

Regional Outlook 2019 ISRAEL

Regional Development Policy in Israel



General policy approach

Israel's approach to regional, urban and rural development is focused on strategic planning and programmes, as well as spatial planning. All formal planning is overseen by the Planning Administration (IPA) in the Ministry of Finance. There is a three-tiered planning system comprised of national, regional (six planning districts) and local levels. Development is guided by the National Master Plan 35 (Amendment 1), which highlights principles such as contiguous development, minimum density for residential uses, public transportation, urban regeneration and open space protection. In addition, since 2017, the IPA's activities – co-ordinated with other governmental agencies – are focused on a comprehensive strategic development plan towards 2040, which includes four main areas of activity: 1) housing (approving 2.6 million housing units by 2040, with the aim that 1.5 million units will be built); 2) employment; 3) infrastructure; and 4) open space. Special attention is paid to specific locations and to population groups, including those living in peripheral areas. In urban areas, there is an emphasis on urban renewal and densification as well as public transit infrastructure (mostly rail, light rail and metro).

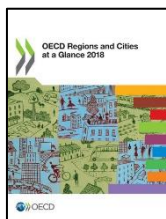
In recent years, regional development has been subject to extensive planning efforts at the local level, including comprehensive plans for rural areas, led by the IPA. A cluster programme of the Ministry of Interior's Local Government Administration allows adjacent municipalities to initiate region-wide endeavours, pool resources and promote cross-regional issues. Further inter-ministerial programmes that promote regional development (mostly led by the Prime Minister's Office) are designed for peripheral locations, minorities and specific population groups.

Recent policy changes

- Amendment 101 of 2014 to the 1965 Planning and Building Law empowering planning agencies at the local level was replaced by several additional amendments aimed mostly at improving the flexibility of plans and speeding up building processes. The preparation of local comprehensive plans in urban localities continues.
- National programmes providing rental or housing acquisition subsidies and incentives and, for publicly owned land, tender mechanisms, continue to be used to reduce housing prices.
- The mandate of the National Committee for the Promotion of Construction in Priority Housing Areas (CPHA) has been widened to include urban regeneration plans.
- The newest version of the guide for usage and allocation of public areas (published in September 2018) indicates the extent and allocation of public built areas and open areas. It has been disseminated and is applied in the approval of plans by district and local planning committees.
- An Urban Renewal Authority was established in October 2017 under the aegis of the Ministry of Construction and Housing. Its main objective is to increase the supply of housing in existing urban areas through regeneration projects – mostly urban renewal, but also using other tools such as building rehabilitation under the National Master Plan 38.

Looking for statistical information to complement this?

Take a look at our publication *Regions and Cities at a Glance*:



<https://oe.cd/pub/2n9>

- A national guide for initiating, planning, establishing and subsequently managing biosphere reserves is currently being formulated. It is intended to support local initiatives in establishing biosphere reserves by providing appropriate tools, sustainable approaches and guidelines tailored to local conditions, and by addressing both public involvement and environmental needs.
- An integrated national master plan for road and rail networks (National Master Plan 42) is currently being prepared. The goal is to produce a unified transportation system, encouraging regional economic development, an efficient land use, an integration between transportation and land use, and

Institutional arrangements to prepare for global megatrends

The Israel Planning Administration, within the Ministry of Finance, is Israel's long-term planning unit. It conducts statewide and regional planning and formulates regulation. Most notably, the unit is responsible for developing and monitoring the National Master Plan 35 and the Strategic Development Plan for Israel 2040, which is based on "regional population scenarios" prepared by the National Economic Council. Such plans contain strategic and forward-looking elements guiding future governmental development action.

The Strategy Division within the National Economic Council in the Prime Minister's Office serves as Israel's strategic foresight unit. Its main objectives are to: identify and analyse global and local trends; establish strategic goals and recommended courses of action; track the progress of implementation; and co-ordinate with and across all governmental actors, non-government organisations, academia, representatives of the public and international bodies. Some of the subsequent programmes and initiatives are regional and place-based.

Further strategic documents include: Israel Employment 2030 (a comprehensive set of recommendations regarding employment objectives for 2030); an "Industry 4.0"-based programme, to integrate advanced production technologies and infrastructure in industry and the promotion of research; the National Plan for Digital Health, which promotes a sustainable, advanced and innovative health system leveraging information and communications technologies; and the National Plan for Smart Mobility, to advance smart transportation systems and to boost Israel's auto-tech industry.

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the *OECD Regional Outlook* examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles on line: <https://oe.cd/pub/2vq>.

