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Administrative engineering of the Solidarity and Guarantee Fund for Local Communities as an option for achieving sustainable development in Algeria: The state of M'sila municipalities 2019-2020 and Ministry of Interior statistics

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Abstract :

This study aims to shed light on the reality of the administrative engineering of the Solidarity and Guarantee Fund for local groups and the extent of their contribution to financing local groups, by addressing the most important theoretical concepts and analyzing some of the data related to the subject. Especially the statistics of the Ministry of the Interior and the financing of the municipalities of M'sila state. It was found that this administrative engineering led to improving the performance of the Solidarity and Guarantee Fund in eliminating the budget deficit of local groups and continuing to finance their requirements. However, they are provided in the form of subsidies that are not allowed to be disposed of except to the extent that they are allocated to it. **Keywords :** Administrative Engineering, Local Communities, Solidarity and Guarantee Fund for Local Communities, Finance, Municipalities of M'sila state.

1- Introduction

Our current era is known by a total openness on all levels. Especially with the beginning of the nineties of the last century through the great development in information and communication technology which affected all requirements of life, so it became influencing on the behavior of individuals in ways and quality of satisfying the needs and endless desires, until

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these desires took on an international character. This affected the bodies and organizations of businesses and services, and imposed on them to follow those developments to bridge the gap or at least reduce it, and that through restructuring the operations and administrative apparatus. While it became called by the name of administrative engineering or the term "Enginera" as a partial abbreviation from the words engineering and management.

1.1- Problematic of the Study: Based on the above we can pose the following problematic:

- **To what extent can the administrative engineering of the Solidarity and Guarantee Fund for Local Collectivities contribute in financing and supporting the stability of local collectivities in Algeria?**

1.2- Importance of the Study: The importance of this study manifests in knowing the extent of contribution of the administrative engineering of the Solidarity and Guarantee Fund for Local Collectivities in financing and stability of local collectivities and helping them to meet the basic services and development requirements which are meant to contribute in employing the local energies, absorbing unemployment and fighting hunger and poverty in the frame of striving to achieve the goals of sustainable development.

1.3- Study Methodology: The descriptive method was used through reviewing the most important concepts related to local collectivities, administrative engineering and the Solidarity and Guarantee Fund for Local Collectivities, as the analytical method was used, in the frame of reviewing the data and interpreting them and processing the results.

1.4- Limits of the Study: The light was focused in this study on the case of municipalities of M'Sila Province 2019-2020 and statistics of the Ministry of Interior obtained from its official website regarding different years starting from the year 2000.

2- Theoretical Framework

2.1- Local Collectivities:

By locality is meant the geographical area in which a group of population lives, whether resulting from administrative division (as the municipality, the district, the province, the wilaya and the prefecture) or related to collective identity (as the tribe and the clan) (Mokhlouf and Omar, 2018, page 515).

2.1.1- Concept of Local Collectivities: Local collectivities are a group of executive and technical apparatus at the local level that undertakes the management of affairs and public services of local character, as it means distributing the administrative function in the state between the central apparatus and the bodies independent of them, and it is a way among the ways of organizing the state whose purpose is to achieve administrative decentralization. And it can also be defined as that part of the mother government or the state, which specializes basically in the matters that concern the inhabitants of a certain region or a certain place (Azizi, 2008, page 25). And Algeria took the system of local collectivities gradually since the year 1969, after that the administrative division of the year 1974 which continued to be applied until the year 1984 where the new administrative division happened. Then the modification in the number of districts in the year 1990. Where these collectivities are represented at the local level basically in each of the wilaya and the municipality.

2.1.2- The Wilaya: Article One of Law No. 12-07 dated 21/02/2012 relating to the wilaya defined it as: a public regional collectivity with moral personality and with financial independence and it has political, social and cultural competencies, it constitutes an administrative district of the state. The wilaya works to achieve coordination and cooperation between the functions and competencies of municipalities and between the tasks of the central authority in the state to achieve balance between the local regional interest and the general interest of the state.

2.1.3- The Municipality: According to the text of Article One of Law No. 10-11 dated 22/07/2011 relating to the municipality, it is the basic regional collectivity, enjoys moral personality and financial independence and is created by virtue of law. It has a territory, a name and a center, it is managed by a popular municipal council and an executive body. It is run by elected representatives from the municipality's inhabitants, in addition to an administrative staff appointed by the administration. Where it was granted all the powers that make it a tool for serving the citizen and achieving local development.

2.1.4- Characteristics of Local Collectivities: The most important characteristics of local collectivities are represented in administrative independence and financial independence (Lamir, 2014, pages 44-45):

- **Administrative Independence:** Administrative independence is what makes the local administrative apparatus enjoy all the necessary powers to practice its activities, so that the administrative functions are distributed between the central government and the independent local bodies, according to a supervisory system relied upon by the central authorities of the state.
- **Financial Independence:** Financial independence means that local collectivities have financial resources that enable them to perform the competencies entrusted to them legally, and satisfy the needs of citizens within their tasks according to administrative independence. As it enjoys the right of ownership of private funds and preserving the funds and rights that constitute its wealth.

2.1.5- Tasks of Local Collectivities: According to the classification of the United Nations International Forum on Creative Policies and Local Governance Practices which was held in Sweden 1996, the tasks and responsibilities of local governance councils were classified under four basic titles (Lamir, 2014, page 38):

- ✓ Services in the form of goods with public utility that local governance councils produce and provide them, like drinking water, sanitation, construction and maintenance of roads and public parks...
- ✓ Services with special utility, like education and social welfare...
- ✓ Infrastructure services, include land surveying, plans and maps, preserving the environment and public health...
- ✓ Services that include protecting the security of citizens and preserving order.

2.2- Administrative Engineering:

An American magazine published in year 1993 a press interview with (Michael Hammer) was asked, how does administrative engineering lead to change the culture of the institution? He answered: "The narrow functions expand; the organizational structure changes from the hierarchical form to work teams (the horizontal and matrix form); the employees change from controlled to empowered; the performance focus becomes, the administrative process instead of the administrative departments; the performance measurement changes from activity to result; the management task changes from supervision to teaching; the manager changes from controller and points collector or complaints site to leader; the priorities change from financial budgets to performance of the operations themselves and the employee's concern changes from satisfying the manager to satisfying the customer" (Harush, 2018, page 25).

2.2.1- Definition of Administrative Engineering: (Michael Hammer) defines reengineering of processes as "the fundamental rethinking and redesign of processes, to achieve dramatic basic and contemporary improvements, and performance measurement like cost, quality, service and speed". As it is defined also as: "Rebuilding work systems to facilitate procedures and improve overall performance. It is like a planned methodology managed through an integrated system of organizational, administrative, technical and technical aspects that work in harmony and harmony, aiming to build from the roots to achieve substantial development and real modernization for all systems, processes and procedures to improve performance, reduce cost and increase profitability in light of comprehensive quality specifications" (Hadidan and Khaled, 2021, page 48).

2.2.2- Objectives of Administrative Engineering: Through the previous concept and definitions, the basic objectives desired from doing or conducting the process of administrative engineering can appear clearly as follows (Harush, 2018, page 17):

- ✓ Achieving radical change in performance through changing the work system and tools and liberating the workers from rigid constraints and encouraging them on innovation and creativity and implementation according to the requirements of the unit and its objectives.

- ✓ Speed in executing works according to the specified time schedule by relying on a modern information and communication network that facilitates obtaining the necessary information and speed of taking decisive decisions at the appropriate time.
- ✓ Improving the quality of products and services provided, to match the requirements and needs in the shadow of the fierce competition imposed by globalization.
- ✓ Reducing the financial cost of any productive or service process through focusing basically on the necessary operations and canceling the unnecessary operations that do not provide added value to the customer.
- ✓ Focusing on the actual demands through providing the necessary capabilities that enable it to reach its goals and working on rebuilding the administrative processes for that.
- ✓ In addition to other objectives no less important than getting rid of complexities and bureaucratic procedures, reducing the number of organizational levels, less administrations, less functions, less control, transforming managers to teachers and trainers, transforming the organizational structure from the traditional hierarchical form to the horizontal or matrix form, limiting the role of middle management by working within one team.

2.2.3- Characteristics of Administrative Engineering: The most important characteristics of administrative engineering can be summarized in the following basic points (Qurayshi and Gharbal, 2019, page 126):

- ✓ Integrating several functions in one function, contrary to the prevailing idea of division of labor;
- ✓ Involving the employee in decision-making related to the function and considering him participant and responsible;
- ✓ Reducing centralization and simplifying work procedures;
- ✓ Executing work according to the type and nature of each activity, instead of arranging sequential steps
- ✓ Reducing control and follow-up works and following total control methods;
- ✓ Radical change by starting from zero point;
- ✓ Differs fundamentally from traditional administrative development;
- ✓ Focuses on outputs (customers) and administrative processes, not on activities;

Relies on the necessary use of activities and information technology.

2.2.4- Motives and Reasons of Administrative Engineering: Management is a tool for change that aims to achieve transformation or transition from the current administrative situation to a new administrative situation more suitable and better and more responsive to aspirations and hopes and future possibilities. Where the most important motives of administrative engineering appear in what (Michael Hammer and Champy) pointed to. And which he summarizes in three basic cases (Harush, 2018, page 19):

- ✓ The situation of the body or institution is deteriorated, the stage of decay and administrative decomposition, where it finds itself amid many problems and faces increasing rise in costs.
- ✓ The management of the body or institution expects reaching the decline stage in the near time.
- ✓ The body or institution reaches the peak of superiority and success, and its management expects weakness in facing problems in the future. Which means that no matter how much power and influence and superiority it reaches, it needs to review its work systems and improve its outputs continuously.

As it may return to the change in individuals' behavior resulting from the changes and development that occurs continuously especially in the field of information technology,

2.2.5- Requirements for Applying Administrative Engineering: The process of applying administrative engineering or restructuring administrative processes needs the availability of a set of necessary requirements for its success which the most important of them are represented in the following (Qurayshi and Gharbal, 2019, pages 127-129):

- ✓ Awareness of managers by the administrative processes "understanding and perception";
- ✓ Initiative in coordination between individuals and groups and raising their moral state;
- ✓ Administrative policies emerging from the strategy that provides guidance and direction for decision-makers;
- ✓ Strategic planning according to scenarios that seek to put the planners' thinking and orientations and expectations in a practical framework applicable that considers the changes and developments in the tasks and activities of the institution;
- ✓ Using information technology;
- ✓ Laws and legislations that determine the general policy of the institution.

2.2.6- Models and Methods of Applying Administrative Engineering: Managements differ in using sequential and consistent steps and stages put in scientific ways not that their goal is one, which is reaching its planned objectives, and among those models and methods used in the field of administrative engineering we limit to the model that requires the following stages (Harush, 2018, pages 20-22):

- ✓ Stage of preparation and planning, and it includes several axes among them defining the concept of administrative engineering, its results, setting priorities then forming a leadership committee for the project or the process and its tasks.
- ✓ Stage of studying the current processes, through the future vision that was set previously, determining the level of details of required information, then collecting technical, organizational and social information.
- ✓ Stage of designing the new process, by setting and choosing alternatives; using information technology; testing alternatives; designing the new process from technical, organizational and social aspects; reviewing and evaluating the new process; presenting to the leadership committee and taking approvals, and new recommendations and observations; preparing the final report for the project; results and recommendations with preparing comparison tables between the current process and the new one.
- ✓ Stage of follow-up, by forming a team that works on training those in charge of work, applying the project recommendations and new organizational structures, measuring the impact of new changes and following their application and raising periodic reports to the project leadership committee.

As (Mische & Bennis, 1996) pointed to the practical framework or the successful reengineering method, which can rely on the following basic stages (Al-Kasasbeh and Al-Faouri, 2010, pages 231-232):

- ✓ Launching the vision and determining objectives by establishing performance standards, determining the project scope, its direction and detailed objectives.
- ✓ Evaluating the basic plan and benchmarking, by documenting responsibilities, reports, work volume, added value and analyzing it. Evaluating the information that allows comparing internal performance standards with external performance standards, and best practices.
- ✓ Focusing on customers or clients to provide better products with lower costs, greater speed and higher service.
- ✓ Organizing around the process by looking at the work that flows across organizational units, and adds value.
- ✓ Starting from zero point, by researching the institution's practices to consider whether there are justifications for the existence of these practices.

2.2.7- Factors of Success of Administrative Engineering: (Michael Hammer) was also asked about the decisive factor or element in the success of administrative engineering, so he answered: The leader, then the leader... Administrative

engineering cannot start from the bottom. And no doubt that any organization strives hard to achieve these goals and this advantage that guarantees its survival and continuity, and this administrative concept remains among the concepts that caused radical and rapid changes in many organizations and companies but its success depends on the extent of the work team's perception of the administrative engineering program, the ability to implement it and avoid its slips. As our institutions can benefit from this new concept in the science and world of management, and also from global experiences provided taking the environment and its components into consideration and avoiding ready-made recipes. (Harush, 2018, page 25). And the most important factors of success of administrative engineering can be limited in the following (Harush, 2018, page 22):

- ✓ Necessity of support of top management for administrative engineering;
- ✓ Focusing on redesigning the process;
- ✓ Focusing on values and habits and traditions of individuals;
- ✓ Allocating appropriate financial resources;
- ✓ Putting reengineering at the top of the organization's priorities;
- ✓ Do not do reengineering when the supervisor is at the doors of retirement;
- ✓ Comprehensive change of old administrative concepts;
- ✓ Existence of an effective communication system;
- ✓ Setting clear objectives, and comprehensive review of customer needs;
- ✓ Choosing competent team members, and setting a detailed plan for all stages;
- ✓ Setting applicable solutions with follow-up and auditing.

3- Solidarity and Guarantee Fund for Local Collectivities:

This fund's structure passed through several stages that followed one after another since independence until it became in its current form starting from year 2014, especially in the frame of formulating it as a joint fund in year 1986.

3.1- Joint Local Collectivities Fund: It appeared in the Municipality Law of year 1967 Section Three Article 266 creating a municipal guarantee fund and another solidarity fund, managed by a public institution appointed by virtue of law. Where the powers were delegated to the National Savings and Reserve Fund regarding managing the funds of solidarity and guarantee and those transferred to the Ministry of Interior (Order No. 68-72, 1972, page 27), then a public service was created for it called "Service of Joint Funds for Local Collectivities" to exercise those transferred powers, under the supervision of the authority of the Minister of Interior, where a management council acts in it and a director manages it (Decree No. 134-73, 1973, pages 1-5), to transform in year 1986 the service into the Joint Local Collectivities Fund.

3.1.1- Concept of Joint Local Collectivities Fund: It is a public institution of administrative character enjoys moral personality and financial independence, includes solidarity and guarantee funds for each of municipalities and wilayas. It is placed under the tutelage of the Ministry of Interior. It was created in year 1986 under the name Joint Local Collectivities Fund FCCL, according to Decree No. 86-266, which determines its objectives, tasks, organization and competencies (Decree No. 86-266, 1986, pages 4-10):

3.1.2- Objectives and Tasks of Joint Local Collectivities Fund: The most important tasks and objectives of this fund are represented in the following:

- ✓ Managing solidarity and guarantee funds for local collectivities through: - providing compulsory public service allocations for local collectivities, - distributing tax resources allocated equally, - providing financial aids to face difficult financial situations, - providing financial grants to achieve equipment or investment projects according to the directions of the national development plan.

- ✓ Conducting studies and investigations and researches related to developing local equipment and investments and accomplishing them;
- ✓ Forming and training employees of local administration and institutions and local public services, and disseminating documents that facilitate the work of elected and local frameworks.
- ✓ Encouraging media works and exchanging experiences and meetings to promote local collectivities through organizing study days and participating in markets and exhibitions.

3.1.3- Organizational Structure of Joint Local Collectivities Fund: The Joint Local Collectivities Fund is supervised by a steering council, managed by a director and chaired by the Minister of Interior and Local Collectivities or his representative. This council consists of:

- ✓ Five (5) presidents of popular municipal councils elected by their peers;
- ✓ Two (2) presidents of popular wilaya councils elected by their peers;
- ✓ One (1) wali appointed by the Minister of Interior and Local Collectivities;
- ✓ One (1) representative of the Ministry of Interior and Local Collectivities;
- ✓ Two (2) representatives from the Ministry of Finance;
- ✓ One (1) representative of the Ministry of Planning;
- ✓ The Director General of the National Urban Planning Agency or his representative;
- ✓ The Director General of the Local Development Bank or his representative.

4.1.3- Resources of Joint Local Collectivities Fund: The resources of Joint Local Collectivities Fund are represented in:

- ✓ Taxes or tax shares allocated by the current legislation;
- ✓ All resources that the law places under its disposal;
- ✓ Creditor balances resulting from settling taxes and fees;
- ✓ All other revenues coming in the form of donations;
- ✓ The amount of value surpluses from tax estimates regarding estimates of municipalities and wilayas in the field of taxes.

3.2- Administrative Engineering of Joint Local Collectivities Fund: Achieving the fund's planned objectives successfully especially eliminating and getting rid of the deficit in which most municipalities were struggling, since the nineties until the end of year 2010. And to keep up with technological development and increase of tasks of local collectivities especially municipalities which the supervising authorities on their management, expect weakness in facing problems in the future. Therefore it became necessary to keep up with those developments in a way that guarantees improving its work systems and outputs continuously, as the environment does not forgive and needs renewal, modernization, development or restructuring that follows the reality. For this the Ministry of Interior and Local Collectivities resorted to the administrative engineering of the Joint Local Collectivities Fund (Executive Decree No. 116-14, 2014, pages 4-9) to appear under the name Solidarity and Guarantee Fund for Local Collectivities. Where the landmarks of administrative engineering appear in:

3.2.1- The Name: Where the Joint Local Collectivities Fund was renamed to fit with the role it performs of financing, control, follow-up and support for local collectivities in the form of solidarity and guarantee. To appear under the name Solidarity and Guarantee Fund for Local Collectivities.

3.2.2- Tasks and Objectives: In addition to the previous tasks and objectives the new fund is charged with the following:

- ✓ Establishing solidarity between local collectivities through mobilizing financial resources and distributing them, where it finances local collectivities with total allocation 60% for management, and 40% for investment;
- ✓ Banking mediation for the benefit of local collectivities;
- ✓ Granting financial aids for the benefit of municipalities for rehabilitating the local public facility;
- ✓ Distributing financial allocations paid by the state for the benefit of local collectivities;
- ✓ Directly undertaking and accomplishing every work related to its objective or explicitly delegated to it by virtue of laws and regulations in force.

3.2.3- Organization and Management of the New Fund: What distinguishes administrative engineering in this field is providing the Director General with a technical committee charged with exercising subsequent control on implementation of the fund's programs and projects on behalf of the steering council, in addition to increasing the number of steering council members where it contains:

- ❖ **Steering Council:** The steering council chaired by the Minister in charge of Interior or his representative for a period of five (5) years consists of:
 - ✓ Seven (7) presidents of popular municipal councils elected by their peers for the duration of their membership;
 - ✓ Three (3) presidents of popular wilaya councils elected by their peers;
 - ✓ Two (2) wadies;
 - ✓ Four (4) representatives of the Ministry of Interior and Local Collectivities;
 - ✓ Three (3) representatives of the Ministry of Finance;
 - ✓ One (1) representative of the ministry in charge of urban planning.

The Director General of the fund participates in the meetings of the steering council with advisory voice, where he undertakes the secretariat of the steering council. As the steering council can invite as consultant any person by virtue of his functions or competence to attend its sessions.

- ❖ **Technical Committee:** The technical committee is formed from nine (9) members:
 - ✓ The Director General of the fund, as president;
 - ✓ Five (5) representatives of presidents of popular municipal councils and presidents of popular wilaya councils, they are chosen on the basis of their qualifications and experiences, from non-members of the steering council;
 - ✓ Three (3) representatives of the minister in charge of local collectivities, from non-members of the steering council.
- ❖ **Fund Structure:** The structural system of the fund consists of four (4) departments:
 - ✓ General Administration department charged with managing the fund.
 - ✓ Management Programs department charged with distributing the total allocation for management and state budget allocations for the benefit of local collectivities.
 - ✓ Equipment and Investment Programs department charged with distributing the total allocation for equipment, investment and guaranteeing tax resources that recorded tax value deficit.
 - ✓ Statistics and Computer department charged with programming and collecting statistical and financial data.

❖ **Fund Budget:** The draft budget of the fund which the Director General prepares, is presented to the steering council for deliberation. Then it is sent to the tutelary authority and the Minister of Finance for approval. Where the budget includes two chapters:

✓ Revenues chapter and it includes: annual grants granted from the state budget for managing the fund, donations and bequests and every other resource related to the fund's activity.

✓ Expenditures chapter and it includes: management expenses and equipment expenses.

3.2.4- Grants that it Provides to Local Collectivities: The importance of the Solidarity and Guarantee Fund for Local Collectivities lies in alleviating the deficiencies of the local tax system, alleviating financial disparities between different local collectivities and adopting a national policy of solidarity and fair distribution of local collectivities' resources within the framework of municipality and wilaya laws (Belqlel, 2018, page 173). Where this is considered among the most important sources of financing for local collectivities, through providing grants in different forms as follows:

3.2.4.1- Equal Distribution Grant: It is granted on the basis of demographic rate and wealth coefficient, and the steering council can add other criteria. It aims to reduce disparities between rich and poor municipalities and create some balance in distributing wealth and development across municipalities. The municipality obtains a grant equivalent to equal distribution if its wealth rate is less than the national rate, which equals total own resources on the number of population. And as a result of using this method many local collectivities with small population number and weak financial resources were deprived, therefore thinking was done in applying the improved equation by allocating 70% of the total amount to equal distribution equation according to wealth coefficient and 30% of the financial allocation according to the improved method. Where the improvement coefficient is calculated on the basis of the coefficient granted to the municipality according to the ascending order of population number, compared to the national coefficient.

As another criterion was added to this equation for increasing its effectiveness which is benefiting municipalities whose wealth rate is less or equal to twice the national wealth rate and whose revenues do not exceed five million dinars -5,000,000 DA.

2.4.2.3- Exceptional Grants: These grants are allocated for the benefit of disabled municipalities, to cover compulsory expenses like salaries and electricity consumption expenses. And wilayas that face difficult or unexpected financial situation to face disasters. Where municipalities' deficit was covered starting from year 2011.

3.2.4.2- Equipment and Investment Grants: This grant is granted to the equipment and investment section of wilaya and municipality budgets within the framework of implementing the directions and objectives specified in the national development plan and the expected works for local collectivities' development plans, where it cannot be diverted from its destination in any case, and in granting it is considered: population number criteria, area and geographical location.

3.2.4.4- Grants in the Field of Tax Estimates: The Solidarity and Guarantee Fund for Local Collectivities provides a financial grant known as tax value deficit, and it means the difference between estimates and actual tax collections for the financial year.

3.2.4.5- Other Contributions and Grants: They are represented basically in: - Grants allocated for management and maintenance of primary schools and school restaurants - Grants allocated for school feeding - Grants allocated for school transport - Grants for wilayas to encourage research and training and communication - Grants for wilayas directed to development of areas needing promotion.

4- Reality of the Contribution of Administrative Engineering of the Solidarity and Guarantee Fund for Local Collectivities:

The process of restructuring or engineering the fund came in the frame of continuing support for balance and solidarity between different local collectivities, aiming to accelerate and hasten the payment of local development process in the form of special and studied grants.

4.1- Grants Treating Development Deficit and Budgets of Local Collectivities: The administrative engineering process of the Joint Local Collectivities Fund which resulted in creating the Solidarity and Guarantee Fund for Local Collectivities led to continuity in improving the situation of local collectivities especially with increasing its role in taking care of wide segments at the local level and striving to rise development which is meant to keep up with technological, social, economic, and political developments. Where it was able to achieve a number of accomplishments that can be pointed to through the data available on the official website of the Ministry of Interior, as follows (interieur, 2021):

4.1.1- Covering Municipalities Deficit: Where the deficit that most municipalities budgets were suffering from since the nineties was reduced gradually starting from year 2007 until the end of year 2010. Then getting rid of it finally, starting from year 2011.

4.1.2- Equal Distribution Grant: Where the fund allocated during year 2015 this grant with value 82 billion DA, of which 72 billion DA for the benefit of 1442 municipality i.e. benefiting equivalent to 94% of total municipalities of the country. And 10 billion DA for the benefit of 36 wilayas i.e. equivalent to benefiting 67% of total wilayas.

4.1.3- Taking Care of Salary Increases of Local Collectivities Users: By granting allocation its value 65.97 billion DA for the benefit of local budgets. To take care of salary increases for more than 285 thousand aides in the regional administration. Of which 58.02 billion DA for municipalities users.

4.1.4- Grants Compensating Tax Value Deficit: It is considered as counterpart for canceling presumptive payment and reducing the rate of fee on professional activity. Where 94.8 billion DA was allocated in year 2014, 57.16 billion DA for the benefit of municipalities, 1.10 billion DA for the benefit of wilayas and 6.7 billion DA for the benefit of the Solidarity and Guarantee Fund for Local Collectivities.

4.1.5- Financial Grants for Equipment: The special equipment program guarantees several different projects that came as follows:

- Accomplishing 1200 administrative annex with total value 9.4 billion DA for the benefit of 776 municipality;
- Allocating amount 40.16 billion DA to support municipal garages by acquiring 8691 units including all breeds and sizes: 4172 units accomplished by the National Industrial Vehicles Institution with value 9.12 billion DA; 1840 units received from the National Public Works Equipment Company with value 16.4 billion DA, and 2679 units received from Agricultural Equipment Marketing Company with value 1.7 billion DA.
- Accomplishing 1176 library and reading hall for the benefit of 1115 municipality with total amount 14.71 billion DA, as these structures were equipped with modern knowledge devices (computer media means, projection devices, audiovisual devices ..etc) starting from year 2011 with total amount 3.5 billion DA.
- Accomplishing 487 nursery with total amount 5.4 billion DA.

4.2- Case Study of M'Sila Province Municipalities:

As continuation to what was reviewed in the descriptive side, especially the administrative engineering of the Solidarity and Guarantee Fund for Local Collectivities in Algeria, and addressing the statistical data included in the official website of the Ministry of Interior regarding the fund's grants for local collectivities. The reality of the fund's grants provided for the benefit of local collectivities in M'Sila province will be reviewed and analyzed, through the data obtained regarding the grants provided and revenues allocated to the province's municipalities for the period 2019-2020.

4.2.1- Nature of Grants and Aids:

- Types of grants provided by the Solidarity and Guarantee Fund to M'Sila province municipalities and their size: The Solidarity and Guarantee Fund for Local Collectivities provided or granted different types in the form of grants that included all M'Sila province municipalities most important of which equal distribution that reached 63.50% and 68.46% of total grants provided during years 2019 and 2020 respectively. Then school feeding with percentage 14.05% and 7.55%

recording decrease by nearly half in year 2020 compared to year 2019. Where Table No. (1) shows those sizes and percentages. And it highlights the extent of disparity in types and change in percentages.

Table 1: Shows the types, amounts, and percentages of fund allocations for all municipalities in M'sila Province, 2019–2020

Type of Aid	2019 (DZD)	%	2020 (DZD)	%
Equal Distribution	4,883,662,000	63.50%	4,902,160,000	68.46%
School Feeding	1,080,750,000	14.05%	540,375,000	7.55%
Wages of Guards	431,009,250	5.60%	414,727,168	5.79%
School Maintenance	143,669,750	1.87%	141,412,332	1.97%
Ramadan Package	143,125,595	1.86%	94,993,980	1.33%
Compensation for Value Shortfall	132,743,386	1.73%	52,411,504	0.73%
Exceptional Aid for Balance	436,400,000	5.67%	461,300,000	6.44%
Financial Impact of Salary Increase	254,000,000	3.30%	553,095,000	7.72%
Payment of Publishing and Advertising Debts	47,807,000	0.62%	0	0.00%
Aid to Equipment and Investment Department	137,500,000	1.79%	0	0.00%
Annual Total	7,690,666,981	100%	7,160,474,984	100.00%

- **Source:** Prepared by the researcher based on information obtained from M'sila Province.

Grants provided according to municipalities: Different grants are distributed on municipalities according to the need and according to specific criteria that consider the number of population and the extent of richness or poverty of municipalities as it was pointed to in the theoretical side. Where Table No. (2) shows the distribution of those grants on municipalities which is led by Boussaada municipality then Sidi Aïssa and M'Sila. And it clarifies the change and disparity in their distribution.

Table 2: Shows the annual total of aid distributed by municipalities in M'sila Province (DZD), 2019–2020

Municipality	2019 (DZD)	2020 (DZD)	Municipality	2019 (DZD)	2020 (DZD)
M'sila	586,467,657	238,042,339	Maâref	178,665,776	172,905,715
Ouled Draz	182,508,113	191,567,937	Sidi Aïssa	460,703,654	456,969,631
El Maâdi	212,155,534	196,160,350	Beni Yelman	95,854,490	108,703,122
Ouled Adi El Guebala	141,827,926	131,770,607	Bouti Essaïah	92,910,635	85,662,182

El Matarefa	113,765,417	70,328,871	Ain El Hajel	142,941,156	141,174,869
Essouamaâ	95,107,902	98,711,428	Sidi Hegress	84,945,451	103,431,880
M'Guerra	72,364,544	40,672,471	Ain El Melh	256,143,745	200,878,924
Belaïba	158,464,025	149,377,800	Sidi Ahmed	192,132,041	178,176,397
Ain El Khadra	198,194,943	182,323,924	Ain Riche	163,256,424	154,252,414
Berhoum	150,064,840	130,120,608	Ain Fares	85,437,914	80,867,808
D'hâina	72,182,573	85,075,644	Bir Fadla	99,409,402	91,871,617
Boussaada	619,069,135	528,666,327	Jebel Oum Saad	207,877,804	183,066,800
El Hamel	103,253,347	106,327,562	Slim	136,244,299	133,830,607
Oueltam	77,402,990	83,371,996	Amjedel	237,742,698	237,565,321
Sidi Amer	216,347,001	222,083,259	Menaâ	113,268,181	134,812,376
Tamsa	132,484,454	123,184,021	Hammam Dellaâ	164,756,347	175,547,329
Ouled Sidi Ibrahim	109,906,105	118,263,246	Wnougâ	149,668,540	178,573,068
Benzoua	99,134,871	98,212,957	Tarmount	122,269,323	124,000,517
El Khabana	123,788,642	134,788,969	Ouled Mansour	70,336,654	85,283,929
Mesif	135,760,209	155,390,204	Ben Serour	141,265,429	179,623,573
El Houwamed	155,386,486	161,302,238	Zerzor	82,497,879	92,505,130
Chélal	142,435,815	138,037,816	Ouled Slimane	80,825,957	87,531,513
Ouled Madhi	131,991,513	117,641,313	Mohamed Bouzid	137,188,143	129,572,358
Khatouti Sid El Jir	164,260,995	142,246,014	Annual Total	7,690,666,981	7,160,474,984

Source: Prepared by the researcher based on information obtained from M'sila Province.

4.2.2- Contribution of Provided Grants in Allocated Revenues: The information obtained regarding the grants provided for the benefit of M'Sila province municipalities and the revenues allocated to them during the period 2019-2020. They were included in two detailed tables according to the order of municipalities, where a box was allocated for grants and another for revenues for comparison and extracting contribution percentages, as shown in tables (3) and (4).

Table 3: Shows the contribution rate of the Solidarity and Guarantee Fund for local authorities to the total revenues allocated to municipalities in M'sila Province, 2019

Municipality	Aid (DZD)	Revenues (DZD)	%	Municipality	Aid (DZD)	Revenues (DZD)	%
M'sila	586,467,657	1,585,904,198	36.98%	Maâref	178,665,776	204,127,230	87.53%
Ouled Draz	182,508,113	272,031,758	67.09%	Sidi Aïssa	460,703,654	590,184,839	78.06%
El Maâdi	212,155,534	252,957,987	83.87%	Beni Yelman	95,854,490	133,873,902	71.60%
Ouled Adi El Guebala	141,827,926	247,042,928	57.41%	Bouti Essaïah	92,910,635	118,570,199	78.36%
El Matarefa	113,765,417	131,297,339	86.65%	Ain El Hajel	142,941,156	367,924,695	38.85%
Essouamaâ	95,107,902	130,133,222	73.09%	Sidi Hegress	84,945,451	102,946,107	82.51%
M'Guerra	72,364,544	510,936,919	14.16%	Ain El Melh	256,143,745	369,457,660	69.33%
Belaïba	158,464,025	316,425,788	50.08%	Sidi Ahmed	192,132,041	228,364,493	84.13%
Ain El Khadra	198,194,943	268,893,415	73.71%	Ain Riche	163,256,424	230,374,800	70.87%
Berhoum	150,064,840	314,967,542	47.64%	Ain Fares	85,437,914	119,235,113	71.65%
D'hâina	72,182,573	140,293,072	51.45%	Bir Fadla	99,409,402	121,333,333	81.93%
Boussaada	619,069,135	997,681,025	62.05%	Jebel Oum Saad	207,877,804	232,669,575	89.34%
El Hamel	103,253,347	161,859,506	63.79%	Slim	136,244,299	174,015,022	78.29%
Ouel tam	77,402,990	108,677,200	71.22%	Anjedel	237,742,698	341,408,537	69.64%
Sidi Amer	216,347,001	287,895,478	75.15%	Menaâ	113,268,181	133,562,276	84.81%
Tamsa	132,484,454	142,844,565	92.75%	Hamman Dellaâ	164,756,347	584,532,589	28.19%
Ouled Sidi Ibrahim	109,906,105	186,853,568	58.82%	Wnougâ	149,668,540	207,069,644	72.28%
Benzoua	99,134,871	136,143,747	72.82%	Tarmount	122,269,323	134,939,176	90.61%
El Khabana	123,788,642	174,339,621	71.00%	Ouled Mansour	70,336,654	117,601,749	59.81%

Mesif	135,760,209	244,454,736	55.54%	Ben Serour	141,265,429	233,524,166	60.49%
El Houwamed	155,386,486	182,072,892	85.34%	Zerzor	82,497,879	112,796,814	73.14%
Chélal	142,435,815	163,839,331	86.94%	Ouled Slimane	80,825,957	118,427,187	68.25%
Ouled Madhi	131,991,513	183,712,082	71.85%	Mohamed Bouzid	137,188,143	182,486,113	75.18%
Khatouti Sid El Jir	164,260,995	191,001,703	86.00%	Annual Total	7,690,666,981	12,491,684,843	61.57%

Source: Prepared by the researcher based on information obtained from M'sila Province.

Through Table No. (3) it appears that most municipalities of the province almost depend on the grants that the Solidarity and Guarantee Fund for Local Collectivities provides. Where we find that all contribution percentages exceed 50% except five (5) municipalities (Maqarra, Hammam Dala'a, M'Sila, Ain Hedjel and Barhoun). And in general the percentage of these grants provided to province municipalities ranges between 14.16% for Maqarra municipality and 92.75% for the benefit of Tassa municipality. While the average percentage of provided grants reached 61.57% of total revenues allocated to municipalities.

Table 4: Shows the contribution rate of the Solidarity and Guarantee Fund for local authorities to the total revenues allocated to municipalities in M'sila Province, 2020

Municipality	Aid (DZD)	Revenues (DZD)	%	Municipality	Aid (DZD)	Revenues (DZD)	%
M'sila	238,042,339	1,653,797,340	14.39%	Maâref	172,905,715	180,538,307	95.77%
Ouled Draz	191,567,937	255,459,839	74.99%	Sidi Aïssa	456,969,631	570,390,168	80.12%
El Maâdi	196,160,350	272,859,114	71.89%	Beni Yelman	108,703,122	111,390,864	97.59%
Ouled Adi El Guebala	131,770,607	224,975,806	58.57%	Bouti Essaïah	85,662,182	136,848,905	62.60%
El Matarefa	70,328,871	106,527,061	66.02%	Ain El Hajel	141,174,869	346,964,127	40.69%
Essouamaâ	98,711,428	119,362,710	82.70%	Sidi Hegress	103,431,880	187,458,238	55.18%
M'Guerra	40,672,471	521,805,365	7.79%	Ain El Melh	200,878,924	302,680,598	66.37%
Belaïba	149,377,800	322,177,494	46.37%	Sidi Ahmed	178,176,397	225,371,624	79.06%
Ain El Khadra	182,323,924	253,858,417	71.82%	Ain Riche	154,252,414	163,872,446	94.13%

Berhoum	130,120,608	260,822,802	49.89%	Ain Fares	80,867,808	100,253,965	80.66%
D'hâina	85,075,644	137,648,895	61.81%	Bir Fadla	91,871,617	139,024,942	66.08%
Boussaada	528,666,327	1,010,109,744	52.34%	Jebel Oum Saad	183,066,800	229,456,189	79.78%
El Hamel	106,327,562	142,905,839	74.40%	Slim	133,830,607	145,283,558	92.12%
Oueltam	83,371,996	88,990,925	93.69%	Amjedel	237,565,321	288,282,818	82.41%
Sidi Amer	222,083,259	298,222,221	74.47%	Menaâ	134,812,376	138,094,168	97.62%
Tamsa	123,184,021	155,038,694	79.45%	Hammam Dellaâ	175,547,329	539,624,446	32.53%
Ouled Sidi Ibrahim	118,263,246	168,741,333	70.09%	Wnouga	178,573,068	190,970,470	93.51%
Benzoua	98,212,957	127,369,970	77.11%	Tarmount	124,000,517	146,998,937	84.35%
El Khabana	134,788,969	148,558,400	90.73%	Ouled Mansour	85,283,929	92,742,257	91.96%
Mesif	155,390,204	224,181,095	69.31%	Ben Serour	179,623,573	273,449,371	65.69%
El Houwamed	161,302,238	185,016,205	87.18%	Zerzor	92,505,130	104,032,286	88.92%
Chélal	138,037,816	143,925,969	95.91%	Ouled Slimane	87,531,513	115,930,743	75.50%
Ouled Madhi	117,641,313	140,257,977	83.87%	Mohamed Bouzid	129,572,358	157,878,950	82.07%
Khatouti Sid El Jir	142,246,014	170,103,153	83.62%	Annual Total	7,160,474,984	12,020,254,746	59.57%

Source: Prepared by the researcher based on information obtained from M'sila Province.

Table No. (4) shows the percentages of the fund's grants contribution in supporting revenues of M'Sila province municipalities during year 2020, which most of them still exceed 50% and range between 7.79% for Maqarra municipality and 97.62% for Menaâ municipality. Where expansion of the contribution percentage range is noticed compared to year 2019. However there was recording of decrease in the average percentage of provided grants in total revenues allocated to municipalities which reached 59.57% (decrease by 2%). Where change of contribution percentages and disparities appear at the level of province municipalities during the period 2019-2020.

5- Conclusion: Through this study was addressed the most important basic concepts related to administrative engineering and local collectivities, in the frame of restructuring the Joint Local Collectivities Fund by virtue of Law No. 116-14 issued

on 24/03/2014. To appear with new engineering that affected the name, tasks and objectives, organization and management and the grants it provides, then reviewing the reality of this administrative engineering of the new fund in continuity and improvement of the financing process, control, follow-up and support for local collectivities, through analyzing some data. Especially statistics of the Ministry of Interior and Local Collectivities and grants provided to M'Sila province municipalities 2019-2020. Where some results and recommendations were reached which we mention as follows:

5.1 Results:

- Achieving solidarity between local collectivities through mobilizing financial resources and distributing them;
- Rebalancing local collectivities;
- Compensating municipalities that are exposed to disasters;
- Getting rid finally of the continuous deficit that was pursuing most municipalities budgets;
- Financing local collectivities in the form of grants that reached more than 90% for some M'Sila province municipalities (Tamsa and Tarmount year 2019) and (nine municipalities including Oultam, Chlal, Ain Rech year 2020);

5.2- Recommendations:

- Directing grants towards productive projects that give added value, absorb unemployment, meet region requirements and create effective wealth;
- Activating the role of banking mediation to finance developmental investment projects and exploiting it for the benefit of local collectivities;
- Expanding in using modern information technology.
- Giving necessary importance to studies and investigations and researches related to developing local equipment and investments and accomplishing them.

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