



Israel

Indicators of Regulatory Policy and Governance 2021





Overview and recent developments

Israel made significant progress in improving its regulatory policy over the last years. The Government Resolutions No. 2588 of 22 April 2017 and No. 4398 of 23 December 2018 solidified the use of regulatory impact assessment in the regulation-making process, strengthened public consultation practices and provided the basis for more efficient regulatory oversight. The focus of regulatory review, both *ex ante* and *ex post*, is still mostly on reducing regulatory burdens, although evaluation of benefits is slowly being introduced. All draft primary laws and subordinate regulations are now systematically published on a single central governmental website for public consultation.

Israel's Better Regulation Department (BRD) was established within the Prime Minister's Office in 2014. Resolution No. 4398 has modified the mandate of the BRD, which is now entrusted with overseeing RIAs as well as with implementing a programme to train regulators and legal advisors. However, there is no obligation to consult BRD before submitting legislative drafts to the government. The Ministry of Justice, in turn, oversees the legal quality of regulations and the entire legislative process within government. A network of "Better Regulation leaders" in all line ministries helps the respective ministries to implement Resolution No. 4398. These leaders also provide an important linkage between the BRD and the line ministries.

As of 2014, conducting RIA is obligatory for all primary laws and subordinate regulations initiated by the government. This obligation does not concern

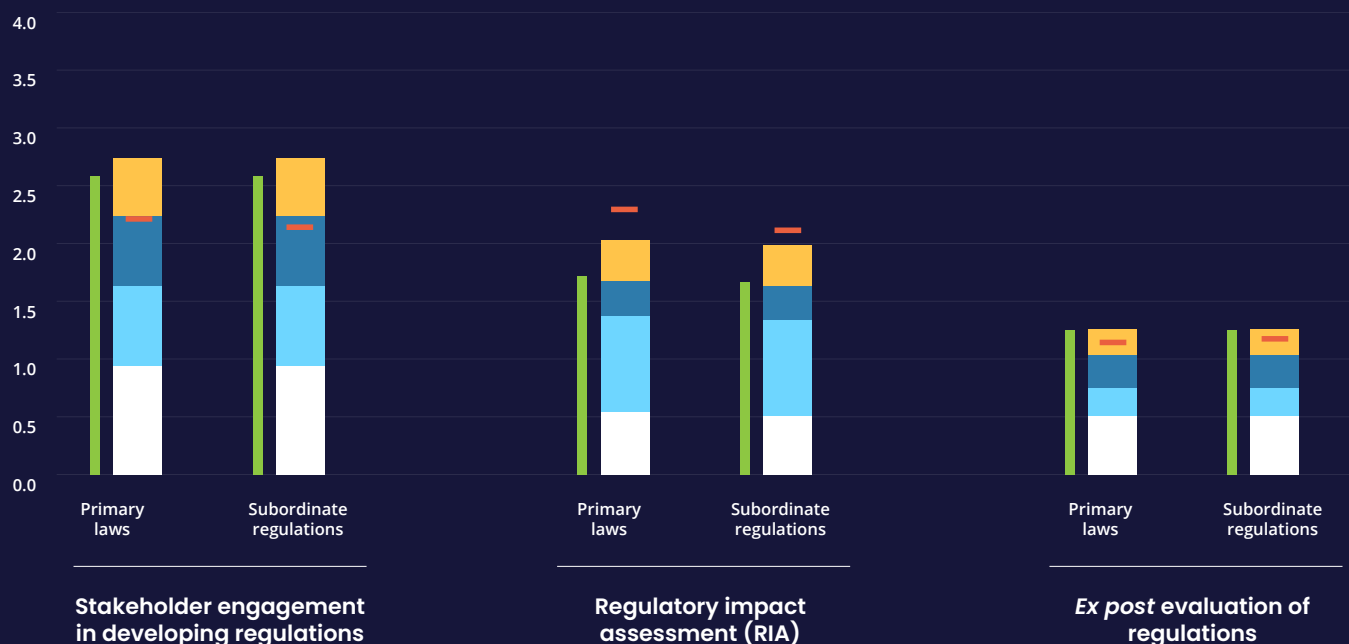
the laws initiated by members of the Knesset. In 2018, Resolution No. 4398 has altered the definition of the term "regulation" to include any binding behavioural code applying to any economic or social conduct. Despite this obligation, a significant number of ministerial orders still do not contain any impact assessment while still causing significant regulatory costs. Israel would benefit from better targeting RIA efforts in order to allocate most analytical resources where they deliver greatest added value.

Resolution No. 2118 of 22 October 2014 set an obligation for each ministry to formulate a five-year plan to reduce regulatory burdens in its area of competence. However, the measures included in the programme have not been fully implemented yet as a significant stock of existing regulations must still be treated and reviewed and the programme is perceived as less successful as originally expected.

Most of the legislative planning activities are in the hands of individual ministries, with limited inter-ministerial co-ordination. This is one of the key factors behind inflationary regulatory activity. Regulatory oversight, such as an obligatory review of all RIAs by BRD issuing publicly available opinions, should be strengthened. In addition, the training programme on regulatory management tools organised by the BRD could be extended in order to widen its outreach and to engage with a larger range of regulatory actors within government.

Indicators of Regulatory Policy and Governance (iREG): Israel, 2021

● Methodology
 ● Systematic adoption
 ● Transparency
 ● Oversight and quality control
 ■ Country total, 2018
 — OECD average, 2021



Notes: The more regulatory practices as advocated in the [OECD Recommendation on Regulatory Policy and Governance](#) a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (63% of all primary laws in Israel). Source: Indicators of Regulatory Policy and Governance Surveys 2017 and 2021, <http://oe.cd/iereg>.

Israel: Transparency throughout the policy cycle



Inform the public in advance that:

A public consultation is planned to take place	Never
Regulatory impact assessment (RIA) is due to take place	Yes
Ex post evaluations are planned to take place	Never



Consult with stakeholders on:

Draft regulations	All
Evaluations of existing regulations	All



Publish online:

Ongoing consultations*	All
Views of participants in the consultation process	Yes
RIAs	All
Evaluations of existing regulations	No



Policy makers use:

Interactive website(s) to consult with stakeholders	Yes
Website(s) for the public to make recommendations on existing regulations	Yes



Policy makers provide a public response to:

Consultation comments	No
Recommendations made in ex post evaluations	Never

* Publish on a single central government website.

Note: The data reflects Israel's practices regarding primary laws initiated by the executive.

Source: Indicators of Regulatory Policy and Governance Survey 2021, <http://oe.cd/iereg>.



THE OECD REGULATORY INDICATORS SURVEY AND THE IREG COMPOSITE INDICATORS

The data presented in the 2021 Regulatory Policy Outlook are the results of the 2014, 2017 and 2021 Indicators of Regulatory Policy and Governance (iREG) surveys.

The iREG survey investigates in detail three principles of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance: stakeholder engagement, regulatory impact assessment (RIA) and *ex post* evaluation. Three composite indicators were developed based on information collected through the surveys for these areas. Each composite indicator is composed of four equally weighted categories:

- **Systematic adoption** comprises formal requirements and how often these requirements are conducted in practice;
- **Methodology** presents information on the methods used in each area, e.g. the type of impacts assessed or how frequently different forms of consultation are used;
- **Oversight and quality control** reflects the role of oversight bodies and publicly available evaluations; and
- **Transparency** comprises information which relates to the principles of open government e.g. whether government decisions are made publicly available.

The data underlying the composite indicators reflect practices and requirements in place at the national level of government, as of 1 January 2021. The indicators for stakeholder engagement

and RIA relate to regulations initiated by the executive, while the indicator on *ex post* evaluation relates to all regulations. Whilst the indicators provide an overview of a country's regulatory policy system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform. A full score on the composite indicators does not imply full implementation of the Recommendation. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (<http://oe.cd/ireg>).

Related links:

- [Regulatory Policy Outlook 2021](#)
- [Indicators and underlying data and methodology](#)
- [2012 Recommendation of the Council on Regulatory Policy and Governance](#)
- [OECD Measuring Regulatory Performance Programme](#)
- [OECD work on regulatory policy](#)

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