



COMPARATIVE ACTUAL SPENDING REPORT FOR MINISTRY OF TELECOM AND IT 2022-2023

In accordance with the 2023 Ministry of Finance actual spending report, actual expenditures allocated to the Ministry of Telecom and IT were ILS51.1 million of a total ILS17,870.5 million from overall actual spending in the 2023 budget, or 0.29% of overall expenditures. [1]

According to the 2022 annual actual spending report by the Ministry of Finance, actual spending allocated to the Ministry of Telecom and IT was ILS 45.4 million of NIS16,197.6 million of the 2022 overall annual actual spending from the public budget, or 0.28% of overall expenditures. [2]

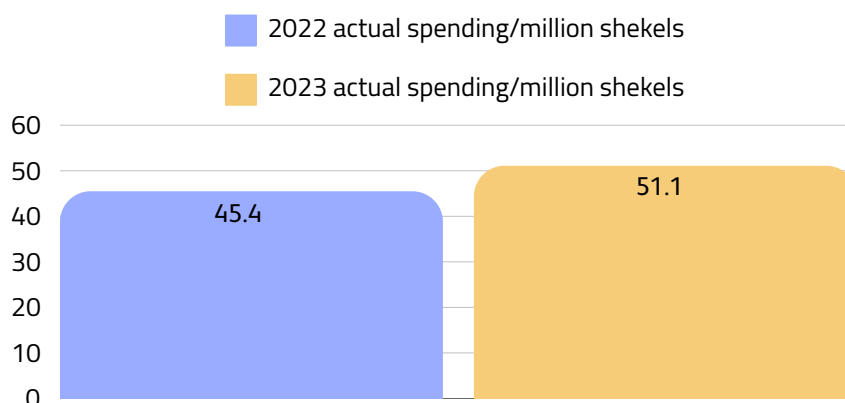
The table below illustrates comparative figures for annual actual spending items for 2022-2023 for the Ministry of Telecom and IT:

Comparative annual actual spending for 2022-2023 for Ministry of Telecom and IT/million shekels

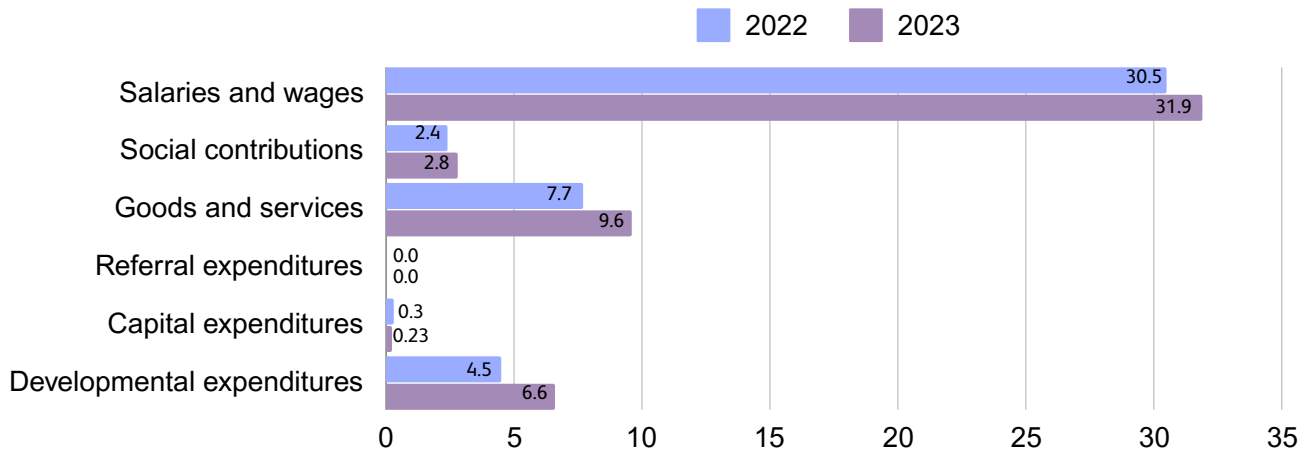
Item	2022 actual spending/million shekels	2023 actual spending/million shekels	2022/2023 comparison
Salaries and wages	30.5	31.9	104.69%
Social contributions	2.4	2.8	116.43%
Goods and services	7.7	9.6	124.93%
Referral expenditures	0.0	0.0	--
Capital expenditures	0.3	0.23	73.55%
Developmental expenditures	4.5	6.6	145.40%
Total	45.4	51.1	112.59%

Note: the abovementioned figures are on an accrual basis

Comparative annual actual spending for 2022-2023 for Ministry of Telecom and IT/million shekels

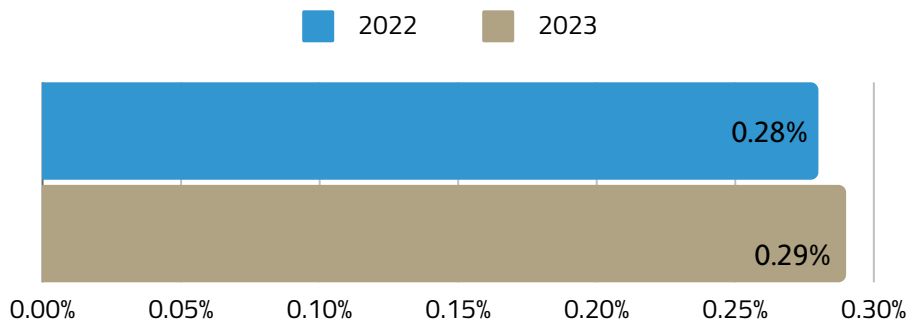


Comparative annual actual spending for 2022-2023 for Ministry of Telecom and IT according to item/million shekels

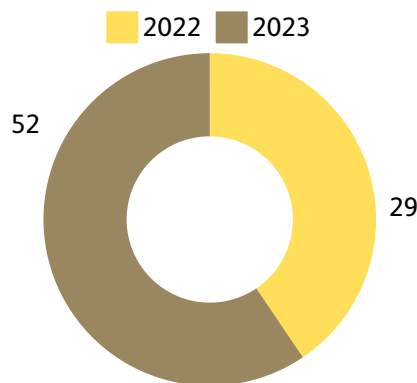


The above-mentioned figures represent the actual expenditures indicated by the Ministry of Finance’s official reports. These amounts do not include community-funded expenditures or projects that are funded through direct bilateral agreements between partners and targeted ministries.

Percentage of annual actual spending for the Ministry of Telecom and IT from the overall public expenditures for 2022/2023



Comparison of annual actual spending for 2022-2023 developmental expenditures at the Ministry of Telecom and IT/million shekels



Actual spending on the Ministry of Telecom and IT positively increased in 2023 in addition to increased actual spending on developmental expenditures, which included development projects such as automated government services. New services were also added within the program “My Government” to serve all societal sectors, with ILS1 million earmarked for the implementation of 10 new electronic services in 2023, within the “My Government” automated program. This program is aimed at offering the option of government services and the payment of bills and fees online, which saves time and effort for citizens to obtain services in an efficient, sustainable and transparent way. It also promotes the culture of citizen usage and participation in modern technology as a support tool in advancing good governance in order to minimize the chances of corruption or exploitation. The automated system also relieves some of the burden of government services off marginalized sectors such as special-needs and women and remote areas away from city centers given that it does not cost them transportation expenses to obtain government services. The “My Government” program includes 42 information and payment services.

Analysis of annual comparative actual spending figures for the Ministry of Telecom and IT - 2022-2023:

1. There was a significant increase in annual actual spending on the Ministry of Telecom and IT in 2023 compared to 2022, going up from ILS45.4 million to ILS51.1 million, at a considerable quantitative increase of ILS5.7 million or 12.6% increase.
2. The percentage of actual spending at the Ministry of Telecom and IT went up from 0.28% of the overall public expenditures in Palestine in 2022 to 0.29% in 2023.
3. Actual spending on salaries and wages increased in 2023 compared to 2022, going from ILS30.5 million to ILS31.9 million, which can be attributed to annual employee raises and the automatic increase in social contributions related to this.
4. Operational expenditures “goods and services” increased at the Ministry of Telecom and IT from ILS7.7 million in 2022 to ILS9.6 million in 2023.

Summary: It can be noted from the annual actual comparative spending analysis for 2022-2023 for the Ministry of Telecom and IT for 2022-2023 that actual spending rose in 2023 compared to 2022, at a good rate, from ILS45.4 million to ILS51.1 million. The rate of actual spending increased slightly at the Ministry of Telecom and IT from the overall public expenditures between 2022 and 2023, from 0.28% to 0.29%. Furthermore, there was a significant increase in developmental expenditures, from ILS4.5 million in 2022 to ILS6.6 million in 2023.

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)