



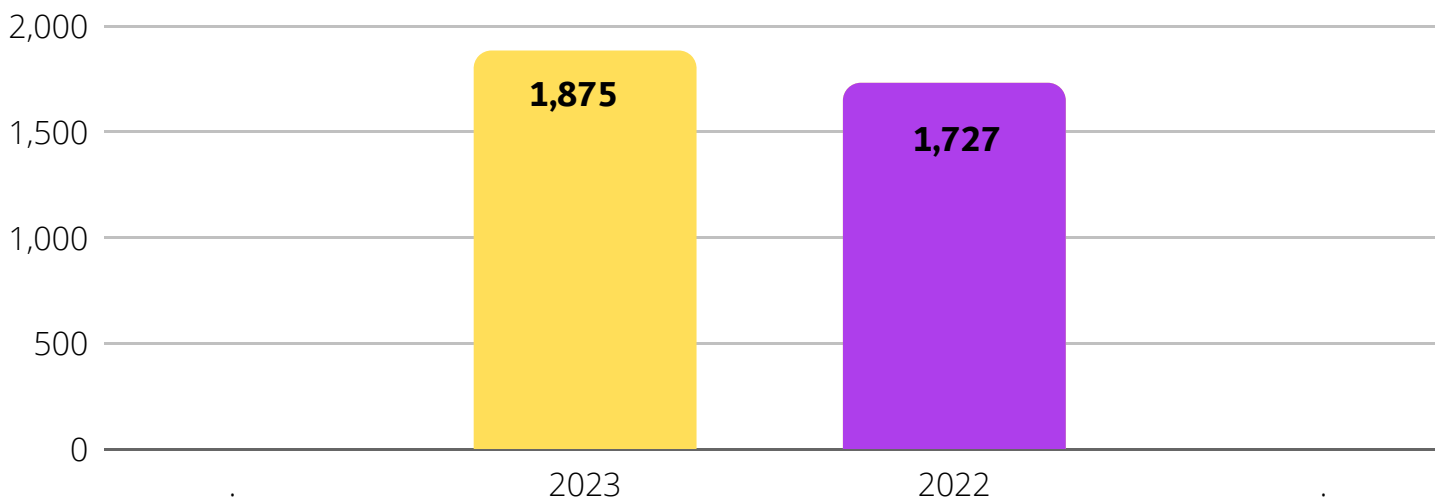
Biannual Comparative Spending Report for the Ministry of Interior and National Security 2022-2023

In accordance with the 2023 biannual actual spending report released by the Finance Ministry, the actual spending earmarked for the Ministry of Interior and National Security was (ILS1,875.9) million, of (ILS8,196.4) million of the overall biannual actual spending of the 2023 general budget, or (22.89%) of the overall expenditures. [1]

In accordance with the 2022 biannual actual spending report, released by the Ministry of Finance, the actual spending earmarked for the Ministry of Interior and National Security was (ILS1,727.2) million of (ILS7,491.5) million of the overall biannual actual spending in 2022, or (23.06%) of the overall expenditures. [2]

Item	2022 actual spending/million shekels	2023 actual spending/million shekels	Percentage between 2022/2023
Salaries and wages	1,410.60	1,496.36	106.1%
Social contributions	140.24	146.96	104.8%
Goods and services	141.43	174.12	123.1%
Capital expenditures	1.32	5.58	422.5%
Developmental	33.56	52.93	157.7%
Total	1,727.15	1,875.94	108.6%

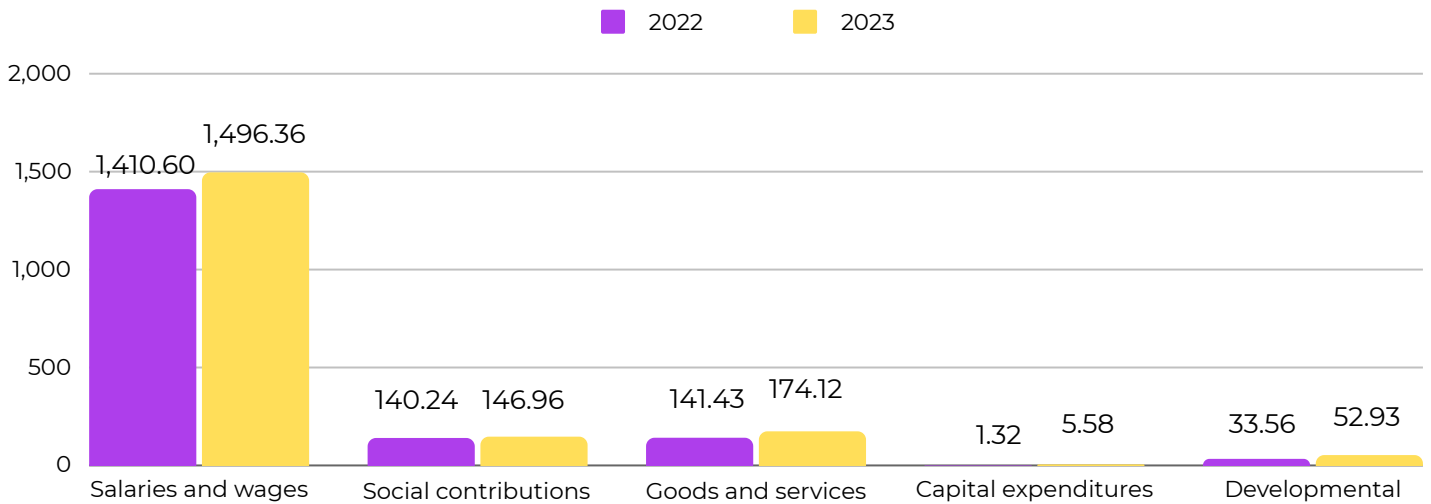
2022-2023 biannual comparative spending report for the Ministry of Interior and National Security



[1] Cumulative actual spending report of June, 2023, published by the Ministry of Finance on July 31, 2023, Table No. (5b)

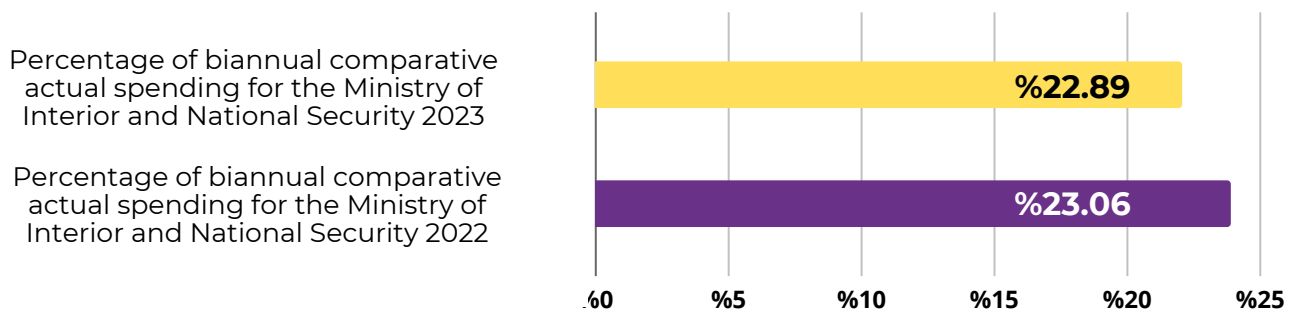
[2] Cumulative actual spending report of June, 2022, published by the Ministry of Finance on July 28, 2022, Table No. (5b)

2022-2023 biannual comparative spending report for the Ministry of Interior and National Security according to item/million shekels

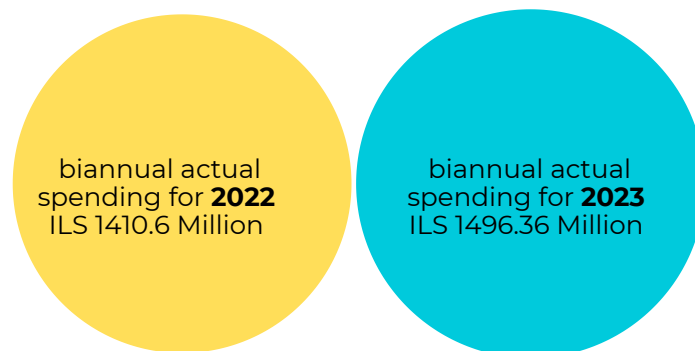


The above-mentioned figures represent the actual expenditures indicated by the Ministry of Finance's official reports. These amounts do not include community-funded expenditures or projects that are funded through direct bilateral agreements between partners and targeted ministries.

Percentage of biannual comparative actual spending for the Ministry of Interior and National Security from overall expenditures in 2022/2023



Comparison of biannual actual spending for 2022-2023 on salaries and wages at the Ministry of Interior and National Security



Spending indicators from a gender perspective

Although the security sector took over approximately 23% of the actual spending for the first half of 2023 and salaries and wages around 88% of the actual spending from this security sector, still this percentage was not gender-responsive. The percentage of women in the security sector is still low, averaging only 6%. Hence, there is a gap in actual spending on the security sector from a gender perspective given that the majority of actual spending in the first half of 2023 was spent on salaries and wages, or around ILS1.5 billion. Given that the percentage of women is low in the security sector and that they are not proportionally distributed in the upper echelons of high-ranking positions, they only benefit with a percentage of 5% at highest, from this sizeable spending on salaries and wages. This percentage does not correspond with the percentage of women in Palestinian society, nor does it coincide with gender-responsive spending justice.

Analysis of biannual comparative actual spending for the Ministry of Interior and National Security for 2022-2023

One: Biannual actual spending for the Ministry of Interior and National Security in 2023 was higher than in 2022 by 8.5% more than in the first half of 2022 and by a surplus amount of ILS148.8 million.

Two: Actual spending on the Ministry of Interior and National Security in 2023 was 22.8% of the overall public expenditures in Palestine; in the first half of 2022 it was 23%, which was approximately the same spending percentage.

Three: Actual spending is mostly used on salaries and wages and social contributions, taking up the lion's share of the of Ministry of Interior and National Security budget, by 88% of overall actual spending in the first half of 2023. In this period, spending increased on salaries and wages in comparison to the same period in 2022; from of ILS1,410.6 million to ILS1,496.4 million in 2023. The main reason for this is the periodical annual increase in salaries and the financial impact of promotions and ranks in the security sector. It should be noted that the data is on an accrual and not monetary basis given that the government still only cashes partial employee salaries.

Four: An increase in actual spending on goods and services in the first half of 2023 compared to 2022, by a statistically significant percentage. Actual spending went up from ILS141.43 million in the first half of 2022 to ILS174.12 million in the first half of 2023.

Five: Developmental expenditures increased at the Ministry of Interior and National Security in the first half of 2023 compared to the same period in 2022, from ILS33.56 million to ILS52.93 million.

Six: There was also an increase in capital expenditures in the first half of 2023 compared to 2022, from ILS1.32 million to ILS5.58 million.

Seven: In general, there was an increase on all actual spending items for decision-making positions at the Ministry of Interior and National Security in the first half of 2023, compared to the first half of 2022.

Conclusion: It can be noted from the analysis of biannual comparative actual spending for 2022-2023 that actual spending on the Ministry of Interior and National Security increased in the first half of 2023 from the first half of 2022. While the percentage of the Ministry of Interior and National Security's 'share' in overall expenditures remained the same, in practice, there was an increase on all items. Salaries and wages and social contributions took up the biggest percentage of expenditures in the security sector, amounting to approximately 88% of the expenditures allocated to the Ministry of Interior and National Security in the first half of 2023. Even though the security sector takes up around 23% of actual expenditures, the percentage of women in the security sector is still low, at an average of only 6%.

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.) and they are part of the current expenditures. Medical referrals at the Ministry of Health and the purchase of medicines are classified under the item "Goods and Services"

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.