



State Comptroller Of Israel | Special Report: The State of Israel's  
Coping with the Covid-19 Pandemic | 2021

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# Introduction





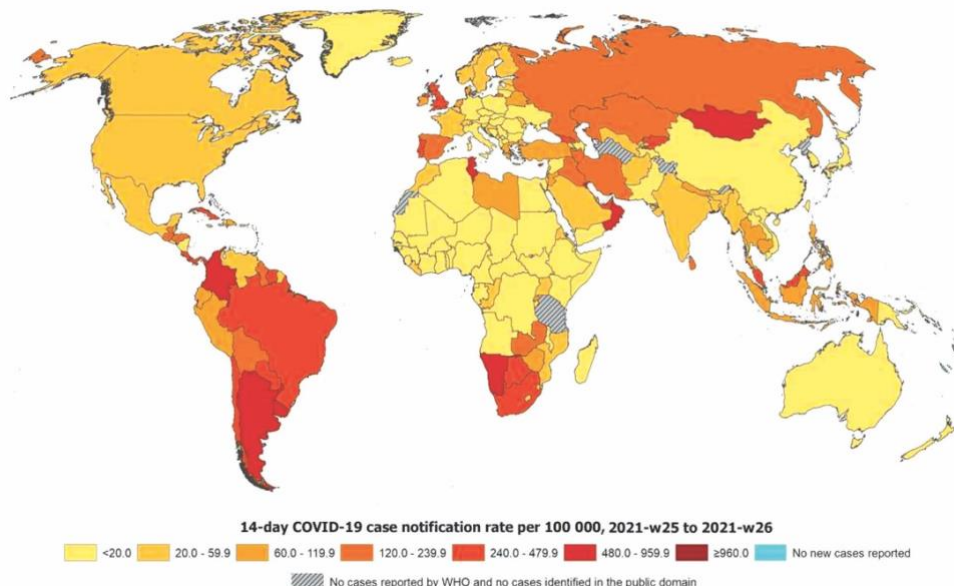
## Introduction

This audit report comprises 13 chapters that deal with the State of Israel's response to the Covid-19 pandemic during the period between March 2020 and March 2021 ("the audit period"). Each chapter indicates the audit period relevant to it. As the audit was being conducted, considerable changes took place in the areas dealt with by the audit, resulting in changes to the characteristics and scope of the pandemic and waves of infection. The figures shown in the Introduction are correct for the end of the audit period, with some updated as of July 31, 2021.

## Background

In late December 2019, the coronavirus that causes Covid-19 started to spread in China. In mid-February 2020, the virus started to spread rapidly to other countries, with the first case of Covid-19 identified in Israel on February 27, 2020. The World Health Organization (WHO) declared Covid-19 a global pandemic on March 11, 2020. The Covid-19 pandemic is a crisis on a global scale. Figure 1 below shows the number of confirmed Covid-19 cases per 100,000 people worldwide, during the last two weeks of June 2021.

Figure 1: **Number of confirmed Covid-19 cases per 100,000 people worldwide, in the last two weeks of June 2021**



Source: Website of the European Center for Disease Prevention and Control

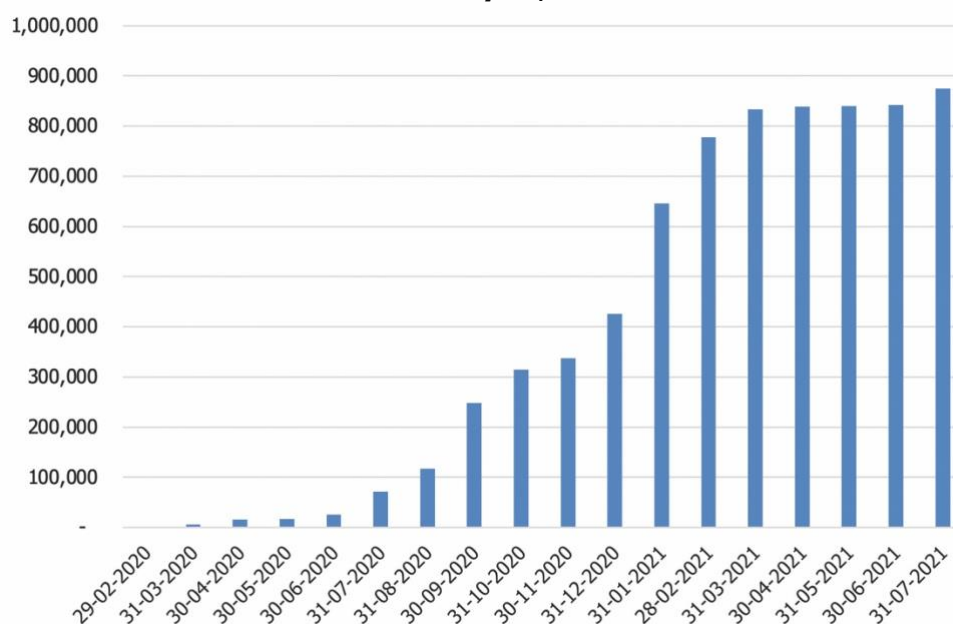


The Covid-19 infection level is characterized by waves of varying intensity. During the audit period, 833,000 infected persons (also – "confirmed cases") were diagnosed in Israel. In January 2021, at the peak of infections, some 10,000 people were added on a single day to the count of confirmed cases. In May 2020 and also between April 2021 and June 2021, the infection rate started to decline, with the daily tally of confirmed cases dropping to as low as just dozens per day. Towards the end of June 2021, there was a resurgence in infection cases, and by mid-August 2021 daily new confirmed cases reached 8,000.

Per Ministry of Health figures, as of the end of July 2021, some 874,000 persons in Israel had been infected with Covid-19, 6,478 died from the disease, and 199 infected persons were severely ill.

Figure 2 below shows the aggregate number of confirmed cases in Israel, as of July 31, 2021, according to Ministry of Health figures<sup>1</sup>:

**Figure 2: Aggregate number of confirmed cases in Israel, as of July 31, 2021**



As per figures from the Ministry of Health website, as processed by the State Comptroller's Office.

At the end of December 2020, the Ministry of Health began to vaccinate Israel's population against Covid-19. The first to be inoculated in the vaccine campaign were people aged 60 and older, people under age 60 defined as being at risk due to their health condition, medical staff and crucial role holders in the economy whose uninterrupted functioning has been shown to be vital. Subsequently, the vaccination campaign was expanded to include other age groups.

<sup>1</sup> The figures were retrieved from the Ministry of Health website on August 23, 2021.



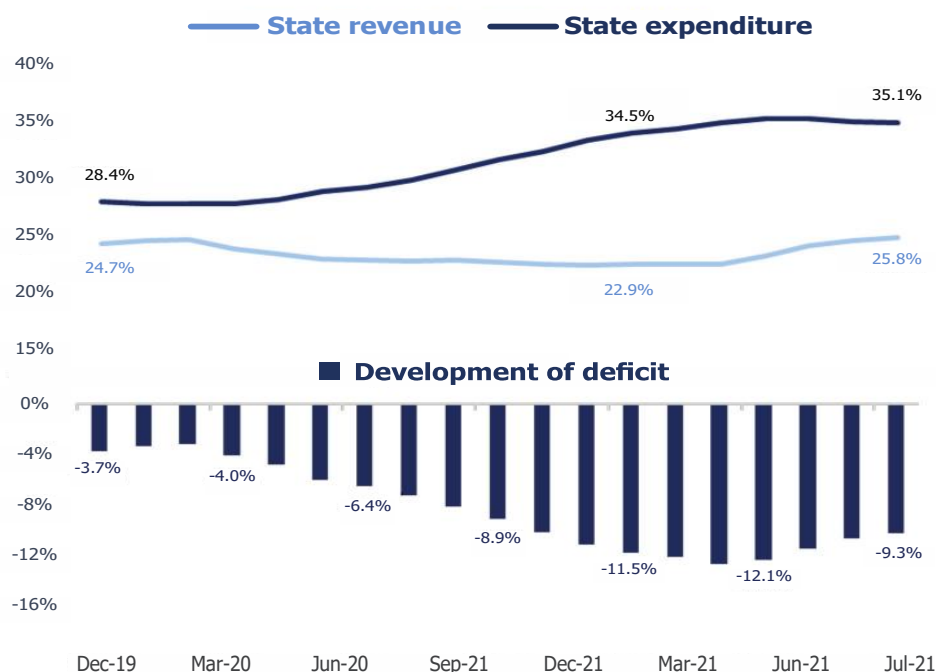
According to Ministry of Health figures, as of the end of July 2021, 5.78 million people were vaccinated with the first dose, 5.38 million were vaccinated with the second dose, and 14,000 were vaccinated with the third dose.

## Economic Impacts

Given the spreading pandemic, countries around the world laid down measures to slow the rate of its spread and help the healthcare systems deal with the large scale of severe infection. Additionally, countries worldwide initiated a wide range of aid programs for those hit by the pandemic's economic fallout. These programs focused on the payment of allowances to salaried workers and self-employed persons whose pay was affected, on the deferment and easing of mandatory payments to the tax authorities, and on increasing the liquidity of businesses and households.

As of July 2021, most countries around the world are in different stages of Covid-19 pandemic waves, and it is still too early to assess the overall loss that will be incurred to the global economy due to the pandemic, as well as the full scope of economic damage caused in each and every country.

Figure 3: **Development of deficit, expenditure and revenue as a percentage of GDP for the 12 months ended July 2021**



Source: "Initial Estimate of Budget Implementation, Government Deficit and Its Financing," Accountant General's website.



# Response of the State of Israel to the Covid-19 Pandemic

Israel has been in a continuous state of emergency since the proclamation of the Declaration of Independence in May 1948. The declaration of a state of emergency was first regulated under Section 9 of the Law and Administration Ordinance, 1948. Today, this matter is regulated under Section 39 of the Basic Law: The Government, which empowers the government to enact regulations for a state of emergency to protect the state, public security and to ensure the supply of vital goods and services. According to the Basic Law, emergency regulations expire three months after their enactment, unless extended by law. With the outbreak of the Covid-19 pandemic, starting from March 2020 until the beginning of August 2020, the government acted under emergency regulations meant to sustain a normal fabric of life amid the Covid-19 pandemic and to prevent the spreading of the pandemic. On July 23, 2020, before the expiration of the laws extending the emergency regulations, the Special Authorities to Combat the Novel Coronavirus (Temporary Provision) Law, 2020, was passed in order to replace the use made by the government of the emergency regulations. This law constitutes a "framework law" designed to grant the government explicit and defined powers by virtue of specific primary legislation, in matters regulated by emergency regulations, for continuing to deal with and prevent Covid-19, and as of now the law will remain in effect until November 30, 2021.

Following are examples of measures implemented during the Covid-19 pandemic:

- **Intermittent imposition of lockdowns and imposition of restrictions on business activity and public movement, depending on the level of infection.**
- **Development of economic aid programs for the economy on three levels:**
  - ✓ Ensuring "social subsistence" by granting of grants to self-employed persons and employees who were fired or placed on unpaid leave, and the granting of one-time grants by the National Insurance Institute.
  - ✓ Granting of grants to facilitate continued economic functioning and to prevent chain reactions that could lead to the collapse of businesses. Including grants for regular expenses.
  - ✓ Granting of employment grants and incentives aimed at encouraging employment and boosting productivity in the economy, to help the economy recover from the crisis and renew its economic growth.
- **Preparing the healthcare system to handle the population:**
  - ✓ Augmenting the manpower and equipment of hospitals and HMOs (health funds).
  - ✓ Caring for Covid-19 patients at home and at quarantine hotels, besides hospitalization.



- **Breaking the chains of transmission** by establishing timely guidelines and directives for sampling and testing for Covid-19, to identify confirmed cases, and for operating a system of epidemiological investigations to trace contacts of confirmed cases and prevent further infections.
- **Assistance for the senior population in Israel** numbering over one million people, about 12% of the general population. Among other things, the government developed the "Mothers and Fathers Shield" program, aimed at protecting the elderly and persons with disabilities residing in housing frameworks outside the home. The program also prescribes the dedicated medical response to be provided to persons infected with Covid-19 from among these populations.
- **Intermittent closure of the education system and a shift to remote learning**
  - The education system dealt with the Covid-19 pandemic through intermittent discontinuation of frontal teaching and transition to distance learning, as follows: From March 2020 to February 2021, the education system was in full operation for just 11 days; for 81 days the education system operated by distance learning mode only; and during 128 days schools operated a hybrid learning model (distant and frontal).
- **Vaccination of the population against the coronavirus.**



## Contents of the Report

The compilation of reports published in this framework includes additional reports besides the interim findings published by the State Comptroller and Ombudsman in October 2020, in the framework of "The State of Israel Response to the Covid-19 Pandemic – Special Interim Audit Report"; the compilation includes 13 chapters divided into three parts, as follows:

### **Part One – Topics at the National Level**

1. Managing Covid-19 Pandemic at the National Level – Decisions making Process and Implementation
2. Managing the Covid-19 Pandemic at the National Level – Handling of the Pandemic in Local Authorities with High Infection
3. Public Information Campaign during the Covid-19 Pandemic
4. the Covid-19 Pandemic – The ICT Perspective

### **Part Two – Economic and Budget Topics**

1. Budgeting Management during the Covid-19 Pandemic – Handling the Crisis and Preparing for the Future
2. Municipal Property Tax Discounts for Businesses during the Covid-19 Pandemic Period
3. Financial Services, Credit and Stability of Financial Institutions during the Covid-19 Pandemic

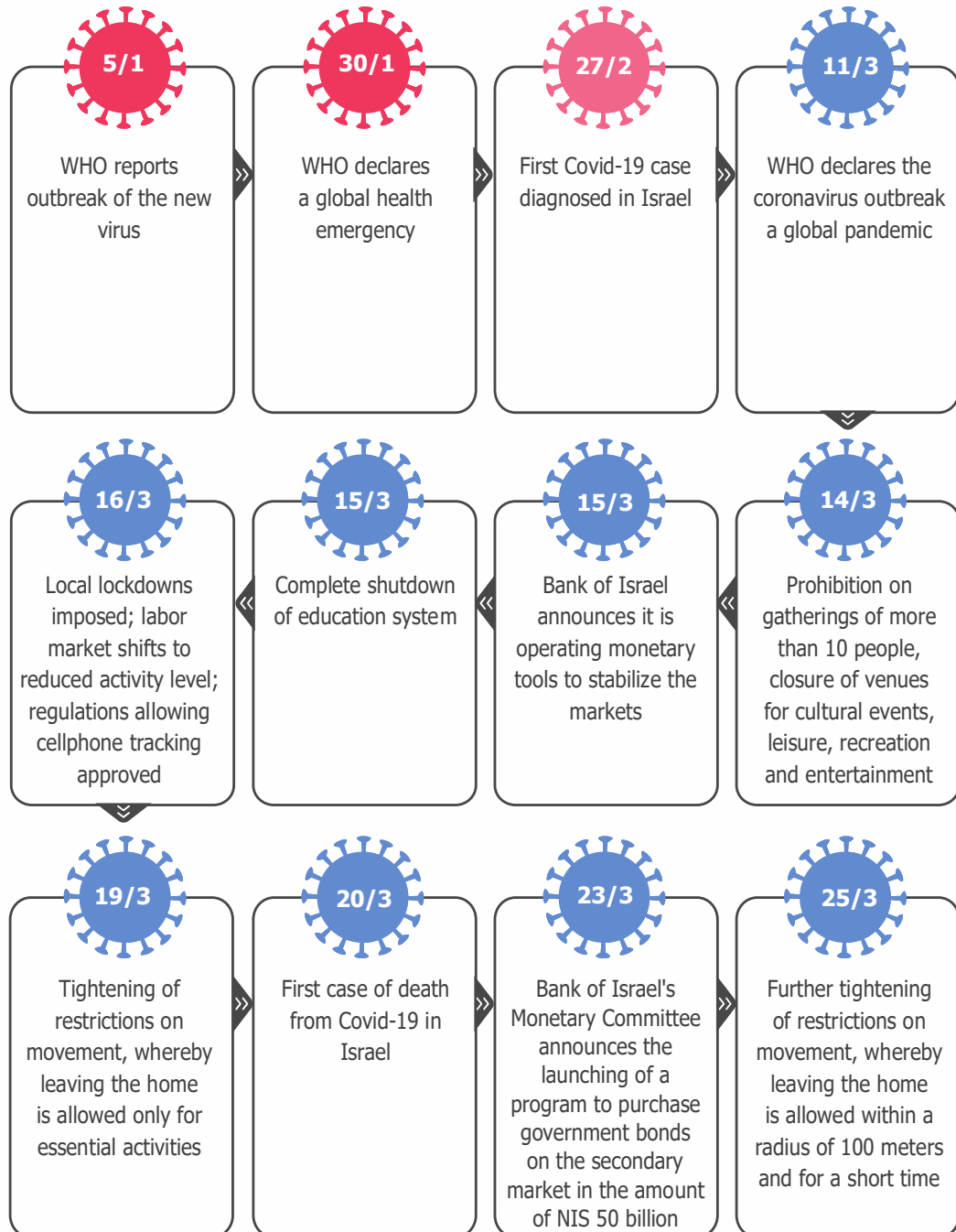
### **Part Three – Welfare, Education, Health and Employment Topics**

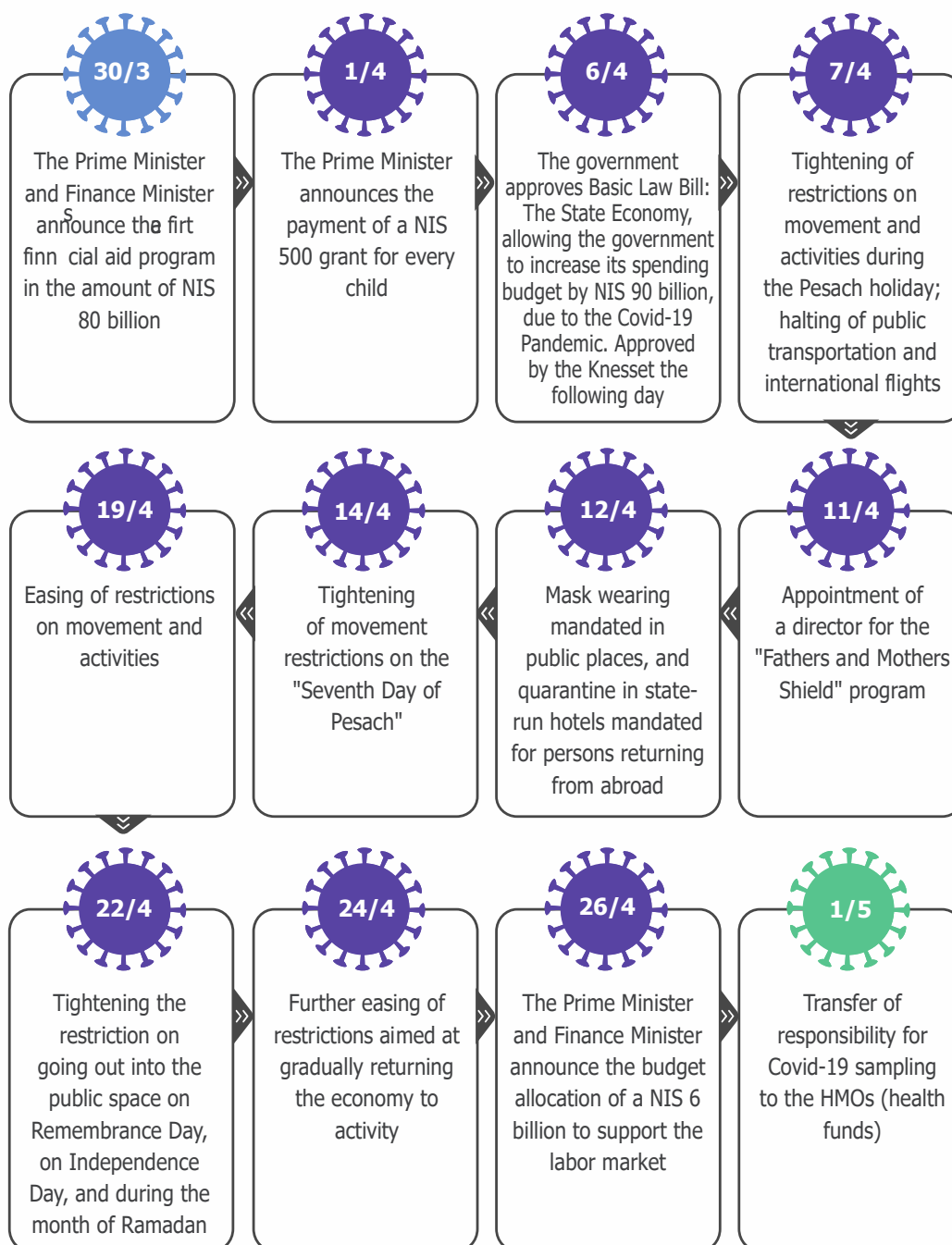
5. Government Handling of the Unemployed during the Covid-19 Pandemic
6. Caring for Senior Citizens during the Covid-19 Pandemic
7. Aspects of Regular Medical Activity during the Covid-19 Pandemic
8. Sampling and Lab Testing Setup for Diagnosing for Covid-19
9. Distance Teaching and Learning during the Covid-19 Period
10. Epidemiological Investigations to Break the Covid-19 Infection Chains

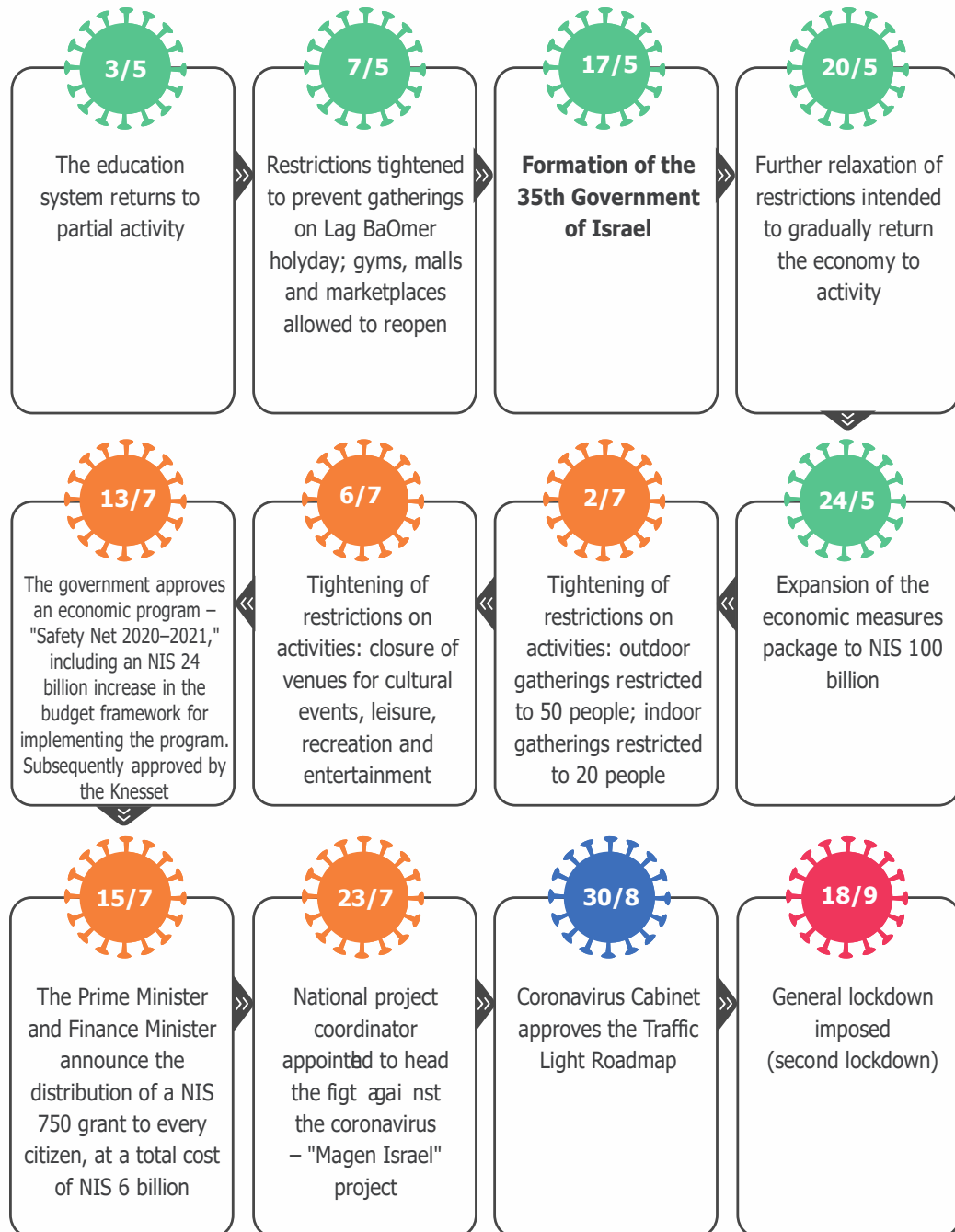


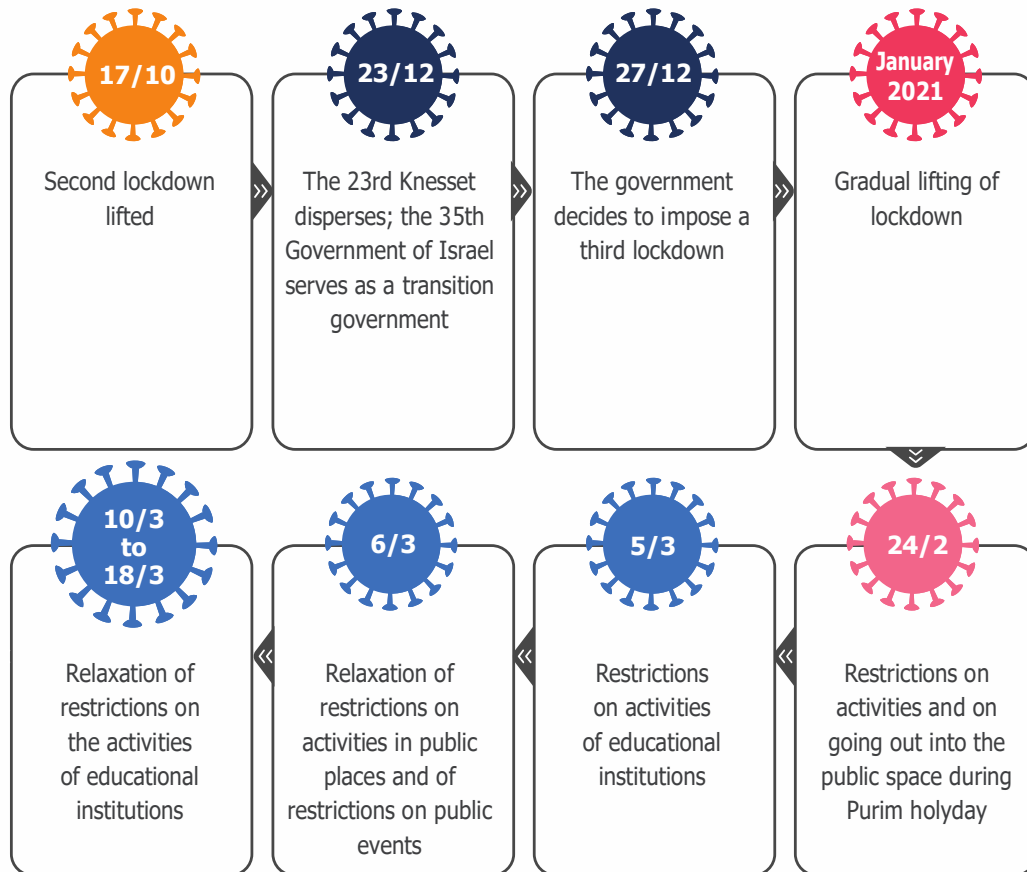


## **Timeline of Events from the Outbreak of the Covid-19 Pandemic until March 31, 2021**













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## Chapter One

# National Level Issues

