



STATE OF ISRAEL  
MINISTRY OF FINANCE

SPOKESPERSON'S OFFICE

INTERNATIONAL AFFAIRS  
DEPARTMENT

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**Press Release**

**The Cabinet Approved Today Israel's Membership in the OECD**

**The agreement for Israel to join the OECD, which includes Israel's commitment to the rules and decisions of the organization, was approved**

**Prior to conclusion of the process for joining the OECD, the Ministry of Finance is publishing a book in Hebrew, detailing the spheres of activity in Israel that will be affected by its membership in the organization**



[Click here for Israel in the OECD \(Hebrew\)](#)

Today the government approved the proposal by the minister of finance and the minister of foreign affairs regarding the State of Israel's membership in the Organization for Economic Cooperation and Development – the OECD. This decision includes approval of the membership agreement for joining the organization, which was signed in Paris on June 29, 2010, and contains Israel's commitments to the OECD and its consent to the codes, rules and decisions, undertaken by the organization since its establishment. This concludes Israel's process of joining the OECD.

The government has also decided to continue the activities of the steering committee, headed by the Ministry of Finance and the Ministry of Foreign Affairs, with the participation of other relevant government ministries, which will work in collaboration with the Ministry of Finance Budget Department to complete the commitments arising from Israel's membership in the OECD. The team will serve as a forum for consultation, updating and coordination in everything pertaining to Israel's ongoing activities in the OECD, and formulation of policy on general matters that are part of the work conducted with the organization's headquarters.

Minister of Finance **Dr. Yuval Steinitz** noted that "Israel's joining the OECD as a regular member is a badge of honor for the Israeli economy and fills us with pride. However, it is important to remember that we are just starting out. Israel will be required to continue to prove the soundness and stability of its economy and, as of today, to meet the mandatory standards and rules of the OECD."



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On the occasion of completion of the process for joining the organization, the International Affairs Department in the Ministry of Finance is publishing a book in Hebrew, summarizing Israel's process of joining the OECD, called "[Israel in the OECD](#)," edited by **Dr. Nelly Munin**, former Minister of Economic Affairs in Israel's mission to the European Union, and **Mr. Mark Luban**, Director of International Organizations in the International Affairs Department at the Ministry of Finance.

The book focuses on the major fields and government activities that are affected by Israel's membership in the OECD, provides details on these fields and activities and describes the way in which they will be impacted by the OECD membership.

**The first part** of the book describes the structure of the OECD and its operations both internal and external (vis-à-vis other international organizations). The book also presents the system of legal instruments developed by the organization to encourage the global trade environment and, concomitantly, to prevent its abuse (for the purposes of bribes, money laundering, tax evasion, and so forth).

**The second part** of the book opens with a presentation of the historical background of Israel's membership in the organization and a description of the main criteria that helped in the selection of Israel as a candidate for membership in the OECD. The book also contains in-depth reviews describing various aspects of OECD operations and their impact on Israel in the following fields:

- **Education** – Details of the activities conducted by Israel in the framework of the OECD education administration, with emphasis on the Program for International Student Assessment (PISA), the results of applying the exams in Israel and the process of evaluation conducted by the Ministry of Education. The chapter addresses the annual report which details the various indices in the field of education – Education at a Glance. The matter is handled by the National Authority for Measurement and Evaluation in Education at the Ministry of Education.
- **Financial Education** – Improving the education and financial awareness of the public – both youths and adults – as the basis for educated decision making in maintaining a personal budget. This issue is handled by the Capital Market, Insurance and Savings Department at the Ministry of Finance.
- **Restraint of trade** – The OECD conducts extensive activities in the field of antitrust law in order to prevent the takeover of markets by monopolies and



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cartels, which prevents competition. This matter is handled by the Israel Antitrust Authority.

- **Environmental quality** – The OECD ascribes pivotal importance to utilizing environmental considerations as the basis of business activity. Israel, through the Ministry of Environmental Protection, is committed to adopting the detailed and comprehensive environmental criteria established by the OECD.
- **The fight against bribery in international transactions** – The OECD has placed itself at the forefront of the battle against corruption, with emphasis on bribery in international transactions. The organization's fight against the problem is reflected in the OECD convention on the fight against bribery of foreign civil servants in international transactions, which requires that the signatory countries, among them Israel, make the proposal or provision of a bribe to a foreign civil servant into a criminal offense. This matter is handled by the Department for International Agreements and International Litigation at the Ministry of Justice.
- **International taxation** – The OECD stands behind the most widespread model for formulating treaties to prevent dual taxation, and behind a series of instruments designed to prevent the abuse of the international aspect of a transaction as a basis for evading taxes. The State Revenue Administration at the Ministry of Finance, which determines Israel's taxation policy, will handle the implementation of these rules.
- **Foreign investments** – International investments are extremely important to the world economy and make a significant contribution to the development of the countries. The Foreign Trade Administration at the Ministry of Industry, Trade and Labor is in charge of implementing this aspect of Israel's membership in the organization and will operate, *inter alia*, through a national contact point to which the public can submit complaints about violations of OECD provisions in this matter.



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