 Lack of transparency in managing special allocation accounts:

According to the provisions of Article 48 of Law 84-17, special allocation accounts are opened and closed according to the provisions of the Finance Law, in the same context the Article 50 of the same law provides that the operations of the special accounts for the treasury are decided, authorized and executed according to the

same conditions applied to the state's general budget operations, meaning that The departure of the treasury special accounts from some general budget rules does not in any way imply that the financial operations carried out within these accounts are exempt or excluded from the control procedures to which the financial activity of the state in its entirety.

Also, we find that Article 68, paragraph (e) of the same law, states that it is mandatory to attach the finance law for the year to the list of special accounts, indicating , the amount of revenues, expenditures, all of these provisions included in organic law No. 84-17 aims to provide transparency in managing the special accounts of the treasury, including the special allocation accounts, and to ensure that they are subject to the control exercised by the legislative authority.

However, this same law included other provisions, which opened a number of loopholes that led to many negative practices that affected the

transparency of the financial operations of special allocation accounts.

For example, We find that paragraph 2 of Article 56 provided the possibility to complement the resources of the special accounts by a share registered in the state's general budget; but the legislator has been silent about setting a specific ceiling for this share and left it to the annual financial laws Which is usually, provide for the opening of special allocation accounts and a brief presentation of their resources and expenditures, without indicating the size of the state's general budget contribution to financing these accounts; gave the executive authority the Possibility to transfer an important credits from the operating and equipment budgets to these accounts (the amounts transferred from the public budget accounted for about 60% of the total Resources for special allocation accounts during the time period 2012-2015), sometimes under the heading of capital expenditures in the equipment budget, and another,

under the heading of public interventions, or shared costs within the operating budget, which means that the legislative authority authorizes (through the Finance Law) the executive authority to spend significant amounts of money (transferred from the general budget of the state), without requiring them to indicate the sectors that benefit from these sums or the operations that will be funded, and without requiring them to submit the results related to the consumption of credits authorized to be subjected to control operations.

Also, the second paragraph of Article 57 of Law 84-17, states that in the case that the revenues of the special allocation accounts exceed their expenses, the credits of these accounts can be raised to absorb the surplus, and in the opposite case, it is permissible to open an exposed to cover the additional expenses; In the first case (surplus), and with consideration that the largest part of the resources of the special allocation accounts comes from the general budget allocations, the article did not oblige the executive authority to return to

Parliament in order to obtain a license to raise the credits, and In the second case, (In the event of a deficit in the account of the special allocation), the article did not specify a ceiling for the exposed and left this to the provisions of the Finance Law.

In a related context, and in order to activate the oversight mechanisms for the management of special allocation accounts, Article 89 of Law 99-11, stipulates that allocation accounts are the subject of a work program prepared by the concerned authorizing officer, in which the objectives are set as well as the deadlines for execution, and a device is established To follow up and evaluate the special allocation accounts by the Minister of Finance, in coordination with authorizing officer concerned; but the article did not clarify the mechanisms of work of this agency, nor the distribution of responsibilities within it, between the minister in charge of finance and those who are in charge of spending; and whether the results of the work of this device are presented to the

Legislative authority In order to exercise control over it, or is the agency subject to the trusteeship of the minister in charge of finance and consequently the executive authority, and here serious questions arise about the effectiveness of the follow-up and evaluation operations carried agency. out by this

On an other hand, the successive investigations of the Accounting Council showed that many of the special allocation accounts of various sectors was opened without including a specific work program, and no clear objectives that allow for follow-up, evaluation and responsibilities to be carried out ; among them, we mention: account No. 128-302 entitled “Fund Owning Use and Development of Information and Communication Technologies”, Account No. 117-302 entitled “The Al-Watani Microcredit Fund, Account No. 069-302 titled “National Solidarity Fund,” Account 135-302 “Public Support Fund for Professional Sports Clubs” and the Urgent and Medical Treatments Fund.

The previous presentation of the imbalances in the management of special allocation accounts in Algeria, finds a theoretical support for it in the report of the International Monetary Fund on the conformity of the budget system in Algeria with the standards of Public Finance transparency, The report focused on a sample of special allocation accounts (Solidarity Fund for Local Communities, the National Housing Fund, the Control and Agricultural Development Fund and the Public Investment Operations Steering Fund within the Economic Recovery Program), and confirmed that the treasury’s special account operations are not sufficiently transparent, and Provide the following set of notes⁷:

- The almost total reliance on the general budget allocations of the state, in order to finance the operations registered in the special allocation accounts .
- Revenues, expenditures and credits of the treasury’s special accounts are not included in the annual finance law, while

they are registered in the public treasury account opened at the central bank.

- The lack of transparency in the management of the special accounts of the treasury, including the special allocation accounts.

As for the World Bank, in its presentation of the most important technical and institutional obstacles that limit the effectiveness and transparency of budgetary management in Algeria, in its evaluation report of the public investment policy in Algeria (the economic recovery program 2001-2004 and the supplementary program to support growth 2005-2009), he emphasized the steady growth. The justification for the number of special allocation accounts, of which is resorted (according to the World Bank) in order to defraud the annual budget cycle⁸.

The lack of transparency in the operations of special allocation accounts extends to the Algerian budget system as a whole; and this is highlighted by reviewing the open budget index for Algeria, prepared by the "International Budget Partnership - Open Budgets".

The open budget index in Algeria, although there has been some improvement during the time period of 2010-2015, as it moved from 2 on 100 in 2008 to 13 in 2012 then 19 in 2015 (table 3), but these values are still weak, and below the global average of 45 over 100 In 2015 ; During the last two years (2017-2019), the index value declined (year sharply to settle at 2% 2019), and as a result, the Algerian budget system fell into the category of the least transparent international budget systems.

Table (3): The development of the Open Budget Index in Algeria during the period 2005-2015.

Year	2010	2012	2015	2017	2019

Index value	1	13	19	3	2
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Source : open budget survey 2019, Algeria, at : www.internationalbudget.org.

































The lack of transparency in the Algerian budget system, is also evident by reviewing the portfolio of explanatory documents accompanying the state's general budget stipulated in Article 76 of Law 84-17 related to financial laws, and Article 02 of Law 89-24 amending and completing Law 84-17, where we note a complete absence of any Attachments that allow the public to understand the government's plans to increase revenue and expenses in order to achieve the public policies goals, as well as the absence of any documents related to future expectations in the medium term (the next two or three years) on the development of state revenues and expenditures.




We may also note that the organic law related to the financial laws in Algeria (Law No. 17-84 amended and completed) does not oblige the executive authority to submit any documents or reports and make them available for public viewing, and displays the reality of the execution of the general budget, in order to make comparisons with the initial estimates.

this fact is proven by the data in the table below, which shows the status of the availability of eight (08) of the main documents that must accompany the state's general budget, according to international standards.

Table (4): Status of the availability of state budget documents in Algeria during the period 2010-2019.

Document	Release status
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	2010	2012	2017	2019
pre-budget Statement				
executive's budget proposal				
Enacted budget				
Citizen budget				
In-Year reports				
mid-year review				
Year-end report				
Audit Report				

 published  Published later/ achieved for internal use only  Not produced

Source :open pudget survey 2019, algeria, at :
www.internationalbudget.org.

The data of the above table clearly shows that the documents related to the general budget in Algeria - according to international standards - are either present but not available for public viewing, and achieved for internal use only, or that their preparation and availability to the public is outside the appropriate deadlines, or that they do not exist Originally (not being produced), this situation - as already mentioned - has made the Algerian budget system classified within the list of less transparent systems according to the Open Budget Index, prepared by the International Budget Partnership, which adopts 109 sub indicators.

3. CONCLUSION

Through this research paper, we analyzed the rationality of the decision of the public authorities in Algeria to adopt the special allocation accounts as a mechanism for financial management of public investment during the period 2001-2019 ; we found that in

light of the many imbalances that still affect the operations of opening, financing, managing and controlling these accounts, so resorting to it for the financial investment management of public operations, contributed to the modest results of the policy of expansion in public spending that Algeria pursued during this period (2001-2019).

In light of all the above, we offer the following recommendations:

- Reducing the frequent and often unjustified use of the executive authority in opening special allocation accounts;
- Limiting the opening of special allocation accounts - only - in the case of operations for which there are certain self-financing sources, otherwise they should be closed rather than looking for other funding sources for them;
- Specifying a percentage for financing these accounts from the state's general budget in exceptional cases, and stipulating them within the finance law for the year in question;

- Special allocation accounts must include a specific work program, and clear quantitative goals that allow for follow-up, evaluation and responsibilities assignments;
- Restricting the authority of the executive's to raise credits (in the event of a surplus) or open exposed (in the event of a deficit), and obligate it to refer to the legislature in order to obtain a license to do so;
- Activating the role of the monitoring and evaluation apparatus for the special allocation accounts stipulated under the provisions of Article 89 of Law 99-11, and specifying its powers and mechanisms for performing the tasks assigned to it.
- It is mandatory to attach the Finance Law for the year concerned with a detailed list of the treasury's special accounts, indicating the amount of revenues, expenses and disclosures established for these accounts, as stipulated in Paragraph (e) of Article 68 of Law 84-17.

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¹ Paragraph 2 of Article 6 bis 4 of Ordinance No. 65-320 of December 31, 1965 containing the Finance Law of 1966, official gazette No.108-1965, p 1523.

² Law No. 84-17 of July 7, 1984 related to Financial Laws, Official Gazette No. 28-1984, p 1045.

³ Look :

- Court of Auditors, assessment report of the Court of Auditors on the preliminary draft law on the budgetary regulation for the financial year 2014, p 94.

- Court of Auditors, assessment report of the Court of Auditors on the preliminary draft law on the budgetary regulation for the financial year 2015, pp 109-110.

⁴ Court of Auditors, assessment report of the Court of Auditors on the draft law on the budgetary regulation for the financial year 2015, p 92.

⁵ Court of Auditors, assessment report of the Court of Auditors on the draft law on the budgetary regulation for the financial year 2015, op cit, p 105.

⁶ Look :

-Court of Auditors, assessment report of the Court of Auditors on the draft law on the budgetary regulation for the financial year 2013, pp 66-67.

- Court of Auditors, appraisal report of the Court of Auditors on the draft bill on the budgetary regulation for the 2014 financial year, pp 94-95.

⁷ International monetary fund, Algeria : report on the observance of standards and codes fiscal transparency module, IMF country report No 05/68, February 2005. P 11

⁸ the world bank, Algeria in search of quality public investment, a review of public expenditure, volume I, 15 august 2007, p 59.