



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

In accordance with the 2023 Ministry of Finance actual spending report, actual expenditures allocated to the Ministry of Agriculture were ILS156.1 million of a total ILS17,870.5 million from overall actual spending in the 2023 budget, or 0.9% of overall expenditures. [1]

According to the 2022 annual actual spending report by the Ministry of Finance, actual spending allocated to the Ministry of Agriculture was ILS 153.3 million of NIS16,197.6 million of the 2022 overall annual actual spending from the public budget, or 0.9% of overall expenditures. [2]

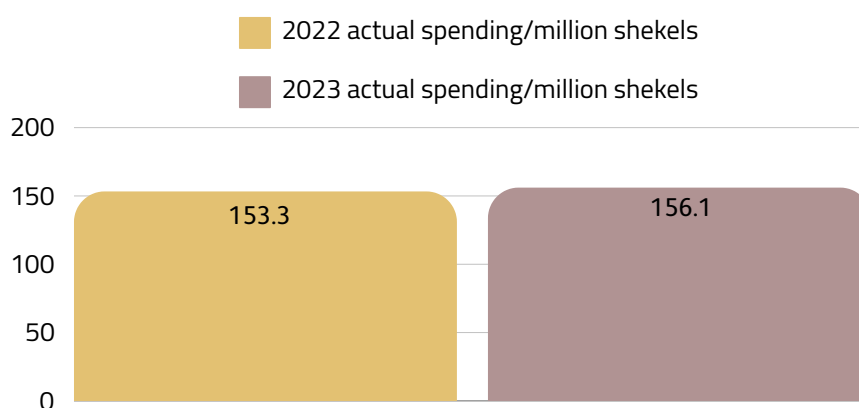
The table below illustrates comparative figures for annual actual spending items for 2022-2023 for the Ministry of Agriculture:

**Comparative annual actual spending for 2022-2023 for Ministry of Agriculture/million shekels**

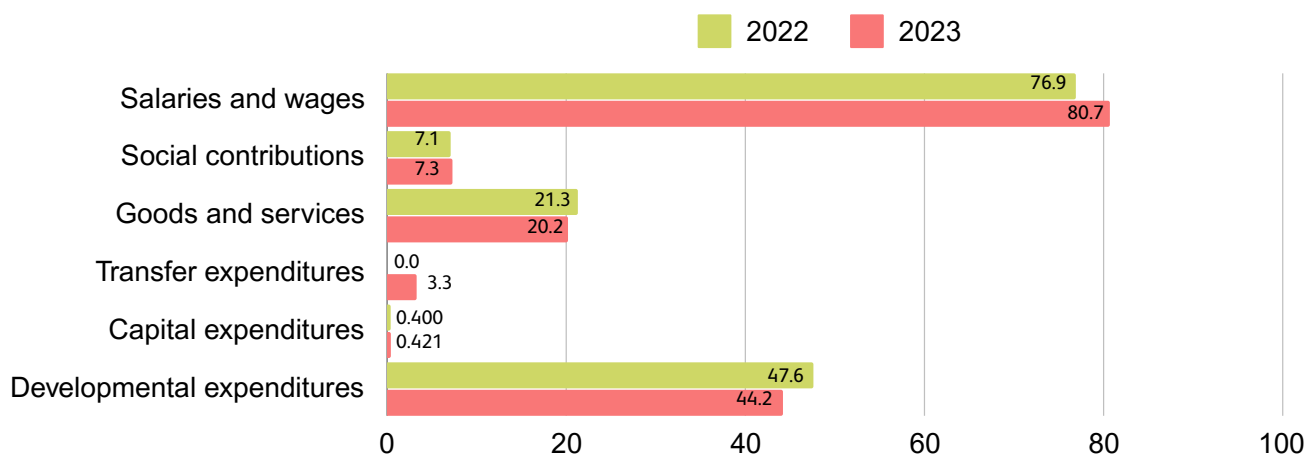
Item	2022 actual spending/million shekels	2023 actual spending/million shekels	2022/2023 comparison
Salaries and wages	76.9	80.7	104.93%
Social contributions	7.1	7.3	102.38%
Goods and services	21.3	20.2	94.71%
Transfer expenditures	0.0	3.3	--
Capital expenditures	0.400	0.421	105.22%
Developmental expenditures	47.6	44.2	92.92%
<b>Total</b>	<b>153.3</b>	<b>156.1</b>	<b>101.81%</b>

Note: the abovementioned figures are on an accrual basis

**Comparative annual actual spending for 2022-2023 for Ministry of Agriculture/million shekels**

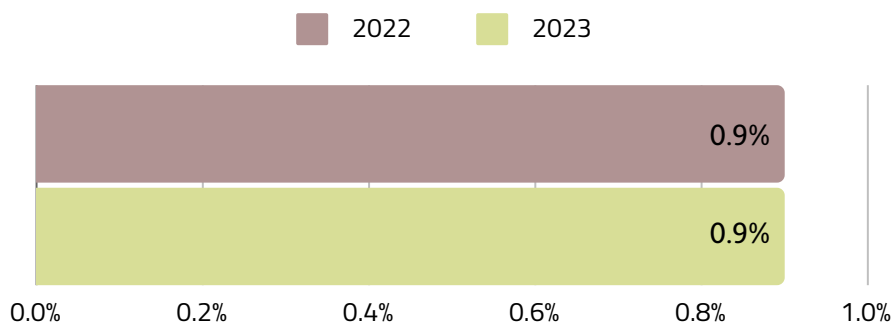


### Comparative annual actual spending for 2022-2023 for Ministry of Agriculture according to item/million shekels

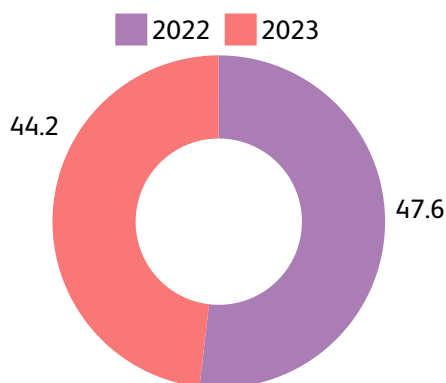


The above-mentioned figures represent the actual expenditures indicated by the Ministry of Finance’s official reports. These amounts do not include community-funded expenditures or projects that are funded through direct bilateral agreements between partners and targeted ministries.

### Percentage of annual actual spending for the Ministry of Agriculture from the overall public expenditures for 2022/2023



### Comparison of annual actual spending for 2022-2023 developmental expenditures at the Ministry of Agriculture/million shekels



Actual spending on the Ministry of Agriculture slightly increased in 2023. Meanwhile, the 2023 public budget included projects to support marginalized areas affected by the separation wall and settlements, at ILS5 million. It also included development projects for marginalized communities in areas in the southern West Bank, at ILS2 million, and projects supporting developmental needs in the Jordan Valley, at ILS1.5 million. Actual spending was partial, not full, while actual spending on developmental projects remains limited and below the needs-level required to elevate the agricultural sector and support marginalized sectors and areas that benefit from the agricultural sector, especially since this sector is considered key to alleviating poverty in countries and communities.

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

1. Annual actual spending for the Ministry of Finance in 2023 was slightly higher than its actual spending in 2022, increasing from ILS153.3 million in 2022 to ILS156.1 million, which is a slight increase of ILS2.8 million.
2. The percentage of actual spending on the Ministry of Agriculture remained limited, at 0.9% of overall public expenditures in Palestine for 2022 and 2023, which is low and incompatible with the significance of the agricultural sector.
3. Actual spending on salaries and wages and on social contributions was slightly higher in 2023 compared to 2022. This can be mainly attributed to annual raises and promotions.
4. Actual spending on goods and services was lower in 2023 than in 2022, dropping from ILS21.3 million in 2022 to ILS20.2 million in 2023.
5. Developmental expenditures dropped from ILS47.6 million in 2022 to ILS44.2 million in 2023.
6. The most amount spent at the Ministry of Agriculture remains on salaries and wages, which comprise over half of the expenditures allocated to the ministry.

**Summary:** It is worth noting from the analysis of the comparative annual actual spending at the Ministry of Agriculture for 2022-2023 that actual spending was slightly higher in 2023 than in 2022, still within 1%. This increase was on salaries and wages, whereby spending on developmental expenditures dropped, in spite of its importance. It should also be noted that the data in the reports are 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)

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