



## COMPARATIVE ACTUAL SPENDING REPORT FOR MINISTRY OF HEALTH 2022-2023

In accordance with the 2023 Ministry of Finance actual spending report, actual expenditures allocated to the Ministry of Health were ILS2,731.2 million of a total ILS17,870.5 million from overall actual spending in the 2023 budget, or 15.3% of overall expenditures. [1]

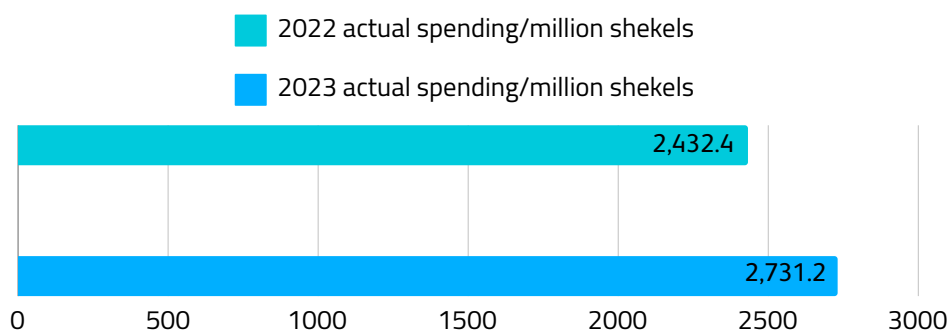
According to the 2022 annual actual spending report by the Ministry of Finance, actual spending allocated to the Ministry of Health was ILS2,432.4 million of NIS16,197.6 million of the 2022 overall annual actual spending from the public budget, or 15.0% of overall expenditures. [2]

The table below illustrates comparative figures for annual actual spending items for 2022-2023 for the Ministry of Health:

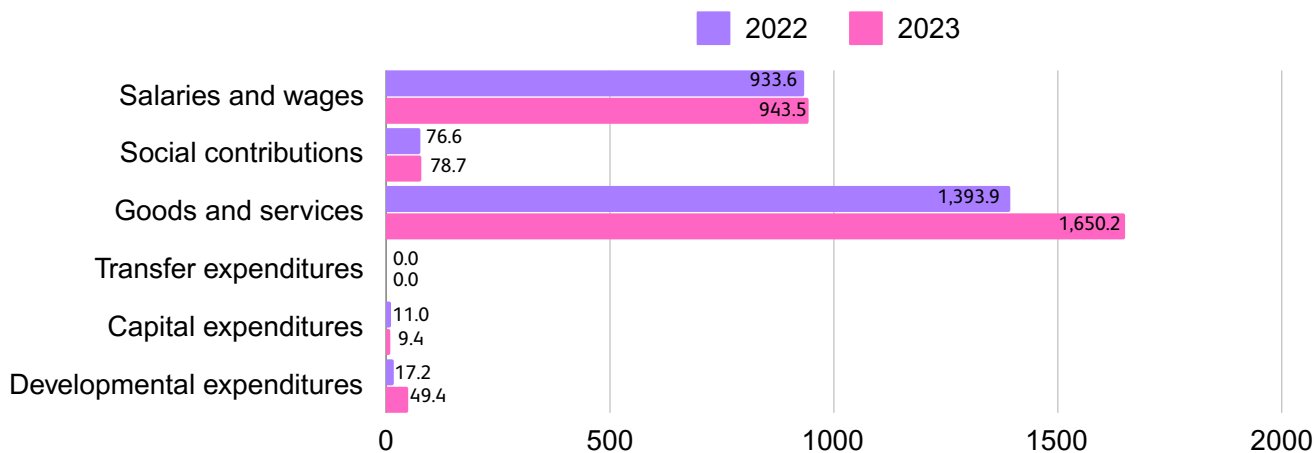
Item	2022 actual spending/million shekels	2023 actual spending/million shekels	2022/2023 comparison
Salaries and wages	933.6	943.5	101.05%
Social contributions	76.6	78.7	102.69%
Goods and services	1,393.9	1,650.2	118.39%
Transfer expenditures	--	--	--
Capital expenditures	11.0	9.4	85.60%
Developmental expenditures	17.2	49.4	286.92%
<b>Total</b>	<b>2,432.4</b>	<b>2,731.2</b>	<b>112.28%</b>

**Note:** The abovementioned figures are on an accrual basis; that is the value of salaries and wages are those committed to by the Ministry of Finance to employees and not on a cash-basis, due to the disbursement of a percentage of the salary, a commitment made by the government since the end of 2021.

### Comparative annual actual spending for 2022-2023 for Ministry of Health/million shekels

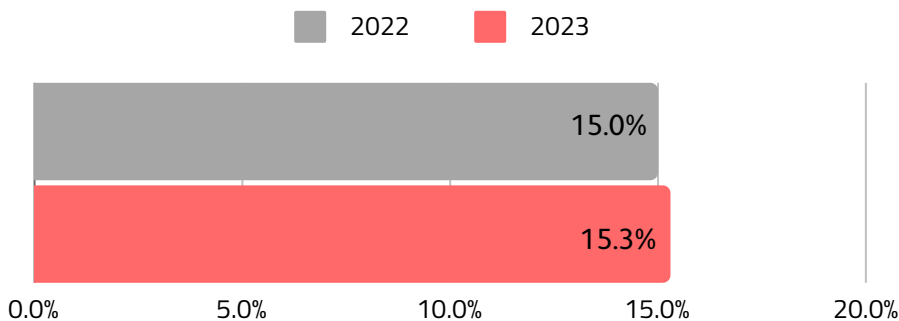


**Comparative annual actual spending for 2022-2023 for Ministry of Health by item/million shekels**

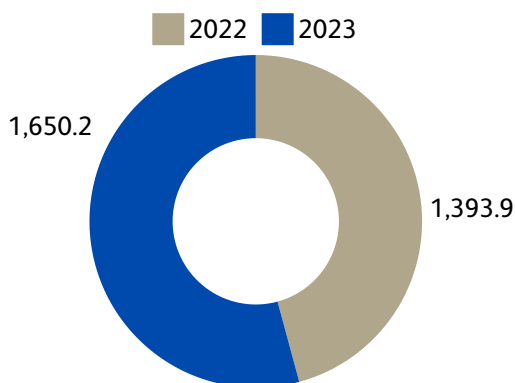


The above-mentioned figures represent the actual expenditures indicated by the Ministry of Finance’s official reports. These amounts do not include community-funded expenditures or projects that are funded through direct bilateral agreements between partners and the targeted ministries.

**Percentage of annual actual spending for the Ministry of Health, from the overall public expenditures for 2022/2023**

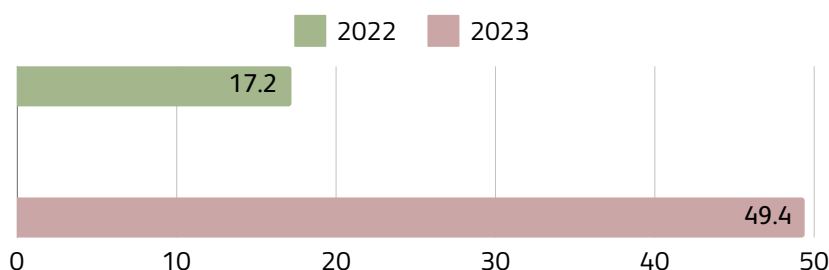


**Comparison of 2022/2023 annual actual spending on goods and services at the Ministry of Health/million shekels**



Goods and services include: medical referrals/procurement of medicines and health supplies/operational expenditures

**Comparison of 2022/2023 annual actual spending on developmental expenditures at the Ministry of Health/million shekels**



In 2023, spending on the health ministry was the highest in the history of the public budget, expenditures from which men, women and all societal sectors benefited, through 31 government hospitals, 18 in the West Bank and 13 in the Gaza Strip, in addition to government-run primary health care centers. There are 493 centers, 52 of which are in the Gaza Strip. Among females, 57% received government health services in Palestine, while women working in the Ministry of Health and its facilities in Palestine totaled 49%.

#### **Analysis of annual comparative actual spending figures for the Ministry of Health, 2022-2023:**

1. Annual actual spending on the Ministry of Health in 2023 was higher than in 2022, by 12.3%, at an increase of ILS298.8 million of the overall expenditures on the Ministry of Health, which is a statistically significant increase.
2. Actual spending on the Ministry of Health in 2023 was 15.3% of the overall public expenditure in Palestine, while it was 15.0% in 2022, meaning the level of spending is gradually increasing compared to previous years.
3. The increase in actual spending in 2023 was concentrated on the following items: goods and services and developmental expenditures
4. Actual spending on salaries and wages and social contributions was slightly higher in 2023 compared to 2022, the main reason for which was annual salary raises.
5. Actual spending on goods and services was significantly higher in 2023 than in 2022, increasing from ILS1,393.9 million in 2022 to ILS1,650.2 million in 2023, at an increase of 18.4%. This item includes: medical referrals, procurement of medicines and vaccines, contracted employees and the operational expenditures of the Ministry of Health.
6. Developmental expenditures rose from ILS17.2 million in 2022 to ILS49.4 million in 2023.
7. Capital expenditures decreased in 2023 from 2022, from ILS11 million to ILS9.4 million.

**Summary:** It is worth noting from the analysis of the comparative annual actual spending at the Ministry of Health for 2022-2023 that actual spending was higher in 2023 than in 2022, in terms of the amount actually spent, or the "share" of the Ministry of Health from overall expenditures. For the first time, the percentage of actual spending on the Ministry of Health was 15.3% of overall public expenditures, the increase mainly due to the item of goods and services and developmental expenditures. It should be noted that the data in the reports is on an accrual basis.

## **Important Terms:**

**Expenditures:** Includes current as well as capital and developmental expenditures

**Current expenditures:** Includes salaries, wages, social contributions, operational and transfer expenditures

**Salaries and wages:** Salaries and wages of Ministry employees

**Social contributions:** Represents the government's contribution to the General Pension and Social Security Authority for pensioners

**Operational costs for “commodities and services”:** the necessary expenditures for the operation of the public institution, i.e. the Ministry (building rentals, electricity, water, fuel, etc.). They include Medical referrals at the Ministry of Health and the purchase of medicines and are part of the current expenditures.

**Transfer expenditures:** are the expenditures paid by the government to different societal segments through a public institution for the benefit of a third party (such as payments to assist the poor or to martyrs' families).

**Capital expenditures:** includes the possession of capital assets (buildings, land, equipment, vehicles, etc.)

**Developmental expenditures:** are expenditures which have a nature that is different from current expenditures in terms of their useful life and the return from expenditures, whereas their useful life and the return/yield extend beyond one year.

**Cash-basis:** The method which financial and accounting transactions are conducted upon cash payment of cash receipt, i.e. it focuses on cash flow activity whereby financial operations are not registered in the books until after collection or the cash payment of the due amount is paid.

**Accrual basis:** The method in which data and accounting in transactions are registered on the date of the occurrence irrespective of cash payment or receipt.

[1] Cumulative actual spending report for December 2023, released by the Ministry of Finance on January 27, 2024, Table (5b)

[1] Cumulative actual spending report for December 2022, released by the Ministry of Finance on January 29, 2023, Table (5b)