

Israel

Overview and recent developments

Israel made significant progress in improving its regulatory policy since 2015. The Government Resolution No. 2118 of 22 October 2014, accompanied with stricter rules and RIA guidance in 2016, provides a solid basis for a whole-of government regulatory policy. The focus is mostly on reducing regulatory burdens, both through comprehensive reviews of the existing regulations and through *ex ante* regulatory impact assessment.

As of 2016, conducting RIA is obligatory for all legislative proposals initiated by the executive. This obligation, however, does not concern the over 40% of laws initiated by members of the Knesset. The 2014 Resolution and the guidance issued determine some key analytical steps that a RIA should entail and prescribes forms of stakeholder engagement in the execution of a RIA. Israel would benefit from targeting the RIA efforts in order to allocate most analytical resources where they deliver greatest added value.

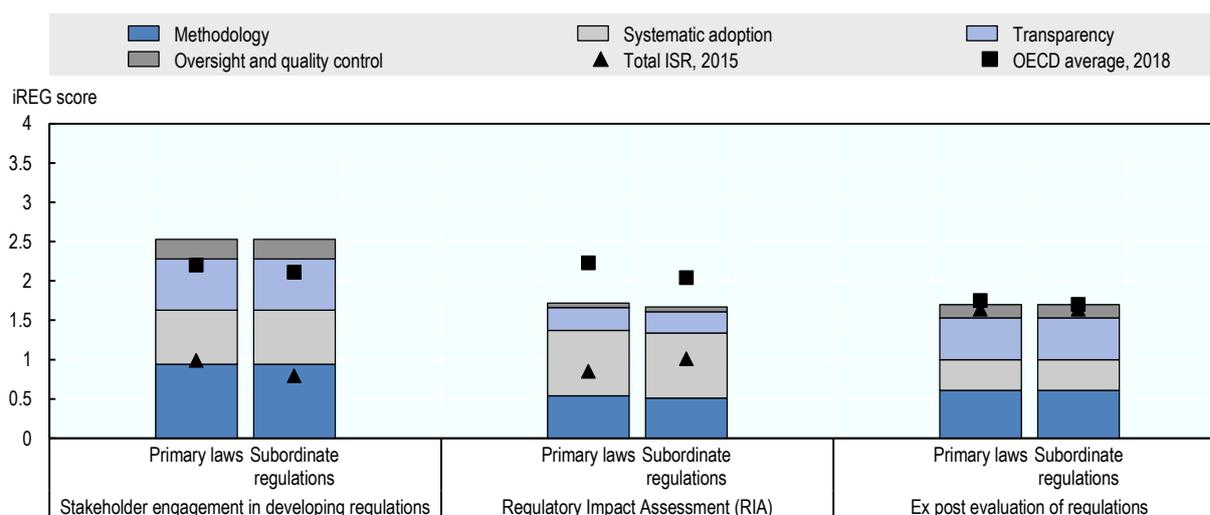
The 2014 Resolution also sets an obligation for each ministry to formulate a five-year plan to reduce regulatory burdens in its area of competence. However, the programme examines burdens far in excess of compliance costs — it also considers other factors such as organisational and process aspects, quality of service, time and market saving. The programme has helped reduce regulatory burdens by 2.67 billion NIS in annual direct costs and saved over 40 million ‘waiting’ days.

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. The Government is working on reforming the planning system. The Better Regulation Department’s role in regulatory oversight, such as issuing substantive opinions on RIAs on the basis of transparent criteria, should be strengthened.

Institutional setup for regulatory oversight

The **Better Regulation Department (BRD)** was established as part of the Prime Minister’s Office in 2016. It has been entrusted with some relatively soft powers of co-ordination of regulatory policy including the development of guidance. There is no single entity charged with screening and commenting on the quality of RIAs and non-compliance with RIA requirements is not sanctioned. A network of “Better Regulation Leaders” in all line ministries has also been created, to help the respective ministries to implement the 2118 Resolution. These Leaders also provide an important linkage between the BRD and the line ministries. The **Ministry of Justice** oversees the legal quality of regulations and the entire legislative process in the government.

Indicators of Regulatory Policy and Governance (iREG): Israel, 2018



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 (53% of all primary laws in Israel).

Source: Indicators of Regulatory Policy and Governance Surveys 2014 and 2017, <http://oe.cd/ireg>.

StatLink <https://doi.org/10.1787/888933815794>

Location of regulatory oversight functions: Israel

Regulatory oversight functions		Centre of government	Ministry of Finance, Economy or Treasury	Ministry of Justice	Other ministries	Non-departmental body	Parliament	Office of the Attorney General	Supreme audit institution	Part of the judiciary
Quality control of...	RIA	●		●						
	Stakeholder engagement	●								
	Ex post evaluation	●								
Identifying policy areas where regulation can be made more effective		●								
Systematic improvement of regulatory policy		●								
Co-ordination of regulatory policy		●		●						
Guidance, advice and support		●								
Scrutiny of legal quality				●						

Notes: ● indicates that a given regulatory oversight function is covered by at least one body in a particular location. Data present the situation as of 31 December 2017 and do not reflect changes that may have taken place in 2018.

Source: Survey questions on regulatory oversight bodies, Indicators of Regulatory Policy and Governance Survey 2017, <http://oe.cd/ireg>.