

Opinion No HCFP – 2025 - 4
on the draft programming bill for the rebuilding of Mayotte

16 April 2025

Executive summary

The Government referred to the High Council of Public Finance the provisions of the draft programming bill for the rebuilding of Mayotte (PLPRM) having an impact on public finances.

The Organic Law on budget laws (Lolf) provides that the High Council assesses the compatibility of these provisions with the expenditure targets set out in the current public finance programming law (PFPL) or, failing that, in the introductory article of the last budget bill.

The High Council notes that the financial provisions communicated essentially correspond to the estimated cost of eleven investment projects, representing a total amount of €3.2bn by 2031, beyond the period covered by the PFPL. However, they do not make it possible to identify the timing of the planned expenditure, nor to isolate the share of public funding. In addition, some of the provisions of this draft programming bill, including those relating to the economic and social component, are likely to generate public expenditure that is not quantified at this stage.

The High Council observes that the amounts involved, while constituting large-scale investments and expenditure at local level and quantified only with uncertainty, are not of an order of magnitude likely to substantially alter the multi-year trajectory of public expenditure set out in the PFPL. In fact, they would represent an average of €500 to €600 million per year over the period, equivalent to less than 0.05% of the total amount of public expenditure set out each year in the PFPL 2023-2027.

The High Council also stresses that the balance and expenditure trajectory set out in the current PFPL is obsolete, due to the sharp deterioration in public finances observed since its enactment at the end of 2023, limiting the scope of the comparison with the PFPL to which the High Council is bound.

I- Introductory remarks

1- On the scope of the following opinion

1. Pursuant to Article 61-VII of the amended Organic Law n°2001-692 of 1 August 2001 on budget laws, the Government referred to the High Council of Public Finance the provisions of the draft programming bill for the rebuilding of Mayotte (PLPRM) having an impact on public finances, in order to assess the compatibility of these provisions with the expenditure targets set out in the current public finance programming law or, failing that, in the introductory article of the last budget bill.

2. As it pointed out in October 2024 in its opinion on the draft budget and social security financing bills for 2025, and again in January 2025 in its opinion on the amendment of the draft budget and social security financing bills for 2025, the High Council considers that the public finance programming law for the years 2023 to 2027, enacted just over a year ago, is an obsolete reference, given the sharp deterioration in the public finances situation in 2023 and 2024. The trajectory of the national medium-term fiscal-structural plan would now be a more relevant reference.

3. **The High Council formulates an opinion in the terms provided by the Organic Law, assessing the compatibility of the draft programming bill for the rebuilding of Mayotte with the current public finance programming law (PFPL).**

2- On information provided and deadlines

4. On April 3, 2025, the Government referred to the High Council of Public Finance the provisions of the PLPRM having an impact on public finances. This referral was accompanied by answers to a questionnaire which had previously been sent by the High Council to the relevant administrations.

5. The High Council notes that the information provided corresponds to estimates to date. They represent orders of magnitude and are sometimes incomplete:

- the referral focuses on priority investment projects in Mayotte's essential infrastructures and public policies. Operating expenditure, for example those related to increasing staffing levels in the fight against illegal immigration and insecurity, are only very partially quantified, if at all. Certain provisions of the draft, such as the measures for French defense in the Indian Ocean or the strengthening of the inter-ministerial delinquency prevention fund, are not quantified. Similarly, certain provisions relating to the economic and social component are likely to generate public expenditure (for example the convergence of the employment bonus and other social benefits on the national level, the gradual alignment of the welfare system) without documentation of their budgetary impact;
- payment credit consumption figures, when available, are presented cumulatively over a multi-year period, with no mention of annual consumption patterns;
- no systematic distinction is made between projects already included in the current PFPL, which are therefore necessarily compatible with it, and measures that would be added to the PFPL and therefore deserve the High Council's attention.

3- On the method used by the High Council

6. In order to assess the compatibility of the provisions of the PLPRM having an impact on public finances with the expenditure targets set out in the PFPL, the High Council has drawn on the information provided by the Government in its referral and in the answers to the questionnaire sent to it by the High Council.

7. As permitted by Article 61-IX of the Organic Law, the High Council held hearings with representatives of the relevant administrations (Budget Department, Overseas territories Department and Treasury Department).

II- Compatibility assessment of the provisions of the PLPRM with the expenditure targets set out in the PFPL for 2023-2027.

8. The High Council first examines the compatibility of the expenditure trajectory defined in the PLPRM with those defined in the PFPL.

9. The trajectory defined by the PLPRM results in an increase in expenditure by various budgetary missions, including the *Overseas* mission, as well as funding from other administrations and public establishments, European funding and private funding.

10. With regard to priority investments in infrastructure and public policies essential to Mayotte, the amount of expenditure planned is €3.2bn over the 2025-2031 period, taking all financial funders into account. Other expenditure is also considered, some of which covering investment expenditure, such as the reconstruction of public buildings or the construction of primary school classrooms. Considering all the expenditure included in the PLPRM and with quantified amounts, the total amount forecasted is around €4.2bn over a broadly similar timeframe.

11. However, the information provided to the High Council does not make it possible to distinguish, or only in some cases, between projects already included in the current PFPL and those that would be added to it. In addition, it is not clear how the financing of these projects will be shared out between the various actors involved. In particular, the share of investments that will be financed by general government, with an impact on the national accounts balance, is not defined.

12. The High Council notes that, although they represent large-scale projects at local level, the projected amounts of priority investment involved, namely €3.2bn spread over 7 years - representing an average of around €500 million per year - are not such as to substantially alter the multi-year trajectory of public expenditure set out in the current PFPL (€1.668bn in 2025, €1.705bn in 2026 and €1.744bn in 2027, in accordance with Article 3 of the PFPL 2023-2027). This assessment is also valid if other expenditure for which amounts have been quantified is included, representing a total forecast expenditure of around €4.2bn, spread over a broadly similar timeframe.

13. The High Council also notes that, given the situation in Mayotte, there are downside risks to the total amount of expenditure planned for the programming period, due to possible delays in the implementation of investment projects.

14. Finally, according to the information provided to the High Council, only part of the planned expenditure will be financed by the general government, with the remainder coming from public institutions, European funds and private actors.

15. On the contrary, certain provisions, including those relating to the economic and social component, are likely to generate public expenditure but are not quantified.

16. **The High Council observes that, although they cover major projects at local level, the forecast amounts involved, despite the uncertainties affecting them, are not such as to substantially modify the multi-year trajectory of public expenditure set out in the current PFPL.**

*

* *

This opinion will be published in the *Journal officiel* of the French Republic and attached to the draft programming bill.

Done in Paris, on 16 April 2025.

For the High Council of Public Finance,
The First President of the Court of Audit,
Chairman of the High Council of Public Finance

Pierre MOSCOVICI

Appendix 1: provisions of the draft programming bill for the rebuilding of Mayotte (PLPRM) having an impact on public finances

TITLE I: REBUILDING AND AMBITION FOR MAYOTTE

Article 1

[Approval of the annexed report on the rebuilding of Mayotte]

The report on the rebuilding of Mayotte, annexed to this Bill, is approved.

(...)

EXPLANATORY STATEMENT

This draft bill contributes to the rebuilding of Mayotte. It allows to assert France's ambition for Mayotte's development in a region marked by poverty.

(...)

Title I sets out, in the form of a report annexed to the bill, the resources deployed to rebuild Mayotte. **Article 1** aims to approve this report.

The report begins by recalling Mayotte's deep-rooted attachment to France, the diversity of the department's assets in its regional environment, and the exceptional scale of the damage it recently suffered as a result of cyclone Chido and storm Dikeledi. In addition to the initial emergency measures implemented, the report details the means for sustaining and deepening the catch-up of Mayotte's development lags, by creating the conditions for its flourishing:

- strong measures to combat clandestine immigration and illegal housing, major obstacles to development;
- provisions to protect the Mahoran people against identified risks and threats (natural risks - seismic, cyclonic, submersion and flooding -, damage to property and people, risks of destruction of nature);
- provisions to guarantee access to goods and natural resources (water, fishing resources, electricity, preservation of the environment through sustainable waste management, energy transition and forest restoration, development of agriculture, fishing and aquaculture in order to establish a trajectory of food sovereignty), as well as ensuring that healthcare provision meets the needs of the Mahorans, and the prospect of achieving real equality by 2031 through economic and social convergence with mainland France and the other overseas departments;
- modernization of major facilities, development of the housing supply as part of reconstruction projects, and elimination of substandard or run-down housing;
- an exhaustive demographic census of the population residing in Mayotte, following which the State will update its allocations to Mayotte's local authorities to reflect actual demographic data;
- strong support for young people, particularly in terms of education, training, professional integration, the development of extracurricular activities, and measures designed to attract and retain talent by creating attractive conditions;
- measures to promote economic development, a factor in the growth of local authorities' tax revenues and, as such, the key to Mayotte's territorial, social and institutional ambitions: facilitating trade, boosting local business activity through a global free zone, strengthening regional integration;
- institutional reform to provide local authorities with adequate financial and engineering resources to implement public policies contributing to Mayotte's development that fall within their area of competence.

Appendix 2: Priority investment programs for Mayotte's essential infrastructure and public policies

Field	Nature	Investment amount 2025-2031 (in €M)
Fight against illegal immigration / security	Strengthening the air and sea surveillance and interception system.	52
Justice	Creation of a second prison center	292
	Construction of a judicial complex	124
	Creation of a closed educational center	14
Health	Project to build a second hospital site in Combani	407
	Extension and modernization of the Mayotte hospital center (CHM)	
Water	Financing of the water and sanitation investments required under the plan Eau Mayotte (including the second desalination plant and third hill reservoir).	730
Transports	Securing aerial services	1200
	Road infrastructure and public transport, including multimodal interchange hubs, particularly that of Mamoudzou – Construction of bypasses to relieve the main metropolitan areas – CARIBUS project	280
Waste	Structural improvements, first round of collection points, development of the circular economy	27
Digital	Fiber optic development	50
Total over 2025-2031		3 176